

# Emerging Risks & Casualty Outlook 26/27



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# Member Education Session

Emerging Risks & Casualty Outlook 26/27

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Richard Head, HeadSure

25 March 2026



# Agenda



- Claims Trends
- Emerging Risks
- Casualty Outlook 26/27
- AI



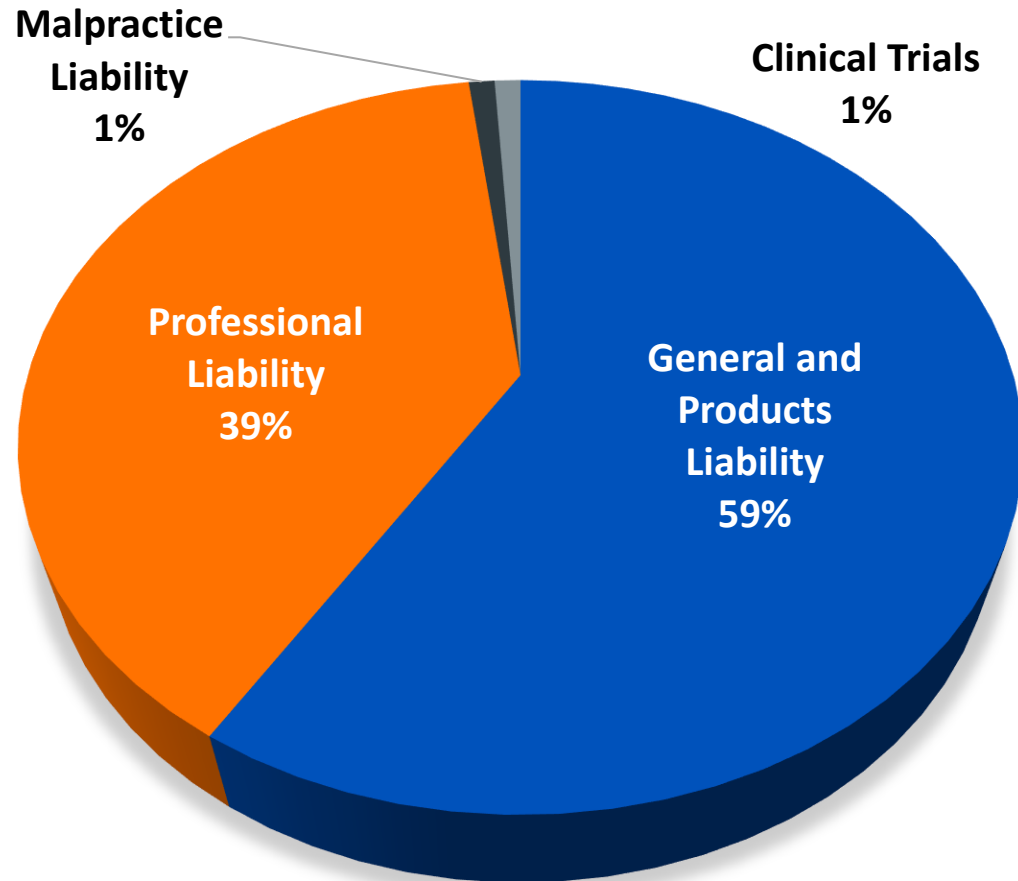


# Claims Trends

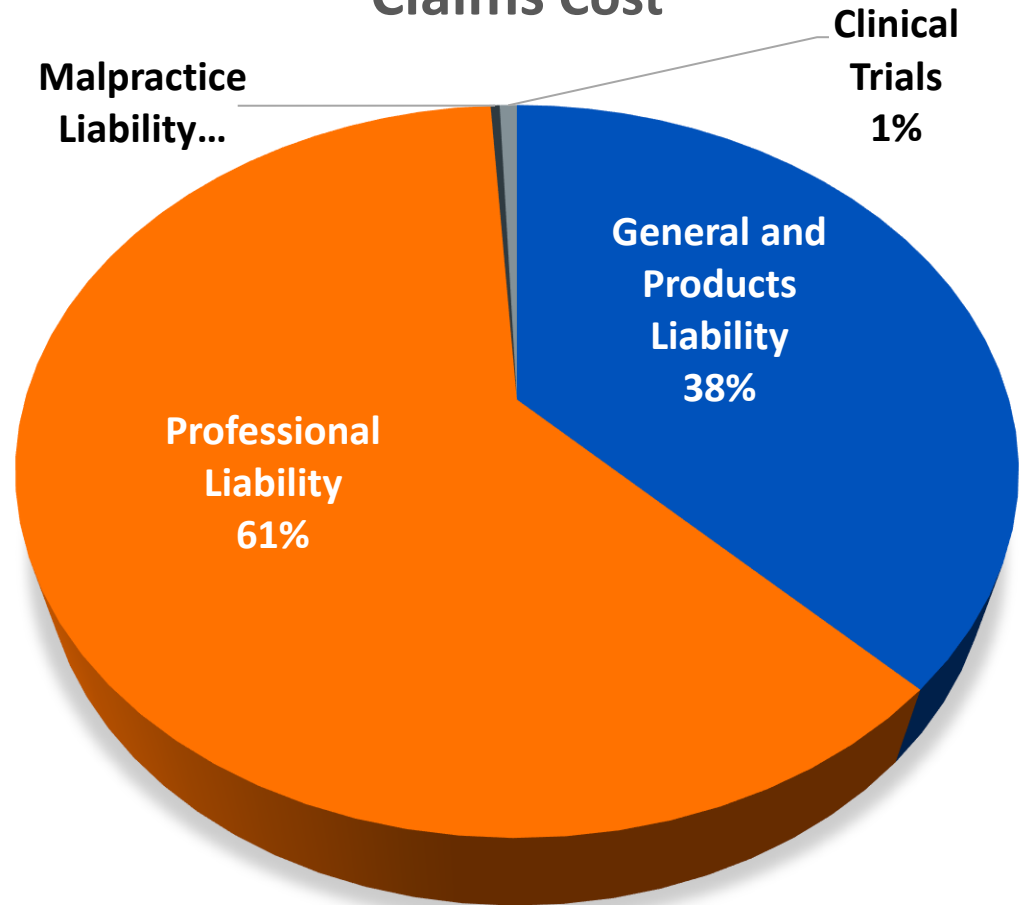
# Claims Trends Casualty 2015 - 2016 to 2024 - 2025



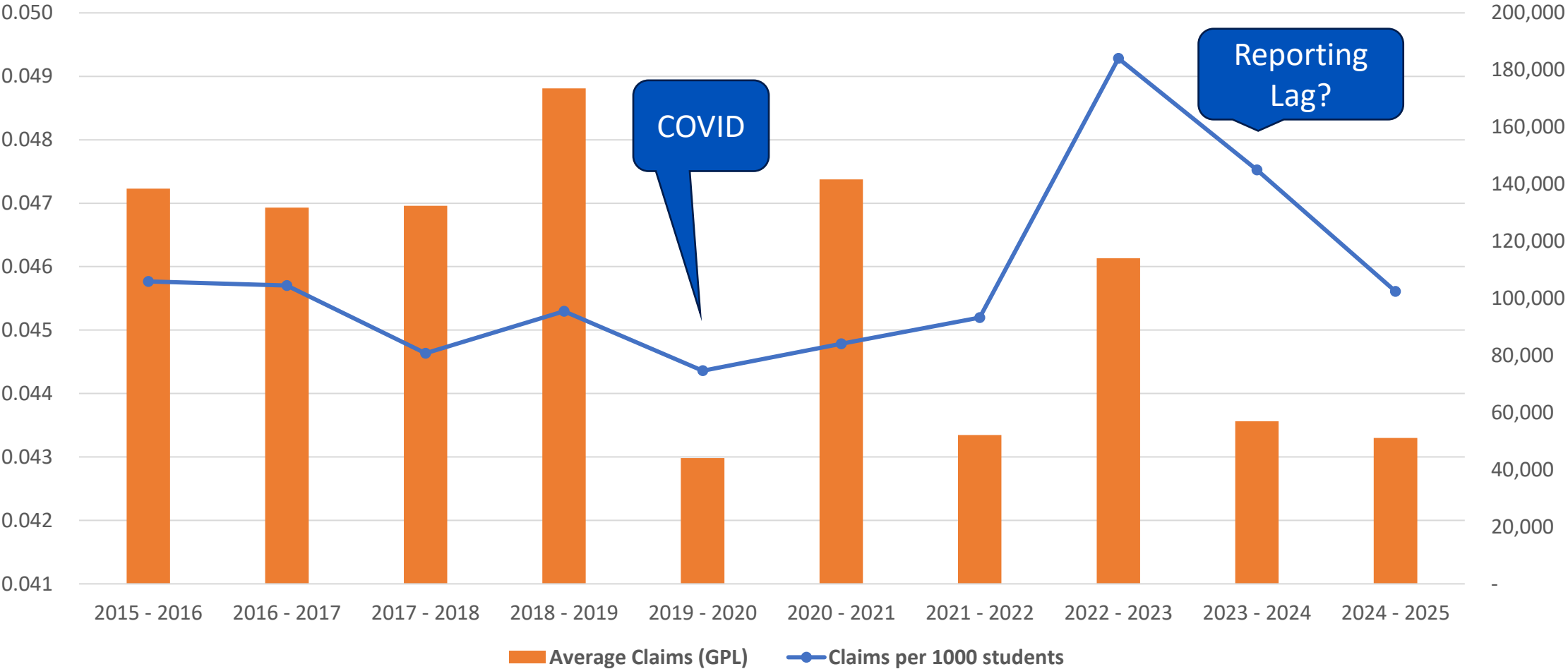
## Number of Claims



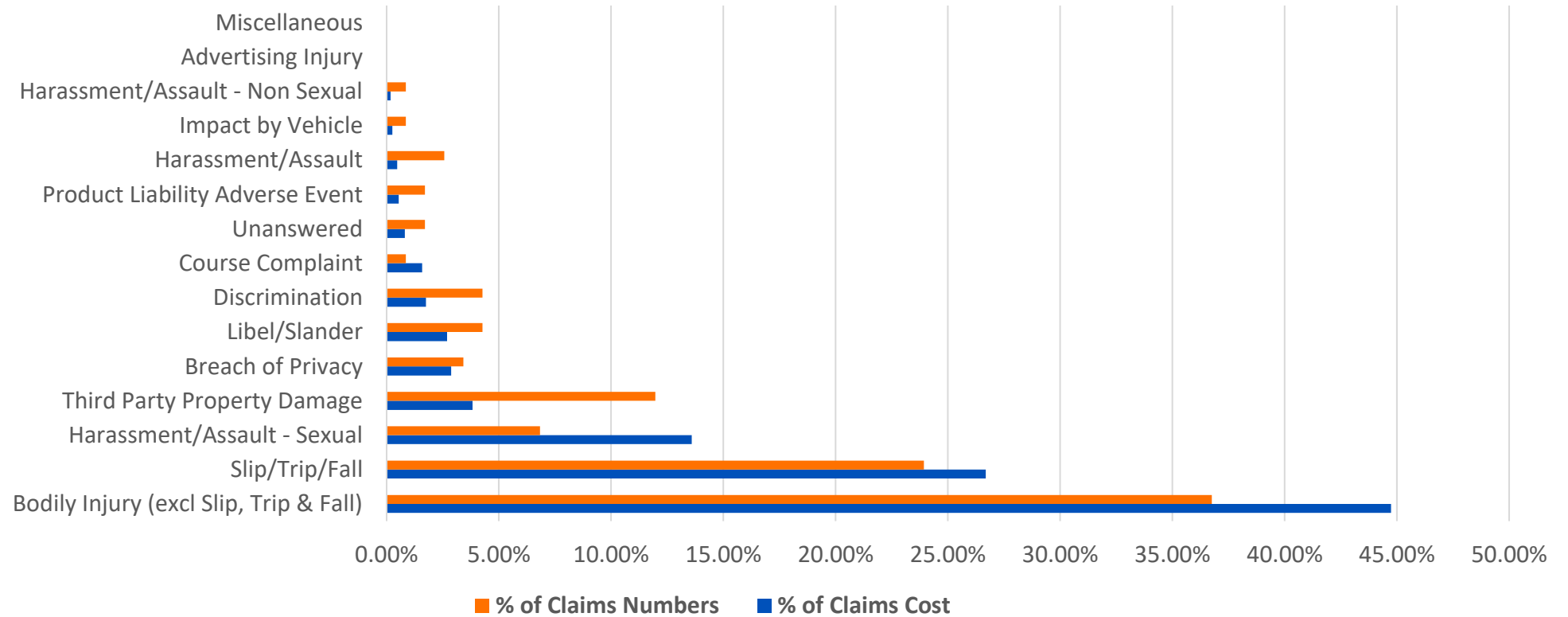
## Claims Cost



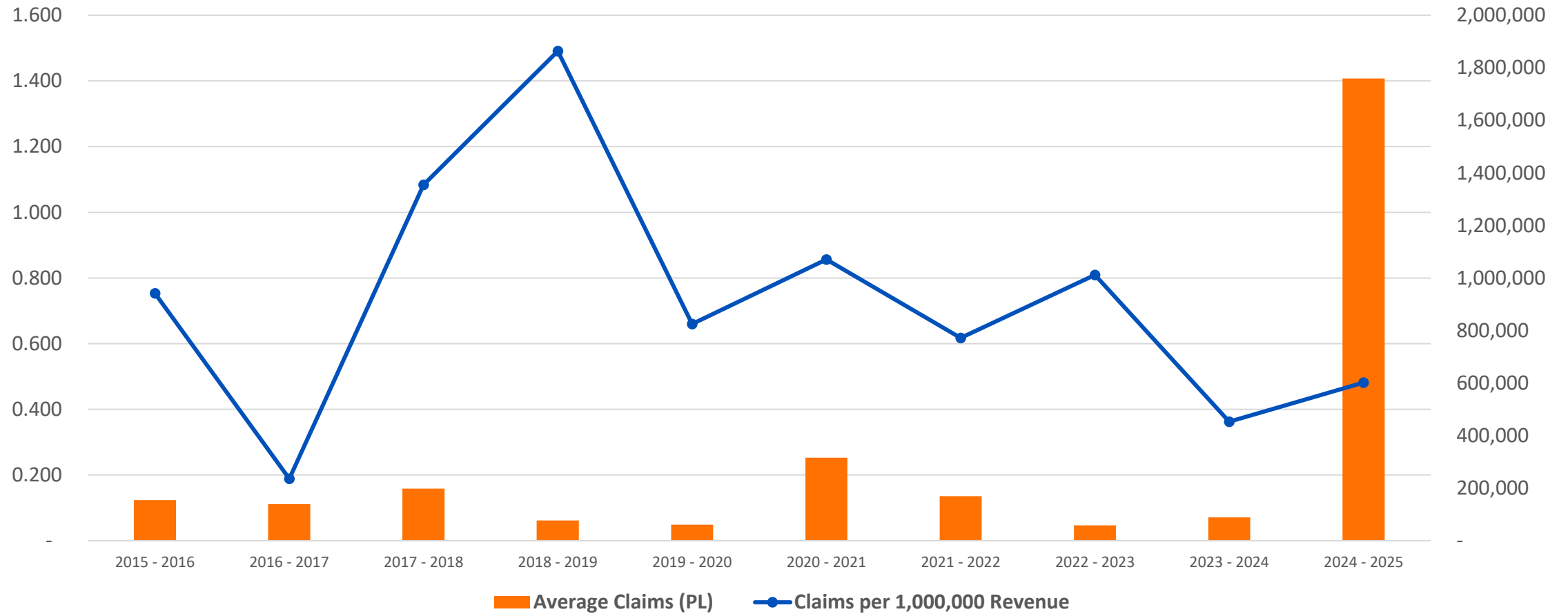
# General Liability Claims (Universities)



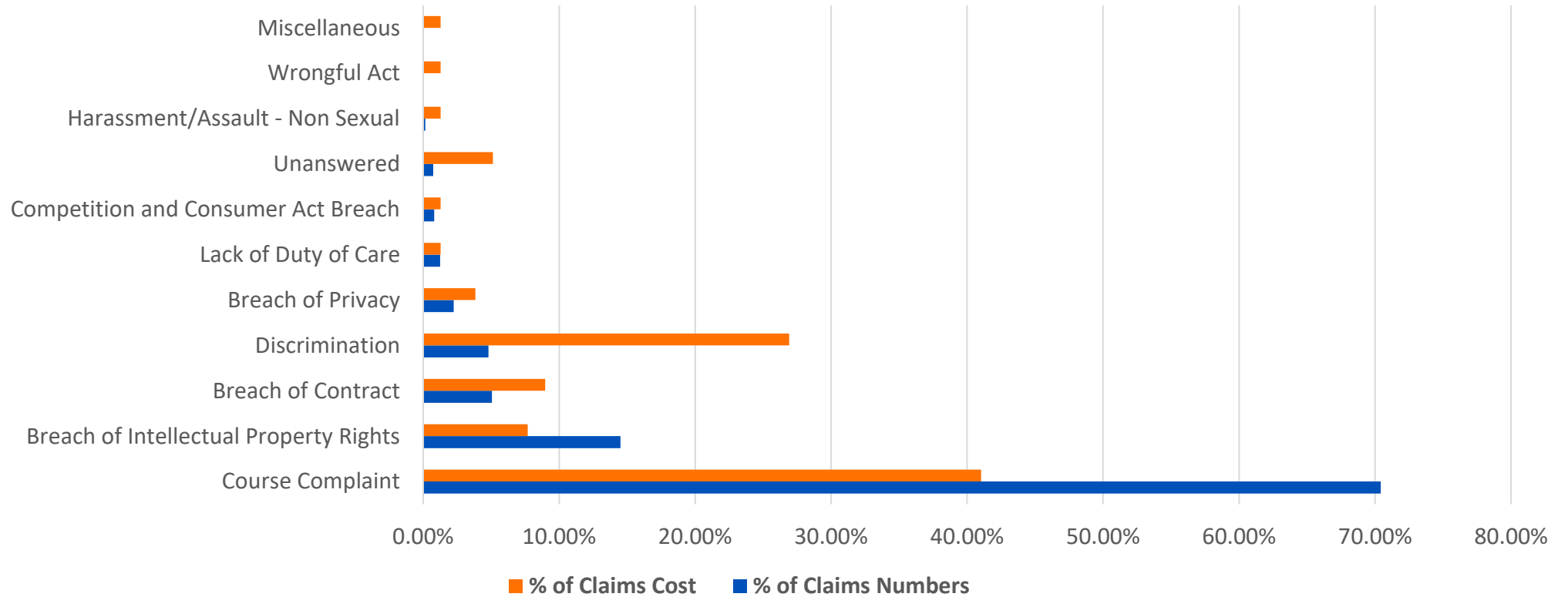
# General Liability Claims by Incident Type



# Professional Liability Claims (Universities)



# Professional Liability Claims by incident type





# Emerging Risks

# Course Complaints



- Increase in legal action taken by students regarding educational standards, teacher performance and the duty of care owed to students.
- If an educational institution does not satisfactorily deal with student grievances, students can escalate the matter to external institutions such as the Tertiary Education Quality and Standards Agency or the Australian Competition and Consumer Commission.
- Educational Institutions are liable to ensure that their courses meet the standards they advertise and that students receive the promised education. Each State and Territory has its own legislation that outlines the responsibilities in this regard.

## Legal Courses of Action

### Duty of care cases

- Failure to provide adequate supervision or instruction resulting in harm to students.
- Failure to provide a safe learning environment or adequate educational resources.
- Inadequate teaching program affecting student academic outcomes.

### Disability Discrimination

- Failure to accommodate students with disabilities or special needs resulting in negative outcomes such as failure to provide necessary resources, support or modifications to the curriculum.



## Common Types of Complaints

### Complaints to Regulatory Bodies

- Complaints by students regarding teacher performance including inadequate teaching methods.
- Regulatory bodies may investigate educational institutions for systemic failures in teaching practices.

### Educational Standards

- Claims against Institutions for consistently underperforming according to state or national educational standards.

### Misleading or Deceptive Conduct

- Falsely advertising effectiveness of teaching methods or outcomes. Example where an Institution promises specific job outcomes or qualifications that are not delivered.
- Promotional materials that misrepresent the services provided can lead to breaches of the Fair Trading Act.

### Breach of Contract

- Legal action may arise where an Educational Institution fails to provide the course or content as outline in their enrolment agreements. If a student has paid for a course that is not delivered or significantly altered from what was promised this may constitute grounds for a breach of contract claim.

# Class Actions

- These occur nationally/internationally where a large group of individuals have been affected by inadequate educational practices or consumer right violations in the education sector. Examples include failure of Educational providers to deliver promised training or qualifications. Compensation sought can include reimbursement of tuition fees and loss of future income for delay in obtaining qualifications.
- In Australia we have had our first class action against two universities for failing to accredit their degrees. Students allege they have incurred costs for courses that leave them unable to pursue their vocations in health and engineering as their qualifications were not recognised. The cause of action is for misleading and deceptive conduct resulting in missed opportunities.
- Class actions are funded by external litigation funders that take a percentage of any settlement or judgement should the claim be successful.
- A third Australian University has also been sued (and settled) for operating an unaccredited financial advice course.

## Key Educational Focus Areas for 2026

- ESG and Environmental Law: Increased focus on climate related litigation and environmental class actions.
- Cybersecurity and Data Privacy: Growing litigation over data leaks.



# Sexual Harassment/Assault



- National data indicates 1 in 5 students have experienced sexual harassment in university settings. However studies also highlight significant underreporting rates and poor student satisfaction with university complaint handling. This does not constitute a significant problem for Unimutual in terms of number of claims however it is noted the quantum of such claims is certainly on the rise.
- Difficulty with such claims is sometimes they arise from an inappropriate relationship between the teacher and student and therefore it is difficult to determine whether it is an isolated claim or there could possibly be numerous complainants.
- Recent Australian High Court Case (2026) established that the Catholic Church can be held directly liable for child sexual abuse by priests under a “non-delegable duty of care to protect vulnerable children in their care” covering intentional criminal acts. While courts previously found priests were not formal employees, new rulings allow victims to argue the diocese had a duty to supervise clergy, opening a path for compensation not only in religious institutions but all sexual abuse cases.
- States and territories are now in the process (ACT has and Victoria to follow) of passing legislation to make organisations including educational institutions vicariously liable for abuse by those persons “akin to employment”. This includes volunteers.



# Casualty Outlook

# Casualty Outlook



- Legal Costs Extension
- Crisis Response Protection
- GPL Contractual Liability Extension
- Home Birthing Exclusion
- Affirmative Cyber Language

# Legal Costs extension



- Provides reimbursement for reasonable and necessary legal costs
- Applies to legal proceedings or disputes involving Unimutual or any Members
- Covers matters within the Territorial Limits and tied to Business Despeciation activates
- Works even if no other section of the contract is triggered and operates independently of the Ultimate Net Loss definition
- Coverage does not require an indemnifiable loss under another section
- Limit AUD1M and has a AUD25K retention per matter (specific to this extension only)



# Crisis Response Protection



- Cover for Crisis Management Services covering a range of incidents
- People related risks: Foodborne Illness, Major Accident, Murder, Radicalisation, Student Fatality, Suspicious Death, Violent Crime
- Political Violence Risks: Active Assailant Event, Civil Commotion, Malicious Damage, Riot, Strike, Terrorism
- Will be provided to members who buy a GPL protection through us and offered as a standard cover akin to Active Assailant under the Property protection
- \$250K limit
- Once triggered members are given direct access into security management team S-RM who will deploy the necessary services to help manage the crisis

# Contractual Liability Extension



- Extends the GPL section to protect contractual liabilities that a Member takes on under a written contract or agreement.
- Any claim under this extension uses the same limits, deductibles and conditions as the General Liability section
- The contract creating the liability must have been entered into in the ordinary course of the Member's business and not something unusual or outside standard activities

# Homebirthing Exclusion



## High-level View

- Homebirths have more than doubled nationally
- While Australia has no single national homebirth law, several significant regulatory and policy shifts in the past 5 years have expanded access and formal support for homebirth services
- In the 2024-25 Federal budget, the Midwife Professional Indemnity Scheme was broadened to include indemnity insurance for privately practicing midwives attending low risk homebirths
- We are reviewing our home birth exclusion to provide protection to student midwives actively assisting in home births provided they are constantly under the supervision, guidance and direction of a qualified medical practitioner holding their own PI insurances



# Cyber Affirmative Language



- Attaches to the Professional Indemnity Section
- It provides additional protection for third-party liability specifically where a cyber-related event leads to a claim against the Member in a professional context
- It works in excess of existing Cyber protections and does not replace a Member's cyber insurance
- It only activates after existing Cyber protections are exhausted and acts as a secondary layer to help fill potential gaps when a cyber event results in professional liability exposure





# AI Update

# AI Exposures Under Cyber Protection

**Q:** Does the Unimutual Cyber Protection Cover AI?

**A:** Yes - there is No AI Exclusion

Covers Cyber Incidents Resulting from:

- Threat Actors Using AI Tools / LLM's
- Members Using AI Tools / LLM's

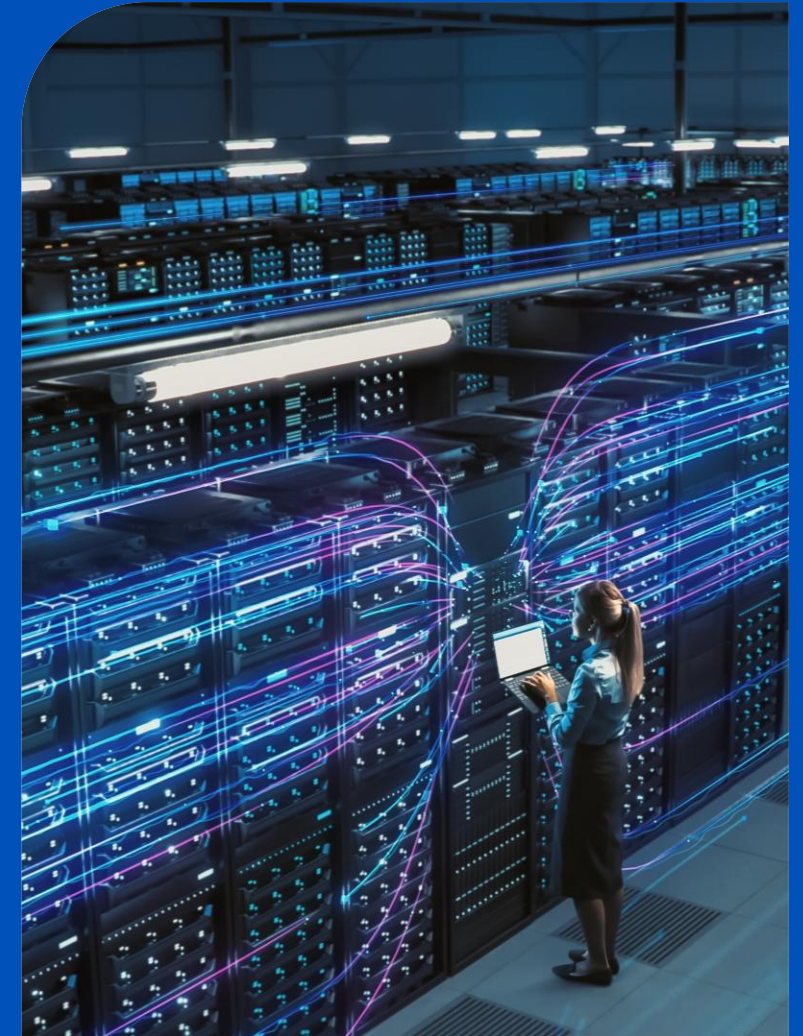


## Specific Exposures

- Data Poisoning
- Regulatory Violations
- Usage Right Infringements

## AI Endorsements

- Window Dressing
- Unimutual AI Endorsement
- E&O Exposure





Questions?

