

Insurance, legal and regulatory

IF1 2015 edition

Web update 01: 11 September 2015

Please note the following update to your copy of the 2015 edition of the **IF1: Insurance, legal and regulatory** study text:

Chapter 10, section F, pages 10/11–10/12

Please delete the text:

Compulsory insurance	Compulsory insurance, such as third-party motor insurance, is covered in full. This applies to all policyholders and is not restricted to those who are consumers and small businesses. Consequently, it includes, in the UK, all employer's liability claims (up to the legally required £5 million limit of indemnity).
Non-compulsory insurance	For non-compulsory insurance, such as home insurance, 90% of a claim or unused premiums is protected.
Long-term insurance	For long-term insurance, such as pension plans and life assurance, the Scheme covers payment of up to 90% of the value of a policy in liquidation.
Insurance mediation activities	Exactly the same limits apply as above, depending on whether the insurance is compulsory or not.

and replace with the following text:

The amount of compensation a policyholder can receive depends on the type of policy:

- Protection is **100%** for:
 - **compulsory insurance (third party motor and employers liability);**
 - **professional indemnity insurance;**
 - **long-term insurance (e.g. pensions and life assurance);** and
 - certain claims for injury, sickness or infirmity of the policyholder.
- Protection is **90%** of the claim with no upper limit for **other types** of policy, including **general insurance advice and arranging.**