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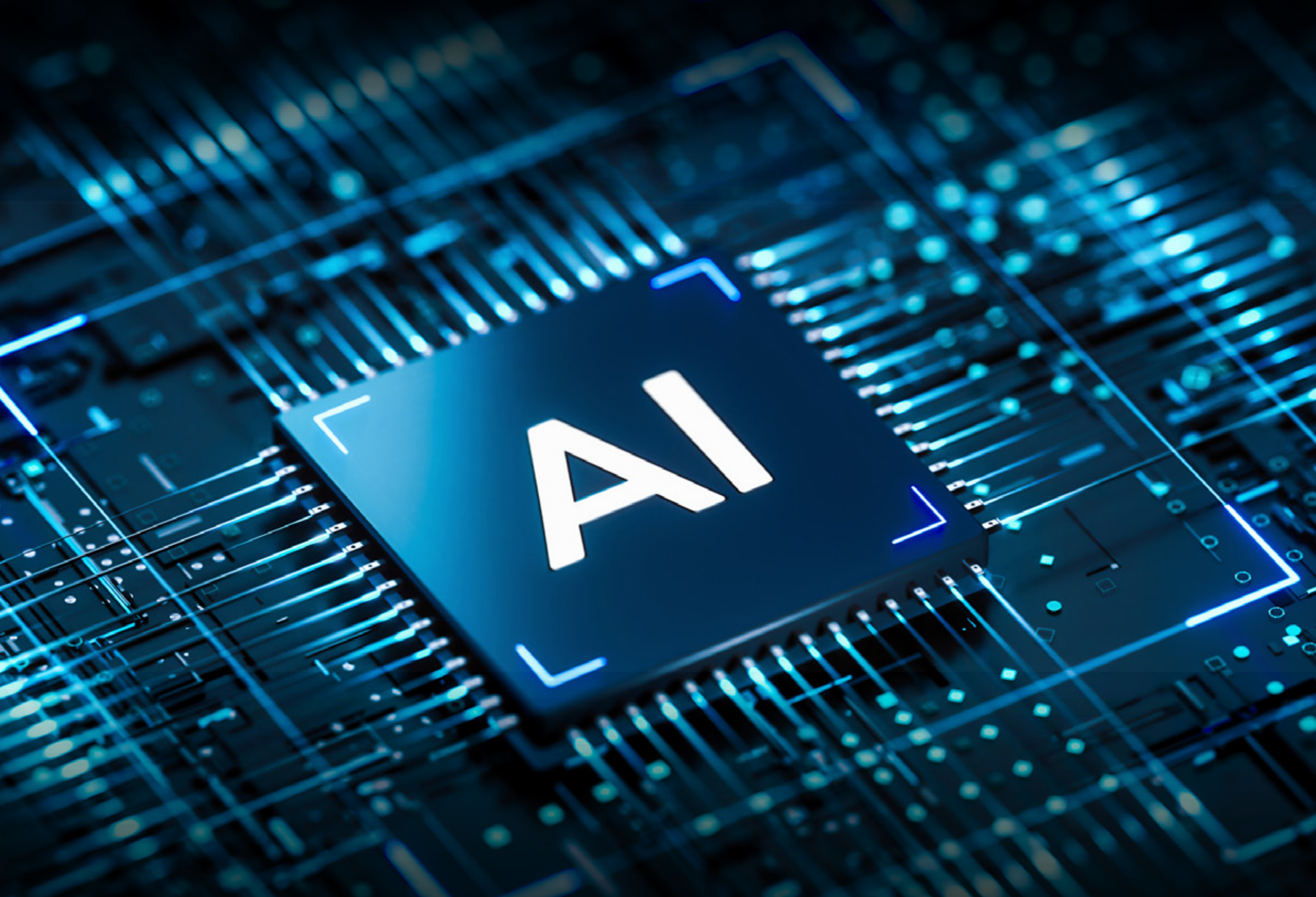

Insurance purchasing in the age of AI

AI is reshaping risk – your checklist to ensure your insurance programme is AI-proofed

AI is no longer a future risk - it is already embedded across business operations, from customer interactions to financial decision-making. For Risk Managers, this presents a critical challenge: AI doesn't create entirely new risks, it amplifies and reshapes existing exposures across Cyber, Crime, Directors & Officers (D&O) and Liability.

The result? Faster incidents, larger loss events, more complex claims and growing uncertainty over which policy responds. Many organisations are unknowingly carrying 'silent AI risk' - where coverage gaps, exclusions or ambiguous wording could materially affect claims outcomes.

As renewal approaches, the key is not just awareness but asking the right questions.

Key questions to ask your insurance broker

Programme structure and 'silent AI' exposure

- [ ] Where are our largest AI-driven losses most likely to sit - Cyber, Crime, D&O, Employment Practices Liability (EPL), Tech Errors & Omissions (E&O), Media or General Liability?
- [ ] Do any policies contain AI, algorithm or model-related exclusions and what is their real impact?
- [ ] Are there sub-limits that could materially restrict AI-shaped claims (e.g. social engineering, privacy, media/IP, tech errors)?

Cyber and technology risk

- [ ] Does our cyber policy treat AI-driven incidents (prompt leakage, chatbot breaches) as covered privacy events and what wording supports this?
- [ ] Are risks from employee use of third-party AI tools covered?
- [ ] Is AI vendor outage included in business interruption or dependent business interruption coverage?

Crime and fraud

- [ ] Do 'fraudulent instruction' clauses explicitly include deepfake voice or video impersonation?
- [ ] Could exclusions (e.g. authorised instruction, authentication failures) invalidate deepfake claims?
- [ ] What controls are the insurers expecting and will they become binding requirements?

D&O and governance

- [ ] Are pre-claim regulatory investigations linked to AI governance covered in the D&O policy?
- [ ] What level of board oversight and governance evidence improves underwriting outcomes?
- [ ] How is the insurer approaching 'AI washing' and disclosure-related risks?

Liability, E&O and Media

- [ ] Which policy responds if AI outputs cause customer loss - Tech E&O, Professional Indemnity or General Liability?
- [ ] Are there hidden gaps between policies?
- [ ] How are AI-related IP claims treated and are defence costs fully covered?
- [ ] Do exclusions for automated decision-making apply even when AI is only part of the cause?

Preparing for the whatever next

AI-driven incidents are already triggering multi-policy claims and disputes over coverage interpretation. Without proactive review, organisations risk discovering gaps only at the point of loss; when it's too late to correct them.

At your next renewal meeting you can use this checklist as a practical framework in renewal discussions with your broker.

Challenge assumptions, test your coverage and eliminate ambiguity - because in today's risk landscape, clarity is your most valuable protection.

Get big expertise, no matter your client's size or direction - click here for more information on how AI impacts business risk