

Words really do matter, so confirms another scientific study

11 September 2022

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Climate change litigation – are you protected?

A scientific study led by Eric Martinez at the Brain and Cognitive Sciences group of the Massachusetts Institute of Technology has reemphasised the economic and technological significance of clear, non-complex writing in legal documentation.

With a similar approach to our own [readability study](#), following their review of around 10 million words of legal text, the study concluded there are 'startlingly high proportions of certain difficult-to-process features' delaying reading time and encouraging complications in legal documentation. Further, it illustrated that documentation such as policy wordings are plagued with 'low-frequency jargon, centre-embedded clauses, and non-standard capitalisation'.

Producing such incomprehensible documentation poses many risks.

Economic risks

Whilst the reader may be able to understand basic concepts and overall ideas within documentation, complex wording muddies the waters when it comes to understanding the fine detail of policy coverage and liability. A lack of clarity and certainty leaves the consumer unable to effectively mitigate or avoid commercial risks. But also, ambiguity paves the way for potential costly disputes.

Technological risks

Alongside economic threats, complex wordings also render the translation of policy wordings incompatible with natural language processing (NLP) software. Software that is designed to translate and process natural linguistics is coded to process what is described as 'vanilla language' models, based on everyday texts. Therefore, utilising NLP software to process complex wordings may lead to a deeply inaccurate 'translation' of wordings.

Considerations

Needless to say, insurers should regularly be reviewing their wordings to ensure they are easy to process and understand. This is particularly relevant in light of the new [Consumer Duty](#) (as per our brief article in issue 4 of The Word) which includes the FCA's aim to bring about a "level playing field in which consumers understand how to use their products and services and receive the support they need to do so".

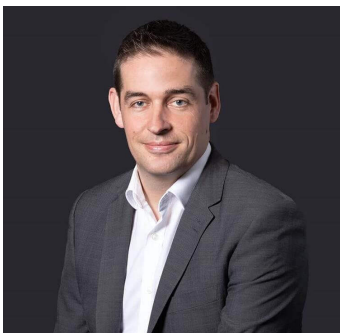
Insurers may also want to consider having their wordings, or a selection of their wordings, independently tested for readability and comprehension.

For further information about our policy wordings readability services, please see our [insurance policy drafting services](#).

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