



## **SPECIALIST CONSULTANTS**

# **PROFESSIONAL INDEMNITY INSURANCE POLICY WORDING**



## THIS IS A CLAIMS MADE POLICY OF INSURANCE

### Important Information

Please find attached your Professional Indemnity Insurance Policy. Please read carefully and contact **Us** immediately should **You** have any questions.

This policy is issued by Precision Underwriting (UK) Limited on behalf of Axis Specialty Europe SE. The Policy, **Schedule** and Endorsements shall be read as one contract and any word or expression to which a specific meaning has been attached in any part of the Policy, **Schedule** and Endorsements shall bear the same meaning wherever it may appear.

The Policy terms and conditions detail how **Claims** should be reported and how they will be handled, in particular, **You** must comply with condition 8.2 - Notification. If **You** fail to do so, we may not pay **Your Claim**, or any payment could be reduced.

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## 1. Definitions

Wherever the following words appear in bold in this instance they will have the meanings shown below.

### **Bodily Injury**

The term **Bodily Injury** means physical injury, sickness, disease or death of a natural person; and if arising out of the foregoing, nervous shock, emotional distress, mental anguish or mental injury.

### **Claim**

The term **Claim** means any:

- a. written demand for compensation in respect of a **Wrongful Act of Yours**; or
- b. civil, regulatory or administrative proceedings whereby a **Wrongful Act of Yours** is alleged.

### **Damages**

The term **Damages** means any amount that **You** shall be legally liable to pay to a **Third Party** in respect of judgments or arbitral awards rendered against **You**, or for settlements negotiated by **Us** with **Your** consent.

### **Defence Costs**

The term **Defence Costs** means reasonable fees, costs and expenses incurred by or on **Your** behalf, with **Our** prior written consent, in the investigation, defence, adjustment, settlement or appeal of any **Claim**. It shall not include any element of **Your** own time costs or lost profits incurred in dealing with a **Claim**.

### **Documents**

The term **Documents** means all documents of any nature whatsoever including computer records and electronic or digitised data; but does not include any currency, negotiable instruments or records thereof.

### **Employee**

The term **Employee** means any natural person who is, has been or during the **Period of Insurance** becomes expressly engaged under a contract of employment with **You**.

**Employee** shall not include any principal, partner, director or **Member of Yours** in their capacity as such.

### **Excess**

The term **Excess** means the amount specified as such in the **Schedule**.

### **Fraud/Dishonesty**

The term **Fraud/Dishonesty** means fraudulent or dishonest conduct:

- a. not condoned, expressly or implicitly by any principal, partner, director or **Member of Yours**; and
- b. that results in **Your** liability to any **Third Party**.

### **Limit of Indemnity**

The term **Limit of Indemnity** means the amount specified as such in the **Schedule**.

### **Limited Liability Partnership**

The term **Limited Liability Partnership** means a partnership as determined by the Limited Liability Partnerships Act 2000 and any subsequent amendments thereto.

### **Loss**

The term **Loss** means **Damages** or **Defence Costs**, however **Loss** shall not include and this Insurance shall not cover any:

- a. taxes;
- b. non-compensatory damages, including punitive, multiple, exemplary or liquidated damages;
- c. fines or penalties unless insurable by law;
- d. the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief;
- e. benefits or overheads of, or charges or expenses incurred by **You** including but not limited to the cost of **Your** time;
- f. fees or commissions, for any **Professional Services** rendered or required to be rendered by **You** or that portion of any settlement or award in an amount equal to such fees, commissions, or other compensation; or
- g. any matters which may be deemed uninsurable under the law governing this Insurance or the jurisdiction in which a **Claim** is brought.

### Member

The term **Member** means a member of a **Limited Liability Partnership**.

### Period of Insurance

The term **Period of Insurance** means the period specified as such in the **Schedule**.

### Pollutants

The term **Pollutants** means any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant, including but not limited to, asbestos, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste. Such waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

### Professional Services

The term **Professional Services** means **Your** professional services and/or activities as detailed in the **Submission to Us**.

### Property Damage

The term **Property Damage** means damage to or loss of or destruction of tangible property or loss of use thereof

### Related Claim

The term **Related Claim** means any **Claims** alleging, arising out of, based upon or attributable to the same facts or alleged facts, or circumstances or the same **Wrongful Act**, or a continuous repeated or related **Wrongful Act**.

### Retroactive Date

The term **Retroactive Date** means the date, if any, specified as such in the **Schedule**.

### Schedule

The term **Schedule** means the **Schedule** attached to this Insurance.

### Settlement Value

The term **Settlement Value** means in respect of any **Claim** covered under this Insurance:

- a. the full amount claimed; or
- b. any settlement offer from the claimant(s) which is capable of acceptance.

Where the claimant(s)' costs, if applicable, are not quantified by the claimant, **We** will also pay a reasonable sum to **You** to represent these costs.

### Submission

The term **Submission** means:

- a. each and every signed proposal form, the statements, warranties, and representations therein, its attachments;
- b. the financial statements of **Yours**; and
- c. other documents of **Yours** filed with a regulator and all other material information;

submitted to **Us** in connection with this Insurance.

### Subsidiary

The term **Subsidiary** means any entity in which **You**, either directly or indirectly through one or more entities:

- a. controls the composition of the board of directors;
- b. controls more than half of the voting power; or
- c. holds more than half of the issued share capital;

on or before the inception date of this Insurance.

For any **Subsidiary**, cover under this Insurance shall only apply to **Wrongful Acts** committed while such entity is a **Subsidiary of Yours**.

### Terrorism

The term **Terrorism** means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

### Third Party

The term **Third Party** means any entity or natural person except (i) **You**; or (ii) any other entity or natural person having a financial interest or executive role in **Your** operations.

### Transaction

The term **Transaction** means any one of the following events:

- a. **You** consolidate with or merge into or sell all or a majority of **Your** assets to any other person or entity or group of persons and/or entities acting in concert;
- b. an administrator, liquidator or receiver is appointed to **You**.

### We/Us/Our

The terms **We, Us, Our** mean the Insurer(s) subscribing to this Insurance.

### Wrongful Act

The term **Wrongful Act** means any actual or alleged act, error or omission committed solely in the performance of or failure to perform **Professional Services**

### You/Your/Yours

The terms **You, Your, Yours** mean:

- a. any individual or legal entity named in the **Schedule** or any **Subsidiary** or predecessor in business of such individual, or legal entity as declared to **Us**;
- b. any person who is or who has been or who becomes a principal, partner, member, director or **Employee** of any person or entity referred to in a. above but only in respect of work undertaken for or on behalf of any person or entity referred to in a. above;
- c. any consultant, sub-consultant or agent (not being an **Employee**) of **Yours** but only in respect of work performed for **You** or on **Your** behalf;
- d. the estate, heirs, executors, legal or personal representatives of any person referred to in a., b. or c. above

### Your Business

The term **Your Business** means the **Professional Services** performed or the advice given by **You** or on **Your** behalf in relation to those activities declared in the **Submission**.

### Your Professional Services

The term **Your Professional services** means the performance by **You** or on **Your** behalf of **Your Business** as declared to and accepted by **Us**.

### Your Risk Manager

The term **Your Risk Manager** means the person within **Your** organisation whose duties include giving **Us** such notices as are required by this Insurance.



## **SPECIALIST CONSULTANTS PROFESSIONAL INDEMNITY INSURANCE**

In consideration of **You** having paid or agreed to pay the premium for this Insurance and subject to the terms, conditions and limitations of this Insurance, **We** severally agree to the extent and in the manner provided herein to pay on **Your** behalf.

### **2. Insuring Clauses**

#### **2.1 Civil Liability**

all **Loss** because of any **Claims** for civil liability or alleged civil liability first made against **You** during the **Period of Insurance** which arise out of the conduct of **Your Business** and committed by **You** or by any of **Your Employees**, or by any other person, firm or company directly acting for **You** or on **Your** behalf.

#### **2.2 Fraud and Dishonesty**

all **Loss** because of any **Claims** first made against **You** during the **Period of Insurance** which arise out of the conduct of **Your Business** by reason of **Dishonesty** or alleged **Dishonesty** on the part of any **Employee** (other than any director) of **Yours**, or by any other person, firm or company directly appointed by **You** and acting for or on **Your** behalf in the conduct of **Your Business**.





### 3. Mergers and Acquisitions

If during the **Period of Insurance** You obtain, either directly or indirectly:

- a. control of the composition of the board of directors;
- b. control of more than half of the voting power; or
- c. a holding of more than half of the issued share capital;

of another entity then the definition of **Subsidiary** shall be extended to include such entity provided that:

- i. the entity has annual revenue for the last complete accounting period prior to the acquisition, of less than 10% of **Your** total annual revenue (as shown in **Your** latest Annual Report and Accounts prior to the inception of this Insurance);
- ii. the entity is not incorporated, domiciled or providing professional services in the United States of America or Canada or any of their territories or possessions;
- iii. the entity is not regulated by the US Securities and Exchange Commission;
- iv. the entity is not aware of any claims (either paid or notified) or circumstances within the preceding five years of a type which may have been covered had they been notified under a professional liability policy similar in scope and breadth of coverage to the cover afforded by this Insurance;
- v. the business activities of the entity fall within the definition of **Your Business**.

In all other circumstances, **You** may request an extension of this Insurance for such entity. **We** shall have the right but not the duty to offer cover for such entity and **You** must give **Us** sufficient details to permit **Us** to assess and evaluate the potential increase in exposure. In the event that such coverage is provided by **Us**, **We** shall be entitled to amend the policy terms and conditions, during the **Period of Insurance**, including but not limited to, the charging of a reasonable additional premium.

## 4. Limit and Excess

### 4.1 Limit of Indemnity

- a. The total amount payable by **Us** under this Insurance (excluding **Defence Costs**) for any one **Claim**, or cover provided under the Mitigation clause for any one **Wrongful Act**, during the **Period of Insurance** shall not exceed the **Limit of Indemnity**.
- b. Any sub-limits of liability are part of and not payable in addition to the **Limit of Indemnity**.
- c. **Defence Costs** are payable in addition to the **Limit of Indemnity**. In the event that the amount paid by **You** or on **Your** behalf to dispose of a **Claim** exceeds the **Limit of Indemnity** for any one **Claim**, then this Insurance will only cover the same proportion of **Defence Costs** as the **Limit of Indemnity** for any one **Claim** bears to the total amount paid to dispose of the **Claim** (exclusive of **Defence Costs**).
- d. Where a **Claim** is made against more than one of **You** under this Insurance, this shall not operate to increase the total amount payable by **Us** for any one **Claim** under this Insurance.
- e. The **Limit of Indemnity** is the total sum payable by **Us** for any one **Claim**. Any **Damages** paid by **Us** under this Insurance in respect of a **Claim** shall erode the **Limit of Indemnity** for that **Claim**. In no circumstances shall **Our** liability for any one **Claim** exceed the **Limit of Indemnity**.

### 4.2 Other Insurance / Indemnification

Unless otherwise required by law, cover under this Insurance is provided only as excess over any self-insurance or other valid and applicable insurance, unless such other insurance is written only as specific excess insurance over the **Limit of Indemnity**. This Insurance shall not cover **Defence Costs** of any **Claim** where another insurance policy imposes upon another insurer a duty to defend such **Claim**.

### 4.3 Excess

**We** will be liable only for **Loss**, or cover under the Mitigation clause, which exceeds the **Excess**. For the avoidance of doubt, the **Excess** does not apply to **Defence Costs**. It is to be borne by **You** and shall remain uninsured. The **Excess** is not part of the **Limit of Indemnity**. A single **Excess** shall apply per **Claim**.

## 5. Dishonest or Fraudulent Acts

Where any **Claim** arises from any dishonest or fraudulent act or omission:

- a. **We** will not provide coverage:
  - i. to any person committing or conspiring to commit or condoning any dishonest or fraudulent act or omission;
  - ii. after **You** discovery, relating to any person committing or condoning any dishonest or fraudulent act or omission, of reasonable cause for suspicion of any such act or omission;
  - iii. unless, at **Our** request, **You** take all reasonable steps to effect recovery from the person committing or condoning such act or omission or from the personal representatives of such person;
  - iv. unless **You** have in place appropriate audit and financial controls to help prevent financial and commercial fraud.
- b. the following shall be deducted from any amount payable by **Us**:
  - i. any monies which but for such dishonest or fraudulent act or omission, would be due from **You** to the person committing or condoning such act or omission;
  - ii. any monies held by **You** and belonging to such person;
  - iii. any monies recovered following action as described in a. iii. above;
- c. any dishonesty or fraud committed by a person or persons acting in concert shall be treated as one **Claim**.

## 6. Extensions

### 6.1 Court Attendance

For any person described in a. and b. below who actually attends a court or an arbitration or an adjudication hearing as a witness in connection with a **Claim** notified under and covered by this Insurance, **We** will pay the following rates per day for each day on which attendance in court has been required:

- |    |                                                                  |         |
|----|------------------------------------------------------------------|---------|
| a. | for any principal, partner, director or <b>Member of Yours</b> : | GBP 300 |
| or |                                                                  |         |
| b. | for any <b>Employee of Yours</b> :                               | GBP 150 |

No **Excess** shall apply to this clause.

### 6.2 Joint Ventures

**We** will pay on **Your** behalf all **Loss** resulting from any **Claim** where liability results directly from a **Wrongful Act of Yours** arising out of the **Professional Services** carried out by **You** for and in the name of any joint venture of which **You** form a part, provided that **You** have declared to **Us** in the submission all fees/turnover received from any joint venture.

**Our** liability shall be proportionate to the lowest of:

- the percentage of the share capital of the joint venture owned by **You**; or
- the percentage of the voting control of the joint venture exercised by **You**;

unless **Our** written agreement has been first obtained to an alternative proportion and an endorsement made to this Insurance.

This extension provides cover to **You** only. No other participant in such joint venture, and no other **Third Party**, shall have any rights under this Insurance, and neither shall **We** be liable to pay a contribution to any insurer of any other participant in such joint venture.

### 6.3 Lost Documents

**We** will indemnify **You** for costs and expenses reasonably incurred with **Our** prior written consent in replacing or restoring any **Documents** which are either **Your** property or are the property of a **Third Party** and are in **Your** possession or control and which during the **Period of Insurance** have been destroyed, damaged, lost, distorted, erased or mislaid provided that:

- such loss or damage is sustained while the **Documents** are either: (1) in transit; or (2) in **Your** custody or of any person to whom **You** have entrusted them in the ordinary course of **Your Professional Services**;
- the **Documents** have been the subject of a diligent search by **You** or on **Your** behalf;
- the amount of any claim for such costs and expenses shall be supported by evidence of expenditure that shall be subject to approval by a competent person to be nominated by **Us** with **Your** consent; and
- We** will not be liable for any costs and expenses arising out of wear, tear and/or gradual deterioration, moth and vermin.

This Extension is subject to a sub-limit of indemnity of GBP 100,000 in the aggregate during the **Period of Insurance**. An **Excess** of GBP 250 for each and every claim shall apply to this Extension.

#### 6.4 Mitigation

Where **You** first make a determination during the **Period of Insurance** that **You** have committed a **Wrongful Act** requiring remediation or mitigation, **We** will pay the reasonable and direct cost of any remediation or mitigation, provided that:

- a. **We** have been informed in writing during the **Period of Insurance** of the **Wrongful Act** and the work that is required to rectify it or mitigate its consequences;
- b. **We** are reasonably satisfied that **You** have committed a **Wrongful Act** requiring remediation or mitigation and that such costs are necessary to prevent or reduce the amount of a **Claim** covered under Insuring Clause 2.1, and that the amount of **Damages** prevented or reduced would be greater than the cost of the work;
- c. such costs are supported by evidence of expenditure which shall be subject to approval by a competent person to be nominated by **You** with **Our** consent;
- d. such costs shall not include any element of profit or loss of profit, nor any element of overheads, staff remuneration, standing idle time or management time of **Yours**; and
- e. **We** have consented in writing to the payment of such costs before work is carried out, such consent not to be unreasonably withheld, however whilst awaiting **Our** consent, **We** will indemnify **You** for such expense incurred over a period not exceeding 14 days beginning from the time mitigation was undertaken by **You** subject to condition b. above, being satisfied otherwise all pre-approval costs will be borne by **You**
- f. the maximum amount **We** will pay (unless **We** specifically agree otherwise) under this extension will be an amount equal to 50% of the **Limit of Indemnity**.

#### 6.5 Specialist Consultants

**We** will pay on **Your** behalf all **Loss** resulting from any **Claim** for any **Wrongful Act** of specialist consultants, designers or sub-contractors of **Yours** who are engaged in the performance of **Your Professional Services**.

**We** will only pay **Loss** to the extent that **You** have not waived or otherwise impaired any rights of recourse against such specialist designers, consultants or sub-contractors.

## 7. Exclusions

We will not be liable under this Insurance in respect of **Loss** in connection with any **Claim**.

### 7.1 Asbestos and toxic mould

arising out of, based upon or attributable to:

- a. asbestos or any materials containing asbestos in whatever form or quantity; or
- b. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, moulds, spores or mycotoxins of any kind; or
- c. any action taken by any party in relation to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of (to include the investigation of, testing for, detection, monitoring, treating, remediating or removal of) any fungi, moulds, spores or mycotoxins of any kind whether in response to any governmental or regulatory order, requirement, directive, mandate, decree or otherwise.

### 7.2 Bodily Injury/Property Damage

arising out of, based upon or attributable to **Bodily Injury** or **Property Damage** unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing **Professional Services**.

### 7.3 Conduct

arising out of, based upon or attributable to any actual or alleged dishonest, fraudulent or criminal conduct of **Yours**;

This exclusion shall not apply to Insuring Clause 2.2 – Fraud and Dishonesty.

### 7.4 Contractual Liability

arising out of, based upon or attributable to any:

- a. liability assumed or accepted by **You** under any contract or agreement; or
- b. guarantee or warranty;

except to the extent such liability would have attached to **You** in the absence of such contractual duty, term or agreement.

### 7.5 Costs Assessment

arising out of, based upon or attributable to any failure by **You** or other party acting for **You** to make an accurate pre-assessment of the cost of performing **Your Professional Services**.

### 7.6 Deliberate Acts

arising directly or indirectly from any deliberate or reckless breach, act, omission or infringement committed, condoned or ignored by **You**, except as covered under Insuring Clause 2.2 – Fraud and Dishonesty.

#### 7.7 Directors' and Officers' Liability

arising out of, based upon or attributable to any **Claim** made against **You** in **Your** capacity as a director, officer, trustee, **Member** or partner of **Your Company** in respect of the performance or non-performance of their duties as a director, officer, trustee, **Member** or partner of **Your Company**.

#### 7.8 Employers' Liability

by any person for bodily injury, sickness, disease or death incurred, contracted or occurring whilst under a contract of service or apprenticeship with **You** or for any breach of any obligation owed by **You** as an employer.

#### 7.9 Employment Practice Violation

arising out of, based upon or attributable to any act, error or omission with respect to any employment or prospective employment of any past, present, future or prospective employee of **Yours**.

#### 7.10 Financial Advice

arising directly or indirectly from the provision by **You** of any investment or financial advice or arrangements made by or on behalf of **You** in respect of any finance, credit or leasing agreement.

#### 7.11 Insolvency

arising out of, based upon or attributable to **Your** insolvency, liquidation, administration or receivership.

#### 7.12 Land and Buildings

arising out of the ownership, possession or use by **You** or on **Your** behalf of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle, including the leasing of goods or property by **You** or on **Your** behalf.

#### 7.13 Libel and Slander

for damages for libel or slander arising out of, based upon or attributable to any statements made or published by **You** unless **You** can demonstrate that it neither knew or ought reasonably to have known that the statement was defamatory at the time that it was published.

#### 7.14 Patents

arising directly or indirectly from the infringement of any patent.

#### 7.15 Prior Acts

arising out of based upon, attributable to or in any way involving any **Wrongful Act** which first takes place before the **Retroactive Date**.

#### 7.16 Prior Claims/Circumstances

made prior to the inception of this Insurance including any **Related Claims** thereto, or arising out of, based upon or attributable to a circumstance which has been properly notified under any other policy or certificate of insurance attaching prior to the inception of this Insurance including any **Related Claims** thereto.

**7.17 Products**

arising out of any products or goods supplied, manufactured, constructed, altered, repaired, treated, sold, recalled, fabricated, distilled or maintained by **You** or on **Your** behalf (including any party engaged by **You**).

**7.18 Radioactive contamination or explosive nuclear assemblies**

arising out of, based upon or attributable to:

- a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

**7.19 Recall costs**

for the costs and expenses incurred in the recall, repair, replacement of any **Professional Services** provided or the refund of any money paid by a third party in connection with the recall of any **Professional Services**.

**7.20 Restricted recovery rights**

where the **Insured's** right of recovery from any third party in respect of that claim has been restricted by the terms of any contract entered into by the **Insured**.

**7.21 Seepage and pollution**

arising out of, based upon or attributable directly or indirectly to, in consequence of or in any way involving seepage, pollution or contamination of any kind.

**7.22 Trade debts**

arising out of, based upon or attributable to any (i) trading debt incurred by **You**; or (ii) guarantee given by **You** for a debt.

**7.23 Unauthorised Access/Virus**

for loss, liability, expenses or Costs arising indirectly or directly out of:

- a. any unauthorised access to Your computer or electronic systems or networks; or
- b. any computer virus

**7.24 U.S.A./Canada**

made or pending within or to enforce a judgment obtained in the United States of America or Canada, or any of their territories or possessions;

**7.25 War/Terrorism**

arising out of, based upon or attributable to any war (declared or otherwise), **Terrorism**, warlike, military, terrorist or guerrilla activity, sabotage, force of arms, hostilities (declared or undeclared), rebellion, revolution, civil disorder, insurrection, usurped power, confiscation, nationalisation or destruction of or damage to property by or under the order of, any governmental, public or local authority or any other political or terrorist organisation.



## 8. Conditions

### 8.1 Notices

All notices, including but not limited to notification of **Claims** and/or circumstances, required to be given between **You** and **Us** shall be given to:

Precision Underwriting (UK) Limited  
Harrogate Business Centre  
Hookstone Avenue  
Harrogate  
HG2 8ER

**T:** +44 (0) 1423 876324

**E:** [info@precisionunderwriting.co.uk](mailto:info@precisionunderwriting.co.uk)

**W:** [www.precisionunderwriting.co.uk](http://www.precisionunderwriting.co.uk)

Receipt by Precision Underwriting (UK) Limited of any notice, including but not limited to notification of **Claims** and/or circumstances, from **You** shall be deemed as being received by **Us**.

Notices from **Us** to **You** shall only be received when **You** are in physical possession of the same.

### 8.2 Notification

- a. **You** must give **Us** written notice as soon as reasonably practicable after **Your Risk Manager** becoming aware of:
  - i. any **Claim** being made against **You** or any loss during the **Period of Insurance**; or
  - ii. any circumstances occurring during the **Period of Insurance** which might reasonably be expected to give rise to a **Claim** against **You**;

provided always that such written notice is given to **Us** during the same **Period of Insurance** or (if **You** renew this Insurance with **Us**) within twenty-eight (28) days after its expiry.

- b. **We** will consider any such **Claim** or **Loss** which is notified under a. above and any subsequent **Claim** arising out of circumstances notified under a. above as having been made during the **Period of Insurance** which expired immediately prior to the commencement of the twenty-eight (28) day period referred to in a. above.

Following written notice of a **Claim**, **Loss** or circumstance, **You** must give **Us** such details, including particulars of the circumstances, dates and persons involved, as **We** may reasonably require concerning the **Claim**, **Loss** or circumstance.

### 8.3 Your Duties

- a. **You** must use due diligence and ensure that all reasonable and practicable steps are taken to avoid or diminish any liability which may give rise to or has given rise to a **Claim** or **Loss**.
- b. **You** must also disclose to **Us** all relevant information and, in addition, provide reasonable assistance to **Us** to enable **Us** or **Our** agents to investigate and/or to defend any **Claim** or **Loss** under this Insurance (including without limitation by way of compliance with any protocol or other procedural requirements which may be relevant to the jurisdiction in which the **Claim** is brought) and/or to enable **Us** to determine **Our** liability under this Insurance.

#### 8.4 Retroactive Date

- a. Unless a **Retroactive Date** is specified in the **Schedule**, coverage under this Insurance shall be in respect of acts, errors or omissions committed or alleged to have been committed irrespective of when such acts, errors or omissions were committed or alleged to have been committed.
- b. Where a **Retroactive Date** is specified in the **Schedule**, then coverage under this Insurance shall only be in respect of acts, errors or omissions first committed or alleged to have been first committed after the **Retroactive Date**.

#### 8.5 Legal Proceedings

**You** will not be required:

- a. to contest any legal proceedings; or
- b. where any **Claim** arises from any dishonest or fraudulent act or omission, to take steps to effect recovery in accordance with Clause 5. a. iii.;

unless a Barrister or other law officer of comparable standing (to be mutually agreed upon, such agreement not to be unreasonably withheld) shall advise that such action has a reasonable prospect of success and **You** consent thereto, such consent not to be unreasonably withheld.

In the event of a difference of opinion between **You** and **Us** as to what constitutes an unreasonable refusal, the Chairman for the time being of **Your** professional association shall nominate an independent referee to decide this point only and the decision of such referee shall be binding on both **You** and **Us**.

#### 8.6 Defence and Settlement

By entering into this Insurance **You** agree not to incur any **Defence Costs**, admit liability for or attempt to settle, make any admission, offer any payment or otherwise assume any contractual obligation with respect to any **Claim** or loss without **Our** written consent, such consent not to be unreasonably withheld. **We** will not be liable for any **Defence Costs**, settlement, admission, offer, payment, or assumed obligation to which **We** have not consented. In any event no action shall be taken which might prejudice **Us** or **Our** interests.

**We** agree not to exercise any rights that **We** may accrue to avoid payment under the above paragraph if **You** have acted in accordance Condition 8.3.a.

**We** shall be entitled at any time to conduct, in **Your** name, the defence or settlement of any **Claim** or loss and to represent **You** in respect of that **Claim** or loss. Any amount incurred by **Us** on **Your** behalf shall be part of the **Defence Costs**.

#### 8.7 Subrogation

In the event of any payment under this Insurance, **We** shall be subrogated to the extent of such payment to all of **Your** rights of recovery, and **You** must execute all papers required and do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable **Us** effectively to bring proceedings in **Your** name.

If any payment is made under this Insurance and **We** have rights of recovery in relation to such payment, **We** agree not to exercise such rights against any principal, partner, director or **Employee** of **Yours** unless the **Claim** or loss is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of that principal, partner, director or **Employee**.

### 8.8 Combined Single Limit

The **Limit of Indemnity** and the **Excess** apply to all parties covered under this Insurance jointly. If more than one party is named in the **Schedule**, the total amount that **We** will pay will not exceed the amount that **We** would be liable to pay to any one party.

### 8.9 Discharge of Liability

**We** can fully and finally discharge **Our** liability to **You** for any **Claim** (save only for **Defence Costs** incurred prior to the date of the payment):

- a. either by paying the **Limit of Indemnity** to **You** less any sums already paid as damages or claimant's costs and expenses; or
- b. by paying a sum less than the **Limit of Indemnity** to **You** when a **Claim** can be settled for such lesser sum provided that:
  - i. the **Excess** is to be deducted from such payment;
  - ii. if either **You** or **We** so requests, no such payment shall be made unless a Barrister or a law officer of comparable standing (to be mutually agreed upon, such agreement not to be unreasonably withheld) shall advise that **You** might reasonably be held liable for at least that sum.

### 8.10 Disclaiming Liability

If **We** disclaim liability to **You** for any **Claim** or **Defence Costs**, **You** shall be at liberty (without prejudice to **Your** claim for payment under this Insurance) to settle or compromise such **Claim** or incur **Defence Costs** or to submit to any judgement or arbitration award in respect thereof, and the sum payable by **You** in respect of any such settlement, compromise, judgement or arbitration award shall be accepted by **Us** as the amount payable by **Us** to **You** under the terms of this Insurance subject to **Our** liability being established by either mediation or arbitration as provided in Clause 8.11 below.

### 8.11 Disputes

In the event of any dispute or difference arising under this Insurance, the dispute or difference will be referred to a mutually agreed Queen's Counsel for resolution.

If we cannot mutually agree on a Queen's Counsel then both **You** and **We** shall attempt, in good faith, to settle the dispute or difference by mediation on terms that **You** and **We** mutually agree.

Should mediation be unsuccessful, the dispute or difference shall be finally settled by the arbitration of a single arbitrator that **You** and **We** mutually chose or, if **You** and **We** cannot agree upon a single arbitrator, by the decision of two arbitrators (one to be appointed by **You** and one to be appointed by **Us**) and in the case of disagreement between the arbitrators, by the decision of an umpire who shall have been appointed in writing by the arbitrators before entering on the reference. The decision of the arbitration shall be final and binding on both **You** and **Us** and responsibility for the cost of the arbitration shall be allocated as decided by the arbitrator(s). The provisions of the Arbitration Acts shall apply to any such arbitration.

### 8.12 Law and Jurisdiction

This insurance shall be governed by and construed in accordance with the laws of England and Wales and each party agrees to submit to the exclusive jurisdiction of the Courts of England.

### 8.13 Contracts (Right of Third Parties) Act

Nothing in this Insurance confers or purports to confer on any third party any benefit or any right to enforce any term of this Insurance pursuant to the Contracts (Rights of Third Parties) Act 1999, other than as may already be available under the Third Parties (Rights Against Insurers) Act 2010.

### 8.14 Non-Disclosure

If **You** fail to disclose information relevant to **Your** Policy or **You** make an incorrect statement to **Us** and **We** establish that this is either deliberate or reckless, **We** may terminate the Policy and refuse to pay all **Claims** and need not return any of the premium paid.

If **You** fail to disclose information relevant to **Your** Policy or **You** make an incorrect statement to **Us** that is not deliberate or reckless:

- a. if **We** would not have entered into the Policy at all, **We** may terminate the Policy and refuse all claims, but must return the premiums paid.
- b. if **We** would have entered into the **Policy**, but on different terms (other than terms relating to the premium), the Policy is to be treated as if it had been entered into on those different terms from the outset, if **We** so require
- c. if **We** would have entered into the Policy, but would have charged a higher premium, **We** may reduce proportionately the amount to be paid on a **Claim**.

If **You** are in doubt as to whether any information is relevant to **Our** assessment of **Your** risk **You** should disclose this information to **Us**.

### 8.15 Fraudulent Claims

1. If **You** or anyone on **Your** behalf makes a fraudulent **Claim** under this Policy, **We**:
  - a. are not liable to pay the **Claim**, and
  - b. may recover from **You** any sums **We** have paid by to **You** in respect of the **Claim**; and
  - c. may by notice to **You** treat the Policy as having been terminated with effect from the time of the fraudulent act.
2. If **We** exercise our right under condition 8.15 (1c) above:
  - a. **We** shall not be liable to **You** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to liability under the Policy (such as the occurrence of a Loss, the making of a **Claim**, or the notification of a potential **Claim**); and
  - b. **We** need not return any of the premiums paid.
3. The exercise of any of those rights under condition 8.15 (2) above shall not affect the cover provided under the Policy for any other Insured Person.
4. Nothing in these clauses is intended to vary the position under the Insurance Act 2015.

### 8.16 Allocation

If both liability from a **Claim** or loss covered by this Insurance and liability for a **Claim** or loss not covered by this Insurance arises, either because:

- a. a **Claim** against **You** or a loss includes both covered and uncovered matters; or
- b. a **Claim** against **You** is made and others are a party to the proceedings or demand to which the **Claim** relates;

then both **You** and **We** shall use their best efforts to agree the allocation of such amount between covered loss and uncovered loss based on a fair and proper assessment of the relative legal and financial exposures.

If **You** and **We** are unable to agree any allocation, it shall be referred for determination in accordance with the terms of Clause 8.11 - Disputes.

Any allocation of **Defence Costs** on account of a **Claim** which is negotiated or determined in accordance with this Clause 8.16 above shall be applied retrospectively to all **Defence Costs** on account of such **Claim**.

### 8.17 Related Claims

If during the **Period of Insurance** a **Claim** is made or a circumstance is notified in accordance with the requirements of this Insurance any **Related Claim** made after expiry of the **Period of Insurance** will be accepted by **Us** as having been:

- a. made at the same time as the notified **Claim** was made or the relevant circumstance was notified, and
- b. notified at the same time as the notified **Claim** or circumstance.

All **Related Claims** shall be deemed to be one single **Claim** and deemed to be made at the date of the first **Claim** of the series or at the first circumstance notified, whichever is first.

### 8.18 Innocent Insured

Whenever coverage under this Insurance would be excluded, suspended or lost:

- a. because of any exclusion relating to criminal, dishonest, fraudulent or malicious errors or omissions by any party insured under this Insurance, and with respect to which any other party insured under this Insurance did not personally participate or personally acquiesce or remain passive after having personal knowledge thereof, or
- c. because of non-compliance with any condition relating to the giving of notice to **Us** with respect to which any other party insured under this Insurance shall be in default solely because of the failure to give such notice or concealment of such failure by one or more party insured under this Insurance responsible for the loss otherwise insured against hereunder.

then **We** agree that such coverage as would otherwise be afforded under this Insurance shall cover and be paid with respect to those parties insured under this Insurance who did not personally commit or personally participate in committing or personally acquiesce in or remain passive after having personal knowledge of (a) one or more of the errors or omissions described in any such exclusion; or (b) such failure to give notice.

### 8.19 Assignment

This Insurance and any rights under or in respect of it cannot be assigned by **You** without **Our** prior written consent.

## 8.20 Termination/Cancellation

This policy may be cancelled as follows:

- a. by **Us** for non-payment of premium;
- b. by **You** immediately upon **Our** receipt of written notice. In such case, **We** shall refund any unearned premium calculated at pro-rata of the annual premium except in the event of a circumstance or **Claim** having been notified prior to the date of cancellation whereby no refund in premium shall be due;
- c. by **Us** following the issue of written notice to the principal address specified in the **Schedule**. Cancellation shall apply 30 days following the issue of such notice.

## 8.21 Change of Control

**We** will not be liable to make any payment or to provide any services in connection with any **Claim** arising out of, based upon or attributable to a **Wrongful Act** committed after the occurrence of a **Transaction**.

If during the **Period of Insurance** an administrator, liquidator or receiver is appointed to a **Subsidiary**, then the cover provided under this Insurance with respect to such **Subsidiary** is amended to apply only to **Wrongful Acts** committed prior to the date of such appointment.

## 8.22 Policy Administration

The party first named in the **Schedule** as the Insured shall act on behalf of each and every one of **You** with respect to:

- a. negotiating the terms and conditions of and binding cover; and
- b. the exercise of all of **Your** rights under this Insurance; and
- c. all notices; and
- d. premiums; and
- e. endorsements to this Insurance; and
- f. dispute resolution; and
- g. the receipt of all amounts payable to **You** by **Us** under this Insurance.

## 8.23 Plurals, Headings and Titles

The descriptions in the headings and titles of this Insurance are solely for reference and convenience and do not lend any meaning to this contract. Words and expressions in the singular shall include the plural and vice versa. In this Insurance, words in bold have special meaning and are defined. Words that are not specifically defined in this Insurance have the meaning normally attributed to them.

## 8.24 Sanctions

This Insurance does not provide any cover or benefit for any business or activity to the extent that:

- (i) such cover or benefit; and/or
- (ii) such business or activity;

would violate any applicable economic or trade sanction law or regulations of the UN and/or the EU/EEA and/or the USA and/or any other applicable national economic or trade sanction law or regulations.

## 8.25 Complaints Procedure

We are committed to providing a first class service at all times.

If at any time there are questions or concerns regarding this Policy or the handling of a claim, **You** should in the first instance refer to your insurance broker or intermediary, if any. If **Your** problem cannot be resolved, any question or complaint should then be addressed to:

Precision Underwriting (UK) Limited  
Harrogate Business Centre  
Hookstone Avenue  
Harrogate  
HG2 8ER

**T:** +44 (0) 1423 876324  
**E:** [info@precisionunderwriting.co.uk](mailto:info@precisionunderwriting.co.uk)

In the event that a complaint is not resolved to **Your** satisfaction or if **You** wish to pursue matters further, **You** can refer the matter to:

Compliance Officer  
AXIS Specialty Europe SE  
Plantation Place South  
60 Great Tower Street  
London EC3R 5AZ

Complaints that cannot be resolved by the Complaints Officer may, where eligible, be referred to the Financial Ombudsman Service to review the case.

The address is:

Financial Ombudsman Service  
Exchange Tower  
London  
E14 9SR

**T:** 0800 023 4567 (for landline users)  
0300 123 9123 (for mobile users)  
**W:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)  
**E:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

The Financial Ombudsman's Service decision is binding upon **Us** but **You** are free to reject it without affecting **Your** legal rights.

## 8.26 Compensation

The Financial Services Compensation Scheme (FSCS) provides compensation in case any Insurer goes out of business or into liquidation and is unable to meet any valid claims against its policies. **You** may be entitled to compensation if **We** cannot meet **Our** obligations, depending on the circumstances of the claim. Further information about the compensation scheme can be obtained from FSCS.

## 8.27 Premium Payment

**You** undertake that the premium shall be paid to **Us** within 30 days of inception of this Insurance (or, in respect of instalment premiums, when they are due). Where such premium has resulted from a mid-term amendment to this Insurance, the premium payment date shall be deemed to be 30 days from the point of **Our** acceptance of the amendment. **You** shall have the burden of establishing that such payment has been made.

If the premium due under this Insurance has not been paid to **Us** by the 30th day from inception of this Insurance (and, in respect of instalment premiums and mid-term amendment premiums, by the date they are due) **We** shall have the right to cancel this Insurance by notifying **You** in writing direct or via **Your** insurance broker as appropriate. In the event of cancellation by **Us** pursuant to this clause, premium is due to **Us** on a pro-rata basis for the period that **We** were on risk but the full premium is due to **Us** in the event that prior to the date of termination a **Claim** is made, or a circumstance is notified in accordance with the requirements of this Insurance.

It is agreed that **We** shall give not less than 7 days prior notice of cancellation under this clause to **You** in writing direct or via **Your** insurance broker as appropriate. If the premium due is paid in full to **Us** before the notice period expires, notice of cancellation shall automatically be revoked. If not this Insurance shall automatically terminate and be of no effect at the end of the notice period.

## 8.28 Data Protection

Please visit [www.precisionunderwriting.co.uk](http://www.precisionunderwriting.co.uk) for further information about how and when **We** process **Your** personal information under **Our** full Privacy Policy.

### How we Use Your Information

The personal information, provided by **You**, is collected by or on behalf the Insurer and may be used by **Us**, **Our** employees, agents and service providers acting under **Our** instruction for the purposes of insurance administration, underwriting, claims handling, for research or for statistical purposes.

**We** may process **Your** information for a number of different purposes. For each purpose **We** must have a legal ground for such processing. When the information that **We** process is classed as “sensitive personal information”, **We** must have a specific additional legal ground for such processing.

Generally, **We** will rely on the following legal grounds:

- It is necessary for **Us** to process **Your** personal information to provide **Your** insurance policy and services. **We** will rely on this for activities such as assessing **Your** application, managing **Your** insurance policy, handling claims and providing other services to **You**.
- **We** have an appropriate business need to process **Your** personal information and such business need does not cause harm to **You**. **We** will rely on this for activities such as maintaining **Our** business records and developing, improving **Our** products and services.
- **We** have a legal or regulatory obligation to use such personal information.
- **We** need to use such personal information to establish, exercise or defend **Our** legal rights.
- **You** have provided **Your** consent to **Our** use of **Your** personal information, including sensitive personal information.



### **How We Share Your Information**

In order to sell, manage and provide **Our** products and services, prevent fraud and comply with legal and regulatory requirements, **We** may need to share Your information with the following third parties, including:

- Reinsurers, Regulators and Authorised/Statutory Bodies
- Credit reference agencies
- Fraud prevention agencies
- Crime prevention agencies, including the police
- Suppliers carrying out a service on **Our**, or **Your** behalf
- Product providers where **You've** opted to buy additional cover
- Other insurers, business partners and agents
- Other companies within the Precision Insurance Group

### **Marketing**

**We** will not use **Your** information or pass it on to any other person for the purposes of marketing further products or services to **You** unless **You** have consented to this.

### **Fraud Prevention and Detection**

In order to prevent or detect fraud and money laundering **We** will check **Your** details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes.

**We** may also conduct credit reference checks in certain circumstances. **You** can find further details in **Our** full Privacy Policy explaining how the information held by fraud prevention agencies may be used or in which circumstances **We** conduct credit reference checks and how these checks might affect **Your** credit rating

### **Automated Decisions**

**We** may use automated tools with decision making to assess **Your** application for insurance and for claims handling processes, such as price rating tools, flood, theft and subsidence area checks and credit checks.

These automated decisions will produce a result on whether **We** are able to offer insurance, the appropriate price for **Your** policy or whether **We** can accept **Your** claim. If **You** object to an automated decision, **We** may not be able to offer **You** an insurance quotation or renewal.

### **How to Contact Us**

Please contact **Us** if **You** have any questions about **Our** privacy policy or the information **We** hold about **You** by writing to The Managing Director, Precision Underwriting (UK) Limited, Harrogate Business Centre, Hookstone Avenue, Harrogate HG2 8ER or by email to [info@precisionunderwriting.co.uk](mailto:info@precisionunderwriting.co.uk).



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**T:** +44 (0) 1423 876324

**E:** [info@precisionunderwriting.co.uk](mailto:info@precisionunderwriting.co.uk)

**W:** [www.precisionunderwriting.co.uk](http://www.precisionunderwriting.co.uk)

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