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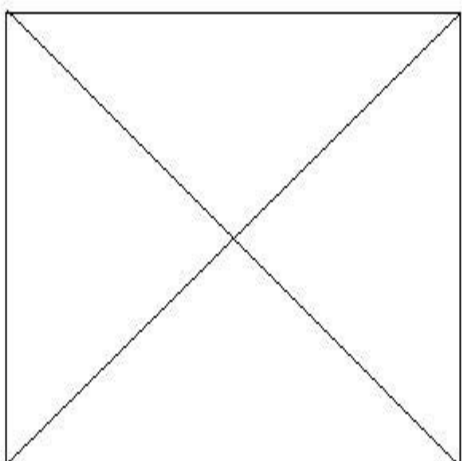
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News

AXA provides PI discount

Justin Lim

AXA Australia is providing professional indemnity insurance to its licensed advisers at 50 per cent cheaper than market rate, as part of its plan to attract new advisers with its major business strategy overhaul launched last week.



The offer cuts the annual professional indemnity insurance premium to \$225 plus 0.375 per cent of the adviser's income. Advisers will be covered for \$15 million in claims access with an excess premium of \$5,000.

According to AXA national manager financial advice network Paul Robertson, the low PI rates offered are a testament to the strength of AXA's compliance regime.



Paul Robertson

"The cost of professional indemnity premiums is a key issue in our industry. Our insurers recognise that if our advisers achieve an above industry benchmark, they automatically receive a substantial discount on their PI product," Robertson said.

Advisers will then receive a further 10 per cent discount from the insurer if they become a Certified Quality Advice Program (CQAP).

"This is a rigorous and prestigious program that more of our advisers are seeking. It means something when a client can walk into an adviser's office and see that their planner has CQAP certification," he said.

"It's called providing behavioural rewards. We reward certain practices within our network to achieve above industry benchmarks on education and compliance. For example, attaining a CFP is involved."

According to Williams, the PI insurance offer is just one example of how AXA's newly implemented series of business initiatives launched last week, will serve to not only attract new advisers, but build on its existing businesses.

The changes took 12 months of planning and are part of a three-year project "geared towards improving the licensee offering across different parts of their businesses".

The initiative will focus on three main areas, including business strategy, business operations, and quality of advice.

According to Robertson, the changes have already lead to three adviser practices, totalling 18 advisers, joining AXA.

"This is the biggest ever change to our offering and is all about quality advisers, providing quality advice. We get those two things right, which helps us build a sustainable future," Robertson said.

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