

**A PROGRAMME SPONSORED BY PCG**  
(Individual Insureds attaching for a 12 month policy between  
1<sup>st</sup> March 2006 and 28<sup>th</sup> February 2011)

For **Engineers**

**Managed by**  
**Randell Dorling Limited**  
(Manager)  
**52 Lime Street**  
**London**  
**EC3M 7NP**

**POLICY DOCUMENT**

**SECTION A: PUBLIC LIABILITY WITH LIMITED PRODUCTS LIABILITY  
AND/OR**

**SECTION B: EMPLOYER'S LIABILITY**

**AND/OR**

**SECTION C: PRIMARY PROFESSIONAL INDEMNITY**

**PLEASE READ AND REVIEW THE POLICY CAREFULLY.**

**OPTIONAL EQUIPMENT COVERAGE**

**IF YOU HAVE PURCHASED COVERAGE FOR EQUIPMENT, A SEPARATE POLICY HAS BEEN  
EFFECTED AND CAN BE FOUND ON THE RANDELL DORLING WEBSITE  
[WWW.RANDELLDORLING.CO.UK](http://WWW.RANDELLDORLING.CO.UK) IF REQUIRED**

**1. PROFESSIONAL INDEMNITY**

NOTICE: THE ERRORS AND OMISSIONS PORTION OF THIS POLICY DOCUMENT IS A CLAIMS MADE POLICY, EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THE COVERAGE PROVIDED BY THIS POLICY IS LIMITED TO LIABILITY FOR ACTS FOR WHICH CLAIMS ARE FIRST MADE DURING THE PERIOD OF INSURANCE OR ANY DULY PURCHASED DISCOVERY PERIOD (IF APPLICABLE). PLEASE READ AND REVIEW THE POLICY CAREFULLY.

BY VIRTUE OF ACQUIRING THIS SECTION OF THE POLICY YOU ARE AUTOMATICALLY PROTECTED BY A SHARED AGGREGATE EXCESS PROTECTION OF £2,000,000. **NO ONE CLAIM AND/OR INSURED CAN IMPAIR OR EXHAUST THIS SHARED AGGREGATE EXCESS PROTECTION BY MORE THAN £1,000,000 ANY ONE CLAIM AND IN THE AGGREGATE INCLUDING COSTS AND EXPENSES OR THE INSURED IN THE INVESTIGATION DEFENCE OR SETTLEMENT OF ANY CLAIM DURING THEIR OWN PERIOD OF INSURANCE.** (A COPY OF THIS POLICY IS AVAILABLE FROM THE MANAGER VIA THE RANDELL DORLING WEBSITE [www.randelldorling.co.uk](http://www.randelldorling.co.uk) , IF REQUIRED.

IMPORTANT NOTICE: No coverage will be available excess of the individual Insured's Limits of Indemnity unless you have complied with Clause 9 of the "Special Aggregate Excess Wording" contained on the Randell Dorling Limited website [www.randelldorling.co.uk](http://www.randelldorling.co.uk).

## **2. PUBLIC LIABILITY AND/OR EMPLOYERS LIABILITY**

NOTICE: THE PUBLIC LIABILITY AND /OR EMPLOYERS LIABILITY PORTION IS UNDERWRITTEN ON AN OCCURRENCE BASIS EXCEPT AS MAYBE OTHERWISE PROVIDED HEREIN

EXCESS LAYERS ARE AVAILABLE FROM OUR MANAGER UPON APPLICATION

**N.B. BY STATUTE THE CERTIFICATE OF EMPLOYERS LIABILITY INSURANCE MUST BE RETAINED IN A SAFE PLACE FOR 40 YEARS AFTER THE DATE OF EXPIRY OF INSURANCE**

### ***NB: 1: EXCESS PUBLIC LIABILITY AND/OR PROFESSIONAL INDEMNITY***

Excess layers of up to £5,000,000 are available from the manager upon application.

### ***NB: 2: REPORT OF CLAIMS AND/OR CIRCUMSTANCES***

If you have a claim to report or if you are aware of a circumstance that might give rise to a claim that needs to be reported on any of the programmes managed by Randell Dorling Limited. Please refer to the Randell Dorling website - [www.randelldorling.co.uk](http://www.randelldorling.co.uk) button (Claims).

This button is also used if the Insured has purchased the optional equipment insurance and wishes to report a claim and/or circumstance.

### ***NB: 3: DIFFERENCE BETWEEN "CLAIMS MADE" AND "OCCURRENCE"***

Reference to the Randell Dorling Website [www.randelldorling.co.uk](http://www.randelldorling.co.uk) provides an explanation of the difference between "Claims Made" and "Occurrence".

**Policy issued by Royal & Sun Alliance Insurance plc**

**per Saturn**

*(a trading name of Martello Professional Risks Ltd, a wholly owned subsidiary of Royal & Sun Alliance Insurance plc)*

**Saturn House  
130-132 High Street  
Chesham, Bucks  
HP5 1EF**



## Policy Summary

Some important facts about your Professional Indemnity insurance product are summarised below. This summary does not describe all the terms and conditions of your policy, so please take time to read the policy document to make sure you understand the cover it provides.

### Period of Insurance

Your cover is valid for 12 months unless otherwise agreed and is renewable annually.

### About your Professional Indemnity (PI) Insurance cover

Your PI policy is a legal liability insurance that provides cover for claims made against you by a third party arising from a negligent act, error or omission by you occurring in the course of your business and which results in the third party suffering (and being able to demonstrate) a financial loss.

In addition to the basic cover, your policy also provides many other features and benefits. Please refer to the policy wording for full details of these.

The maximum payable in respect of any one claim is the amount chosen by you and shown as the 'Limit of Indemnity' in the policy schedule. Unless otherwise stated, costs incurred in the defence or investigation of the claim will be paid in addition to this figure.

PI is different to most other insurances in that it operates on what is known as a 'claims made basis', meaning that the policy will only provide cover for claims or circumstances discovered and notified to the Insurer during the period of insurance, rather than errors or mistakes occurring during the period of insurance.

As with all insurance policies, certain exclusions apply and you should consult the policy wording for the full list. However, some of the more significant exclusions include:

- ❖ Death, bodily injury or disease sustained by any person, or damage to their property, unless arising from negligent advice (this is covered by either an **Employers or Public Liability Insurance**)
- ❖ the Excess
- ❖ Asbestos
- ❖ Claims or circumstances arising from work carried out prior to the retroactive date

### Additional covers where included/selected – please refer to your Quotation or Policy Schedule

#### Legal Expenses Insurance

Provided in partnership with DAS Legal Expenses Insurance Co Ltd, this cover provides insurance protection against the unpredictability of potential legal or taxation problems up to a maximum of £100,000.

### **Employers Liability (EL) Insurance**

Your EL policy is a legal liability insurance that provides cover for claims made against you by, or on behalf of, an employee who is killed, injured or contracts a disease whilst undertaking work for you during the course of their employment.

The maximum payable ('Limit of Indemnity') in respect of any one accident or event is £10m (£5m in respect of Terrorism), which includes costs incurred in the defence or investigation of the claim.

As stated above, all insurance policies contain certain exclusions and you should consult the policy wording for the full list. However, some of the more significant exclusions include:

- ❖ Death, bodily injury or disease sustained by an employee whilst working offshore
- ❖ Death, bodily injury or disease sustained by any person other than an employee (this is covered by a **Public Liability Insurance**)
- ❖ Damage to third party property (this is covered by a **Public Liability Insurance**)

### **Public Liability (PL) Insurance**

Your PL policy is a legal liability insurance that provides cover for claims made against you by, or on behalf of, any party who is killed, injured or contracts a disease (except for an employee), or whose property you damage as a result of your business activities.

The maximum payable in respect of any one claim is the amount chosen by you and shown as the 'Limit of Indemnity' in the policy schedule. Unless otherwise stated, costs incurred in the defence or investigation of the claim will be paid in addition to this figure.

As previously stated, all insurance policies contain certain exclusions and you should consult the policy wording for the full list. However, some of the more significant exclusions include:

- ❖ Death, bodily injury or disease sustained by an employee whilst in the course of their employment (this is covered by an **Employers Liability Insurance**)
- ❖ Pollution (although some cover is provided arising from 'sudden and unexpected' incidents)
- ❖ Professional advice provided for a fee (this is covered by a **Professional Indemnity Insurance**)
- ❖ the Excess
- ❖ Asbestos

### **Directors & Officers (D&O) Liability**

The cover provides directors, non-executive directors and officers with an indemnity against a wide range of potential legal actions which they can face in the course of carrying out their normal duties and which may put their personal assets at risk. In certain circumstances, a director or officer may be held personally liable for a breach of a duty of care, skill or contract with the potential for unlimited financial liability.

Unless otherwise stated, the policy provides cover for:

- ❖ Damages, judgements or settlements
- ❖ Costs and expenses awarded against a Director or Officer
- ❖ Legal Defence Costs

The maximum payable in respect of any one claim (and in total during the period of insurance) is the amount chosen by you and shown as the 'Limit of Indemnity' in the policy schedule. Costs incurred in the defence or investigation of the claim are included within this figure.

*Engineers 1.3.2006*

*THIS WORDING IS AVAILABLE EXCLUSIVELY TO ENGINEERING MEMBERS OF PCG AND IS TO BE READ IN CONJUNCTION WITH THE INSURANCE SCHEDULE SUPPLIED BY THE MANAGER ON BEHALF OF ROYAL & SUN ALLIANCE INSURANCE plc PER SATURN (A TRADING NAME OF MARTELLO PROFESSIONAL RISKS LIMITED, A WHOLLY OWNED SUBSIDIARY OF ROYAL & SUN ALLIANCE INSURANCE PLC)*

As with PI above, D&O operates on a 'claims made basis', meaning that the policy will only provide cover for claims or circumstances discovered and notified to the Insurer during the period of insurance, rather than errors or mistakes occurring during the period of insurance.

As with the other products mentioned above, certain exclusions apply and you should consult the policy wording for the full list. However, some of the more significant exclusions include:

- ❖ Death, bodily injury or disease sustained by any person or damage to their property (this will be either **Employers or Public Liability**)
- ❖ Professional advice provided for a fee (this is covered by a **Professional Indemnity Insurance**)
- ❖ Fines, penalties, punitive, aggravated or exemplary damages awarded in a Libel or Slander action
- ❖ Asbestos

### Law applicable to the contract

You and the insurer are free to choose the law applicable to this contract but in the absence of agreement to the contrary, English law will apply.

### Flexible payment options

You can pay your premium, including tax, by 10 monthly instalments using our premium credit facility. Please ask your broker for an application form if this is of interest to you.

### Claims

#### Preventing claims occurring

As a professional we do not presume to tell you how to run your business. However many claims arise through misunderstandings which it may be difficult to disprove without evidence. Please ensure wherever possible that all contracts and instructions are confirmed in writing. Written records of meetings and telephone conversations should also all be retained on file.

#### Claims Procedure

In the event of any criticism by your client, or if you become aware of circumstances which could give rise to a claim against you, it is essential that you notify your insurance broker immediately, even if you believe that your actions have been beyond reproach and that a claim could never succeed.

Warning signs include:

- ❖ verbal complaints from a dissatisfied customer, or threats to take the matter further
- ❖ letters of complaint alleging neglect error or omission
- ❖ a client refusing to settle or delaying settlement of fees
- ❖ client wanting to change professional adviser

Once we have been notified of a possible claim we will assist you in providing guidance on how best to conduct future dealings with the client. Depending on the nature of the situation we may appoint professional advisers to assist you.

In the event of a claim or notification please do not advise the third party that you hold P.I. insurance as this may prejudice the position.

*Engineers 1.3.2006*

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Do not discuss or admit liability. Any correspondence should be passed to your broker as soon as possible, unanswered beyond a simple acknowledgement of receipt.

If you are involved in the Construction Industry please note the special conditions in the policy relating to prompt notification of circumstances relating to Adjudication under the Housing Grants and Construction Act.

### **Cancellation rights**

We hope that you are satisfied with the cover that this policy provides. As this is an annual contract and because of the basis of cover, there is no express provision allowing you to cancel the policy before its renewal date. However, depending upon the circumstances, we may agree to cancel the policy before the end of the period of insurance if you request us to do so. Any such request must be made via your insurance broker and detail the reason(s) behind this.

### **Complaints procedure**

We strive to provide the highest possible standard of customer service. However, should you feel that our service has fallen below the level expected and you wish to register a complaint, please contact us by writing to:

The Compliance Manager  
Saturn  
Caveat House  
14 Lovat Lane  
London  
EC3R 8DZ

Please quote your policy number and provide full details of your complaint.

If we are unable to resolve your complaint with us, you may be entitled to refer it to the Financial Services Ombudsman (FOS), South Quay Plaza, 183 Marsh Wall, London E14 9SR.

### **Financial Services Compensation Scheme**

We are covered by the Financial Services Compensation Scheme. You may be entitled to receive compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

For other classes of insurance, insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

### **About Saturn**

Saturn Professional Risks Limited was formed in August 1996 as a specialist 'intermediary only' Professional Indemnity Underwriting Agency. In 2004, we became part of the Martello Group, which in turn became a wholly owned subsidiary of Royal & Sun Alliance Insurance plc in November 2006.

We hold full delegated underwriting and claims handling authority. The capacity and security for our business is provided by two highly regarded companies, namely Royal & Sun Alliance Insurance plc and DAS Legal Expenses Insurance Co Ltd.

We are able to provide quotations for the majority of professions, with tailor-made wordings to meet their specific needs. Our policies for Chartered Accountants, Architects and Surveyors all meet the requirements of the respective governing bodies, including the ICA, ARB, RIBA and RICS.

Saturn (a trading name of Martello Professional Risks Limited, a wholly owned subsidiary of Royal & Sun Alliance Insurance plc)  
Saturn House 130/132 High Street Chesham Bucks HP5 1EF  
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**DX 50321 CHESHAM**

Underwriting Agents for Royal & Sun Alliance Insurance plc and others  
Registered Office: Caveat House, 14 Lovat Lane, London EC3R 8DZ Registered in England No. 3276482  
Authorised and Regulated by the Financial Services Authority

# LIABILITY INSURANCE POLICY

## OUR PROMISE TO YOU

In return for the premium **you** have paid, **we** agree to insure **you** in accordance with the terms and conditions of the **policy**.

This wording is fully protected by the laws of copyright. No unauthorised use or reproduction is permitted.

PLEASE REFER TO **YOUR** INDIVIDUAL SCHEDULE OF INSURANCE THAT WILL SHOW THE OPERATIVE SECTIONS OF COVER UNDER **YOUR** OWN INDIVIDUAL POLICY.

The following terms, exceptions and conditions apply to this insurance.

Words shown in **bold** type have the same meaning wherever they appear in this **policy**.

The words defined below are used throughout this **policy**.

## DEFINITIONS

<b>Asbestos risks</b>	a. the mining, processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibres or material containing asbestos; or b. exposure to asbestos, asbestos fibres or materials containing asbestos; or c. the provision of instructions, recommendations, notices, warnings, supervision or advice given, or which should have been given, in connection with asbestos, asbestos fibres or structures or materials containing asbestos
<b>Bodily injury</b>	Death, or any bodily or mental injury or disease of any person.
<b>Business</b>	<b>Your</b> business or profession as shown in the schedule.
<b>Confiscation</b>	Confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.
<b>Date recognition</b>	Any failure by any equipment (including any hardware or software) to correctly recognise any given date or to process any data or to operate properly due to any failure to correctly recognise any given date.
<b>Defence costs</b>	Costs incurred with <b>our</b> prior written agreement to investigate, settle or defend a claim against <b>you</b> .
<b>Denial of access</b>	Nuisance, trespass or interference with any easement or right of air, light, water or way.

<b>Employee</b>	Any person working for <b>you</b> in connection with <b>your</b> business who is: <ul style="list-style-type: none"> <li>a. employed by <b>you</b> under a contract of service or apprenticeship;</li> <li>b. hired to or borrowed by <b>you</b>;</li> <li>c. self-employed and working on a labour only basis under <b>your</b> control or supervision;</li> <li>d. engaged under a work experience or training scheme;</li> <li>e. a voluntary helper.</li> </ul>
<b>Endorsement</b>	A change to the terms of the <b>policy</b> .
<b>Excess</b>	The amount <b>you</b> must bear as the first part of each agreed claim.
<b>Geographical limits</b>	The geographical area shown in the schedule.
<b>Nuclear risks</b>	<ul style="list-style-type: none"> <li>a. Any sort of nuclear material, nuclear reaction, nuclear radiation or radioactive contamination;</li> <li>b. any products or services which include, involve or relate in any way to anything in (a) above, or the storage, handling or disposal of anything in (a) above;</li> <li>c. all operations carried out on any site or premises on which anything in (a) or (b) above is located.</li> </ul>
<b>Period of insurance</b>	The time for which this <b>policy</b> is in force as shown in the schedule.
<b>Personal injury</b>	False arrest, detention, or imprisonment; malicious prosecution; wrongful entry into, or eviction of a person from, a room, dwelling or premises that they occupy; invasion of any rights of privacy.
<b>Policy</b>	This insurance document and the schedule, including any <b>endorsements</b> .
<b>Pollution</b>	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
<b>Products</b>	Any goods supplied to others which were sold, manufactured, repaired, installed, erected, altered, cleaned or treated by <b>you</b> .
<b>Property damage</b>	Physical loss of or injury to or destruction of tangible property including the resulting loss of use of such property.
<b>Saturn</b>	Saturn (a trading name of Martello Professional Risks Ltd, a wholly owned subsidiary of Royal & Sun Alliance Insurance plc) 130/132 High Street Chesham Bucks HP5 1EF. (Underwriting Agents for Royal & Sun Alliance Insurance plc).
<b>Tool of trade</b>	Mobile plant or equipment being used where insurance or security is not required under the provisions of any road traffic legislation.
<b>Terrorism</b>	Terrorism means an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any government de jure or de facto.
<b>Virus</b>	A piece of unauthorised executable code which propagates itself through <b>your</b> computer system or network.

<b>War</b>	War, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.
<b>We / us / our</b>	Royal & Sun Alliance Insurance plc
<b>You / your</b>	The insured named in the schedule. Also includes any person who was, is or during the <b>period of insurance</b> becomes <b>your</b> partner or director or senior manager in actual control of <b>your</b> operations.

## **(A) PUBLIC AND PRODUCTS LIABILITY INSURANCE**

### **WHAT IS COVERED BY THIS SECTION**

**Claims against you** If, as a result of **your business**, any party brings a claim against **you** for:

- a. bodily injury or property damage** occurring during the **period of insurance**;
- b. personal injury or denial of access** committed during the **period of insurance**,

**we** will indemnify **you** against the sums **you** have to pay as compensation.

This includes a claim against any employee or volunteer worker of **yours** when they are acting on **your** behalf in whatever capacity.

**We** will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

**Claims against** If, as a result of **your business**, any party brings a claim, which falls within (a) **others** above, against **your** client or customer or a distributor of **your products** and **you** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to the client, customer or distributor that **we** would have made to **you**, provided that the party to be indemnified:

- a. has not, in **our** reasonable opinion, caused or contributed to the claim against them;
- b. accepts that **we** can control the claim's defence and settlement in accordance with the terms of this section;
- c. has not admitted liability or prejudiced the defence of the claim before **we** are notified of it;
- d. gives **us** the information and co-operation **we** reasonably require for dealing with the claim.

**Criminal proceedings** If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation directly relating to any actual or potential claim under this section, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you** or any employee of **yours**.

## WHAT IS NOT COVERED BY THIS SECTION

- A.** We will not make any payment for any claim or loss directly or indirectly due to:
- Property for which you are responsible**
1. loss of or damage to any property belonging to **you** or which at the time of the loss or damage is in **your** care, custody or control. This does not apply to:
    - a. employees' or visitors' vehicles or effects while on **your** premises;
    - b. premises, including their contents, which are not owned or rented by **you**, where **you** are temporarily carrying out **your business**;
    - c. premises rented to **you**, for loss or damage not insurable under property insurance policies and for which **you** would not be liable other than by the lease or other agreement.
  2. the ownership, possession, maintenance or use by **you** or on **your** behalf of any aircraft or other aerial device, hovercraft, watercraft (other than hand propelled or sailing craft less than 20 feet in length in inland or territorial waters) or any mechanically propelled vehicles and their trailers.

This does not apply to:

    - a. any **tool of trade**;
    - b. the loading or unloading of any vehicle off the highway.
- Injury to**
3. **bodily injury** to any person arising out of and in the course of their **employees** employment under a contract of service or apprenticeship with **you**.
- Pollution**
4.
    - a. any **pollution** of buildings or other structures or of water or land or the atmosphere;
    - b. any **bodily injury** or **property damage** directly or indirectly caused by **pollution** unless caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;
    - c. any **pollution** occurring in the United States of America or Canada.
- Computer virus**
5. transmission of a computer **virus**.
- Professional advice**
6. designs, plans, specifications, formulae, directions or advice prepared or given by you for a fee.
- Your products**
7. the costs of repairing, reconditioning or replacing any **product** or any of its parts.
  8.
    - a. any of **your products** relating to aircraft, including missiles or spacecraft, and any ground support or control equipment used in connection with such products;
    - b. any of **your products** installed in aircraft, including missiles or spacecraft, or used in connection with such craft, or for tooling used in their manufacture including ground-handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, advice and services and labour relating to such craft or **your products**.

- |   |   |
|---|---|
| <b>Deliberate or reckless acts</b>              | 9. any act, breach, omission or infringement <b>you</b> deliberately, spitefully, dishonestly or recklessly commit, condone or ignore which could reasonably be expected to cause injury or damage to another party even if such injury or damage is of a different degree or type than could reasonably have been anticipated. |
| <b>Contracts</b>                                | 10. <b>your</b> liability under any contract which is greater than the liability <b>you</b> would have at law without the contract.   |
| <b>Date recognition</b>                         | 11. <b>date recognition.</b>  |
| <b>War, terrorism and nuclear</b>               | 12. <b>war, terrorism or nuclear risks.</b>   |
| <b>Asbestos</b>                                 | 13. <b>asbestos risks.</b>  |
| <b>10 Restricted Restricted recovery rights</b> | <p><b>B. We will not make any payment for:</b></p> <p>1. that part of any claim where <b>your</b> right of recovery is restricted by any contract.</p>  |
| <b>Non-compensatory payments</b>                | 2. fines and contractual penalties, punitive or exemplary damages.  |
| <b>Claims outside the Applicable courts</b>     | 3. any claim, including arbitration, brought outside the countries set out in the schedule under Applicable Courts. This applies to proceedings in the Applicable Courts to enforce, or which are based on, a judgment or award from outside the Applicable Courts.   |

## HOW MUCH WE WILL PAY

**We** will pay up to the limit of indemnity shown in the schedule for each actual or threatened claim, unless limited below. **We** will also pay for **defence costs**. However, if a payment greater than the limit of indemnity has to be made for a claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid. **You** must pay the **excess** for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim.

### Special limits

- a. For claims arising from **your products**, the most **we** will pay is a single limit of indemnity for the total of all such claims. **We** will also pay for **defence costs** for those claims until the limit of indemnity has been exhausted. **You** must pay the relevant **excess** shown in the schedule.
- b. For claims arising from **pollution**, the most **we** will pay is a single limit of indemnity for the total of all such claims and their **defence costs**, including any claims forming part of a series of other claims regarded as one claim under this section. **You** must pay the relevant **excess** shown in the schedule.
- c. For claims brought in the United States of America or Canada, the most **we** will pay is a single limit of indemnity for the total of all such claims and their **defence costs**. **You** must pay the relevant excess shown in the schedule.
- d. The most **we** will pay for the costs to defend criminal proceedings is the amount shown in the schedule. This applies to all actions brought against **you** during the **period of insurance**.

### Paying out the limit of indemnity

At any stage **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for those claims or their **defence costs**.

## **(B) EMPLOYERS' LIABILITY INSURANCE**

### **WHAT IS COVERED BY THIS SECTION**

**Claims against you** If any **employee** brings a claim against **you** for **bodily injury** caused to them during the **period of insurance** arising out of their work for **you** within, or while working temporarily outside, the **geographical limits**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

The amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

**Criminal proceedings** If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation directly relating to any actual or potential claim under this section, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you**.

### **WHAT IS NOT COVERED BY THIS SECTION**

**A. We** will not make any payment for:

1. Any claim or loss directly or indirectly due to:

**Deliberate or reckless acts**  
or

a. any act, breach or omission **you** deliberately or recklessly commit, condone or ignore.

**Offshore**

b. any **bodily injury** caused to any of **your** employees while they are offshore. An **employee** is regarded as being offshore from the moment they board any form of transport at the departure point for an offshore rig or platform until the moment they disembark on their return from the rig or platform.

**Road traffic**

c. any **bodily injury** to any **employee** while being carried in or upon, or entering or getting onto, or alighting from a vehicle for which insurance or security is required under any road traffic legislation or where **you** are entitled to indemnity from any other source.

**Claims outside the geographical limits**

2. Any claim brought against **you** in any court, or legal proceedings in any country, outside the **geographical limits**. This also applies to proceedings in any court within the **geographical limits** to enforce, or which are based on, a judgment or award from outside the **geographical limits**.

## HOW MUCH WE WILL PAY

We will pay up to the limit of indemnity shown in the schedule, unless limited below, for all claims and their **defence costs** which arise from the same accident or event.

- Special limits**
- a. The most **we** will pay for claims and their defence costs arising from **terrorism** is the amount shown in the schedule. If **we** decide that this limit applies to a claim, it is **your** responsibility to prove that the claim does not arise from **terrorism**.
  - b. **We** will pay up to the amount shown in the schedule for the costs to defend criminal proceedings. This applies to all actions brought against **you** during the **period of insurance**.

## COMPULSORY INSURANCE CLAUSE

This insurance is in accordance with the provisions of any law relating to compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man, the Channel Islands or the Continental Shelf around these countries. **You** must repay all payments **we** make which **we** would not have been liable to pay in the absence of such law.

## POLICY CONDITIONS

The following conditions apply to this **policy**. However, **you** should pay particular attention to those headed **Change of circumstances**, **Due diligence** and **Premium payment** as **your** compliance with these conditions are precedent to **our** liability. **We** will not make any payment under this insurance unless **you** comply with all the requirements of these conditions.

- Basis of insurance** Because of its importance, all information which **you** or anyone on **your** behalf provided before **we** agreed to insure **you** is incorporated into and forms the basis of this **policy**.  
All facts and matters which might be relevant to **our** consideration of **your** proposal must be disclosed and all material representations made to **us** must be true, otherwise **we** are entitled to treat this insurance as if it had never existed.
- Change of circumstances** **You** must tell **us** as soon as reasonably possible of any change in circumstances during the **period of insurance** which may materially affect this **policy**. (A material fact or circumstance is one which might affect **our** decision to provide insurance or the conditions of that insurance.) **We** may then change the terms and conditions of this **policy**.
- Due diligence** **You** must take reasonable steps to prevent accident or injury and to protect **your** property against loss or damage. **You** must keep any property insured under this **policy** in good condition and repair.
- Premium payment** **We** will not make any payment under this **policy** unless **you** have paid the premium.
- Cancellation** **You** or **we** can cancel the **policy** by giving 30 days' written notice. **We** will give **you** a refund of the premium for the remaining period.  
If **you** pay the premium by instalments and an instalment remains unpaid after 14 days, **we** may cancel this **policy** from the date the last instalment was due.

<b>Multiple insureds</b>	<p>The most <b>we</b> will pay is the relevant amount shown in the schedule.</p> <p>If more than one insured is named in the schedule, the total amount <b>we</b> will pay will not exceed the amount <b>we</b> would be liable to pay to any one of <b>you</b>.</p> <p><b>You</b> agree that the insured named in the schedule, or if there is more than one insured named in the schedule the first of them, is authorised to receive all notices and agree any amendments to the <b>policy</b>.</p>
<b>Aggregate limit</b>	<p>Where this <b>policy</b> specifies an aggregate limit, this means <b>our</b> maximum payment for all relevant claims or losses covered under the <b>policy</b> during the <b>period of insurance</b>.</p> <p>If the <b>period of insurance</b> is continuous, the aggregate limit will apply to all relevant claims or losses covered under the <b>policy</b> during the 12 months from the date the continuous cover starts. Each aggregate limit will be reinstated to the level shown in the schedule at each anniversary.</p>
<b>Rights of third parties</b>	<p><b>You</b> and <b>we</b> are the only parties to this <b>policy</b>. Nothing in this <b>policy</b> is intended to give any person any right to enforce any term of this <b>policy</b> which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.</p>
<b>Other insurance</b>	<p>This <b>policy</b> does not cover any loss or claim where <b>you</b> would be entitled to be paid under any other insurance if this <b>policy</b> did not exist.</p>
<b>Governing law</b>	<p>Unless some other law is agreed in writing, this <b>policy</b> will be governed by the laws of England.</p>
<b>Arbitration</b>	<p>Any dispute arising out of or relating to this insurance, including over its construction, application and validity, will be referred to a single arbitrator in accordance with the Arbitration Act then in force.</p>

## CLAIMS CONDITIONS

The following claims conditions apply to this **policy**. However, **you** should pay particular attention to those headed **Your obligations** and **Correcting problems** as **your** compliance with these conditions are precedent to **our** liability. **We** will not make any payment under this insurance unless **you** comply with all the requirements of these conditions.

<b>Your obligations</b>	<p><b>We</b> will not make any payment under this <b>policy</b> unless <b>you</b>:</p> <ol style="list-style-type: none"> <li>a. notify <b>Saturn</b> promptly of any claim or threatened claim against <b>you</b></li> <li>b. notify <b>Saturn</b> as soon as practicable of: <ol style="list-style-type: none"> <li>i) <b>your</b> discovery that <b>products</b> are defective;</li> <li>ii) any threatened criminal action by any governmental, administrative or regulatory body</li> </ol> </li> <li>c. give <b>Saturn</b>, at <b>your</b> expense, any information which <b>we</b> may reasonably require and co- operate fully in the investigation of any claim under this <b>policy</b></li> <li>d. make every reasonable effort to minimise any loss, damage or liability and take appropriate emergency measures immediately if they are required to reduce any claim;</li> <li>e. give <b>Saturn</b> all assistance which <b>we</b> may reasonably require to pursue recovery of amounts <b>we</b> may become liable to pay under this <b>policy</b>, in <b>your</b> name but at <b>our</b> expense.</li> </ol>
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- f. if, when dealing with **your** client **your** employee or a third party, **you** admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. **You** must also not reveal the amount of cover available under this insurance, unless **you** had to give these details in negotiating a contract with **your** client or have **our** prior written agreement

**Correcting problems**

**We** will not make any payment for **products** claims if **you** fail to take reasonable steps to remedy or rectify, at **your** expense, any defect or failure in the goods or services **you** have supplied to a client, customer or distributor.

**Fraud**

If **you**, or anyone on **your** behalf, tries to deceive **us** by deliberately giving **Saturn** false information or making a fraudulent claim under this **policy** then **we** will treat this **policy** as if it had never existed.

**CONTROL OF DEFENCE**

**We** have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement or defence of any claim. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

## CONTINGENT MOTOR LIABILITY EXTENSION

### **ENDORSEMENT No. 1**

In consideration of Premium paid and notwithstanding Exclusion A 2 of Section A: Public and Products Liability Insurance the Insurers will indemnify the Insured against liability as herein defined arising out of the use in the course of the Insured's Business of any motor vehicle not the property of, nor provided by, the Insured.

The indemnity will not apply to legal liability:

- (i) in respect of loss or damage to such vehicle or to property conveyed therein
- (ii) arising while such vehicle is being driven by the Insured
- (iii) in respect of which the Insured is entitled to indemnity under any other insurance
- (iv) arising while such vehicle is used outside Great Britain.

All other terms and conditions shall remain unchanged

## **DEFECTIVE PREMISES ACT 1972 EXTENSION**

### **ENDORSEMENT No. 2**

#### **DEFECTIVE PREMISES ACT 1972**

It is hereby understood and agreed that with respect to Section A: Public and Products Liability Insurance this Policy is extended to include legal liability incurred by the Insured by virtue of Section 3 of the Defective Premises Act 1972 or similar legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man in respect of any premises which have been disposed of by the Insured in connection with the Insured's Business

Provided that the Insurer shall not be liable

- (i) for the costs of remedying any defect or alleged defect in the premises
- (ii) if the Insured is entitled to indemnity from any other source
- (iii) for any liability assumed by the Insured under contract or agreement which would not have attached in the absence of such contract or agreement.

All other terms and conditions shall remain unchanged

## **INDEMNITY TO PRINCIPAL**

### **ENDORSEMENT No. 3**

In consideration of Premium paid and notwithstanding Exclusion 10 to Section A the Insurers will indemnify the Insured against liability as herein defined.

To the extent that any agreement entered into by the Insured with any Principal so requires the Insurers will

- i) indemnify the Insured against liability assumed by the Insured
- ii) indemnify the Principal in like manner to the Insured in respect of the liability of the Principal arising out of the performance by the Insured of such contract or agreement

Provided that:

- i) the conduct and control of claims is vested in the Insurers
- ii) the Principal shall, observe, fulfil and be subject to the terms, exclusions, conditions and endorsements of this Policy so far as they can apply
- iii) the Indemnity shall not apply to liability in respect of liquidated damages or under any penalty clause.

Where any Indemnity is provided to any Principal the Insurers will treat each Principal and the Insured as though separate Policy had been issued to each of them provided that nothing in this Endorsement shall increase the liability of the Insurers to pay any amount in respect of any one Occurrence or during the Period of Insurance in excess of the amount stated in the Limits of Indemnity.

All other terms and conditions shall remain unchanged

## **(C) PROFESSIONAL INDEMNITY INSURANCE**

### **PREAMBLE**

Coverage applies, subject to the terms of this section of the Policy, only if notice of a Circumstance or of a Claim is given to the Insurers and/or Manager named on pages one and two of this Policy during the Policy Period. The date such notice is given is the date for determination of the applicable liability of Insurers, Excess and terms of this Policy.

Insurers do not have any duty to defend. Costs and Expenses are included within the Insurers' liability and the Excess. Insurers' liability for this policy is an annual aggregate.

The firm or individual named as the Insured in the Schedule shall be the sole agent of any act for all Insured in the giving of all notices to Insurers, the receiving of all notices from Insurers, the payment of the premium and the receiving of any return premiums that may become due under this policy.

*WHEREAS the person or persons or partnership or company named in the schedule (hereinafter referred to as "the Insured", which term shall include his/their executors or personal representatives) has/have submitted a written proposal as noted in the Schedule containing particulars and statements which (together with any other information which may have been supplied) it is agreed shall be the basis of this contract and are to be considered as incorporated herein, and have paid the premium stated in the Schedule.*

### **INSURING CLAUSE**

**NOW THEREFORE**, We, Royal & Sun Alliance Insurance plc (hereinafter described as the Insurers), hereby agree to indemnify the Insured up to but not exceeding the sum stated in the Schedule for any sum or sums which the Insured may become legally liable to pay arising from any claim or claims first made against them and notified to the Insurers during the period of this Policy as a direct result of any negligent act, error or omission in the professional conduct of their Business, as stated in the Schedule, by the Insured or any partner or previous partner or any person or party employed or engaged by the Insured including specialist designers or consultants acting on the Insured's behalf and for whom the Insured are responsible.

### **COSTS AND EXPENSES**

The Insurers will pay Costs and Expenses which are incurred by the Insurers or by the Insured with the Insurers' prior written consent in connection with any claim first made against the Insured and notified to the Insured during the Period of Insurance.

These Costs and Expenses will erode the Limit of Indemnity appearing in the attached Schedule.

The Excess will include these Costs and Expenses and/or the Insured's Legal Liability.

### **EXCESS**

PROVIDED ALWAYS THAT the Insurers shall be liable only, in respect of any claim hereunder, for that part of the claim (which for the purpose of this clause shall include all costs and expenses incurred by Insurers in investigating and defending the claim) which exceeds the amount stated as "the Excess" in the Schedule.

## INDEMNITY TO EMPLOYEES

IN THE EVENT of a claim being made against any employee of the Insured or former employee of the Insured whilst acting within the scope of his employment with the Insured which, if it had been made against the Insured, would have been the subject of indemnity under this insurance, Insurers agree to indemnify such employee in a like manner to the Insured unless the claim has been brought about or contributed to by any dishonest fraudulent criminal or malicious act of the employee.

## EXCLUSIONS

*This insurance does not cover any liability whatsoever arising out of:*

1. Any goods or products manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured or from any other business or occupation even though the same may be carried on by the Insured in conjunction with their Business as stated in the Schedule. This exclusion does not apply to the supply of software and/or Website design and/or advice upon the conjunction or type of hardware required by a third party.
2. Death, Bodily Injury, Sickness sustained by any person arising out of and in the course of their employment by the Insured under a contract of service or apprenticeship with the Insured.
3. Any claim made against the Insured as a result of any dishonest, malicious or illegal acts of any present or previous director principal or partner of the Insured or their employees.
4. The ownership, use, occupation or leasing of property, mobile and/or immobile, by, to or on behalf of the Insured.
5. Where the action for damages is brought in a court of law that operates under the laws of the United States of America and/or Canada (or to any order made anywhere in the World to enforce such a judgement or settlement of damages in whole or part.
6. Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
  - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
7.
  - (i) Death, Bodily Injury, Sickness, or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph (i) shall not apply to liability for Death, Bodily Injury, Sickness, loss of, physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
  - (ii) The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
8. Any consequences of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power. This exclusion shall not apply in respect of liability or loss caused by explosive devices provided that no state of war exists in the country where the contract is undertaken.
9. Libel and Slander.

10. Loss of Documents.
11. Any claim or circumstance known to the Insured prior to the inception of this Policy and which the Insured at such time knew or should have reasonably assumed might result in a claim against the Insured.
12. Fines, prosecution costs or penalties of any kind
13. Punitive or exemplary damages
14. Subcontractors that are retained to assist with the work of a specialist nature and/or required because of the volume of work arising from subcontracting unless they have been hired to cover the Insured for:
  - (i) illness, sickness, disease or bereavement and/or holidays

or

- (ii) you have received written confirmation that the specialist designer, consultant or subcontractor maintains Professional Indemnity Insurance for a limit of not less than £100,000 that insures their liability whilst acting as a specialist designer or subcontractor in which case you must not waive or otherwise allow to impair the Insurer's right of recourse/subrogation against such specialist designer consultant or subcontractor
15. Any claims by any person, partnership or firm associated with the Insured (financially or otherwise) unless such claims emanate from an independent third party.
16. Year 2000 Exclusion

Any claim, loss, liability or costs and expenses directly or indirectly caused by or contributed to or arising from or in connection with any Computer System, whether or not the property of the Insured, not being Year 2000 Compliant.

In addition this Policy shall not indemnify the Insured in respect of any claim, loss, liability or costs and expenses directly or indirectly caused by or contributed to or arising from or in conjunction with any correction or any attempted correction, conversion, renovation, rewriting or replacement of any Computer System related to Year 2000 Compliance.

The following are added to the definitions section of the Policy:-

**“Year 2000 Compliant/Compliance”** shall mean that neither performance nor functionality of the Computer System is affected by dates prior to, during and/or after the Year 2000. In particular:-

- Rule 1 No value for current date will cause or give rise to any interruption in operation of the Computer System
- Rule 2 Date based functionally and performance of the Computer System must behave consistently for dates prior to, during and/or after the year 2000
- Rule 3 In all interfaces and data storage of the Computer System the century in any date must be specified either explicitly or by unambiguous algorithms or inferencing rules
- Rule 4 The year 2000 must be recognised as a leap year by the Computer System

**“Computer System”** shall mean any computer, data processing equipment media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or storage device, microchip, integrated circuit, real-time clock system, or similar device or any computer software (including but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode used owned operated or relied upon by the Insured.

## CONDITIONS

1. **INSURED'S DUTIES IN THE EVENT OF CLAIM:** It is a condition precedent to Insurers' liability under this insurance that:

- (i) (a) Upon receipt by or on behalf of the Insured of notice whether written or oral of intention by any person or body to make a claim against the Insured or of any allegation of negligent act, error or omission which might give rise to such a claim or on the discovery of any such negligent act, error or omission the Insured shall notify via ProFin Claims Department, Royal & Sun Alliance, 200 St Vincent Street, Glasgow G2 5SG, (please quote the Policy Number and refer to PCG) or online at <http://www.randelldorling.co.uk/>, for transmission to the Insurers of such receipt, allegation or discovery as soon as practicable and shall provide full information respecting it so far as such information is in his/their possession.
- (b) If during the subsistence hereof the Insured shall become aware of any occurrence which may subsequently give rise to a claim against them by reason of any negligent act, error or omission and shall during the subsistence hereof give written notice via ProFin Claims Department, Royal & Sun Alliance, 200 St Vincent Street, Glasgow G2 5SG, (please quote the Policy Number and refer to PCG) or online at <http://www.randelldorling.co.uk/>, for transmission to the Insurers of such occurrence, any claim which may subsequently be made against the Insured arising out of that negligent act, error or omission shall be deemed for the purpose of this insurance to have been made during the subsistence hereof.
- (ii) The Insured shall not admit liability for or settle or make or promise any payment in respect of any Claim which may be the subject of indemnity hereunder or incur any costs or expenses in connection therewith without the written consent of the Insurers who if they so wish shall be entitled to take over and conduct in the name of the Insured the defence and/or settlement of any such claim for which purpose the Insured shall give all such information and assistance as the Insurers may reasonably require.

2. **RETROACTIVE DATE**

Where a retroactive date is specified in the Schedule this Policy will not respond in respect of any claim or loss otherwise falling for indemnity under this Policy where the cause of such claim or loss occurred or was alleged to have occurred prior to the said Retroactive Date.

3. **AGREEMENT TO PAY CLAIMS**

The Insurers agree to pay claims which may arise under this insurance without requiring the Insured to dispute any claim unless a Queen's Counsel or lawyer of comparable standing in the territory concerned (to be mutually agreed upon by Insurers and the Insured) advise that the same could be contested with a reasonable prospect of success by the Insured and the Insured consents to such a claim being contested, but such consent is not to be unreasonably withheld. In the event of any dispute arising between the Insured and the Insurers as to what constitutes an unreasonable refusal to contest a claim at Law, the President for the time being of the Professional Body of which the Insured is a member shall nominate a referee to decide this point (only) and the decision of such referee shall be binding on both parties. In the event of the Insured not being a member of a Professional Body, the President for the time being of the Chartered Institute of Arbitrators shall nominate a referee to adjudicate as aforementioned.

4. **OTHER INSURANCE**

If at the time any claim arises under this insurance the Insured is or would but for the existence of this insurance be entitled to indemnity under any other policy or policies, the Insurers shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected.

5. **TIMBER DISEASE**

It is hereby understood and agreed that this policy shall apply to any claim arising or resulting from or in connection with timber disease of any description, woodworm, beetle infestation or any other vermin or insect or any consequential loss or damage arising therefrom provided that:

- (i) All reports shall be in writing and shall have been prepared by
  - (a) a Fellow or Professional Associate of the Royal Institution of Chartered Surveyors
  - (b) a qualified Architect or
  - (c) a person with not less than five years' experience of structural surveying and,
- (ii) The Insured or a qualified representative of the Insured shall have made a detailed inspection of the building and have fully reported on the condition of the timber and drawn attention to the existence of any defect observed and also of the possibility of such defect becoming more extensive. Further the report must include the following clause in respect of all timber or woodwork not surveyed:- "We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that any such part of the property is free from defect."

6. **SUBROGATION**

If any payment is made under this insurance in respect of a Claim hereunder Insurers are thereupon subrogated to all the Insured's rights of recovery thereto however Insurers shall not exercise any such rights against any employee or former employee of the Insured unless the Claim has been brought about or contributed to by any dishonest fraudulent criminal or malicious act of the employee, it being understood that Insurers shall at all times retain all the Insured's rights of recovery against any person or party who is not an employee of the Insured or former employee of the Insured.

7. **FRAUDULENT CLAIMS**

If the Insured shall make any claim knowing the Claim to be false or fraudulent, as regards amount or otherwise, this insurance shall become void and all claims thereunder shall be forfeited.

8. **DISCLAIMER OF LIABILITY BY INSURER**

In the event of Insurers at any time being entitled to avoid this insurance ab initio by reason of any materially inaccurate or misleading information given to Insurers, Saturn Professional Risks Limited or the Manager in the Proposal Form or at any time during the negotiations leading to the inception of this insurance or as a result of failure to disclose material facts before the conclusion of the insurance or for any other reason at law, Insurers may at their election instead of avoiding this insurance ab initio give notice to the Insured that they regard this insurance as of full force and effect save that there shall be excluded from the indemnity afforded hereunder any claim which has arisen or which may arise and which is related to circumstances which ought to have been disclosed to the Insurers in the Proposal Form or which arises out of materially inaccurate or misleading information given to Insurers. This insurance shall then continue as if the same had been specifically endorsed ab initio excluding the particular claim or possible claim referred to in the said notice.

9. **INTERPRETATION CLAUSE**

The parties, ie. the Insured and Insurers are free to choose the law applicable to this Insurance Contract, unless specifically agreed to the contrary this Insurance Contract shall be subject to the laws

of the United Kingdom. This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

## 10. DEFINITIONS

- (i) 'Claim' shall mean claim or series of claims resulting from:
  - (a) one and the same act, error or omissions, or
  - (b) a series of acts, errors or omission arising out of the same cause, or
  - (c) the acts, errors or omissions of one person or persons acting together or in which such person or persons is/are concerned or implicatedand shall be deemed to be one claim for all purposes of this Policy.
- (ii) 'Death, Bodily Injury, Sickness' shall be deemed to include mental stress.
- (iii) 'Business' shall mean those operational activities described in the Signed and Dated Proposal submitted to Insurers for the purposes of effecting this Policy

## 11. CHANGE OF CIRCUMSTANCES

The Insured shall give the Manager notice in writing as soon as reasonably practicable of any alteration which materially affects the risk insured. On receipt of such notice, the Manager shall have the option to continue this Policy without amendment, to cancel this Policy with immediate effect to require payment of an additional premium or to apply appropriate conditions to reflect the change in circumstances.

In the event the Insurers require the payment of an additional premium and this is unacceptable to the Insured, this Policy shall be deemed to be cancelled with immediate effect.

### **Premium deemed earned at inception**

It is hereby understood and agreed that the premium is deemed earned at inception and that no return of premium shall be payable in the event that the Insured cancels this Policy

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Libel and Slander Extension**

Insurers agree to indemnify the Insured against all sums which the Insured shall become legally liable to pay as damages and claimants' costs and expenses as a result of any Claim or Claims made against the Insured during the Period of Insurance for Libel or Slander or Defamation by reason of words written or spoken by: -

- (i) the Insured, or
- (ii) any employee of the Insured, or
- (iii) any director of the Insured

in or about the conduct of the Insured's business as specified in the Schedule.

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Infringement of Copyright Extension**

Insurers agree subject otherwise to the terms, conditions and exclusions of this insurance to indemnify the Insured against all sums which the Insured shall become legally liable to pay as damages and claimants costs and expenses as a result of any Claim or Claims made against the Insured during the Period of Insurance alleging infringement of copyright, patent or registered design committed in good faith by: -

- (i) the Insured, or
- (ii) any employee of the Insured, or
- (iii) any director of the Insured

in or about the conduct of the Insured's business as specified in the Schedule.

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Loss of Documents Extension**

It is hereby understood and agreed that if during the Period of Insurance the Insured shall discover that any Documents (as hereafter defined) the property of or entrusted to the Insured, which may now or hereafter be, or be supposed or believed to be, in the custody of the Insured or in the custody of any other person to or with whom such Documents have been entrusted, lodged or deposited by the Insured in the ordinary course of business, have, whilst anywhere in the world been destroyed or damaged or lost or mislaid and after diligent search cannot be found, the Insurers will indemnify the Insured against:

- (i) legal liability which the Insured may incur to any other person in consequence of such Documents being destroyed, damaged, lost or mislaid.
- (ii) costs and expenses incurred by the Insured in replacing or restoring such Documents
- (iii) costs and expenses incurred with the written consent of the Insurers in the defence or settlement of any claim to establish the liability as described in (i) above.

### **Definition**

In this Extension "Documents" means deeds, wills, agreements, maps, plans, records, books, letters, certificates, forms, computer programmes or information stored, written or punched into card or tape or magnetic discs or taped or any other data media, and documents of any nature whatsoever, whether written, printed or reproduced by any other method (other bearer bonds, coupons, bank notes, currency notes and negotiable instruments).

### **Limit of Indemnity**

The Insurers liability in respect of this Extension shall be £10,000 and not as otherwise stated herein, subject always to Condition 4 of this Extension.

In respect of this Extension the Insurers shall not be liable for the first £500 of each and every Claim and shall include all costs and expenses incurred.

## **Exclusions**

This Extension shall not indemnify the Insured against any liability, costs or expenses

- (i) for which the Insured are entitled to an indemnity under this Policy apart from this Extension,
- (ii) for which the Insured are entitled to an indemnity, under any other policy or certificate of insurance,
- (iii) brought about or contributed to by any dishonest, fraudulent or criminal act or omission of the Insured, or of any person at any time employed by the Insured,
- (iv) directly or indirectly occasioned by, happening through or in consequence of war, invasions, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or destruction of or damage to property by or under the order of any government or public or local authority.
- (v) Directly or indirectly caused by or contributed to or by or arising from:
- (vi) ionising radiation's or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel,
- (vii) the radioactive, toxic, explosive or other hazardous properties of any explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof,

## **Conditions**

1. The Insured shall not admit liability for or settle any Claims or incur any costs or expenses in connection therewith without the written consent of the Insurers, who shall be entitled at any time to take over and conduct in the name of the Insured the defence or settlement of any Claim.
2. The Insured shall, as a condition precedent to their right to be indemnified under this Extension, via ProFin Claims Department, Royal & Sun Alliance, 200 St Vincent Street, Glasgow G2 5SG or online at <http://www.randelldorling.co.uk/>, give to the Insurers immediate notice in writing of any circumstance which is likely to give rise to a Claim hereunder.
3. Any claim for costs and expenses incurred by the Insured in replacing or restoring Documents shall be supported by bills or accounts which shall be subject to approval by a competent person to be nominated by the Insurers with the approval of the Insured.
4. The Insurers' total liability under this Policy shall not be increased by reason of this Extension.
5. The Insured shall, as a condition precedent to their right to be indemnified under this Extension, keep all Documents in a suitable secure fire proof safe or cabinet outside of normal business hours and shall maintain duplicates of all computer related records off site

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Unintentional Breach of Confidentiality Extension**

Notwithstanding anything contained herein to the contrary, it is hereby understood and agreed that this Policy/Certificate extends to indemnify the Insured for claims made against the Insured during the Period of Insurance arising from an unintentional breach of confidentiality.

It is also hereby understood and agreed that notwithstanding anything contained in the foregoing extension Insurers total aggregate liability remains unaltered.

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Party Wall Act Extension**

It is hereby noted and agreed that this insurance extends to indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as a result of any claims which falls within the scope of the Insured's work which is defined within the Party Wall Act 1996.

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **CONDAM and Defence Costs Extension**

It is hereby noted and agreed that where the Insured are appointed as a 'Planning Supervisor' or 'Designer' within the meaning of the CONDAM Regulations that such appointments will be deemed to be a professional activity for the purposes of the policy.

Provided always that the Insured's Third Party Policies have confirmed that they consider the above appointments form part of the normal business activity of the Insured and that the liability of the Insurers, in respect of a claim arising out of the breach of the above regulations, shall apply in excess of and not as contributory to any payments made under the Third Party Policies in respect of claims arising out of such appointments, where the Insured was or would be indemnified in respect of such claim under the aforementioned Third Party Policies.

It is also understood and agreed that this Policy is extended, subject to its terms, conditions and exclusions, to indemnify the Insured in respect of costs and expenses incurred with the Insurer's prior written consent, in the defence of any proceedings brought under the Construction (Design and Management) Regulations (CONDAM) made under the Health and Safety at Work Act 1974, but only where Insurers believe that defending such proceedings could protect the Insured against any subsequent or concurrent civil action.

It is further noted and agreed that any subsequent or concurrent civil action arising out of any proceedings notified hereunder shall be deemed to be notified hereunder.

Provided always that Insurers total aggregate liability under this Policy during any one Period for such claim(s) shall not exceed £100,000 including Costs and Expenses.

The Excess in respect of this extension is £1,000 each and every claim.

All other terms, exclusions, conditions and endorsements of this insurance remain unchanged.

### **Housing Grants Construction & Regeneration Act**

The Insurers shall indemnify the Insured for any liability under an adjudication made either in accordance with the Housing Grants Construction and Regeneration Act 1996 or the Scheme for Construction Contracts (England and Wales) Regulations 1998 (“Adjudication”) or the Scheme for Construction Contracts (Scotland) Regulations 1998

Provided that the following conditions precedent to liability apply:

- (i) The Insured shall give immediate notice (and in any event within 48 hours) via Saturn, Saturn House, 130-132 High Street, Chesham, Bucks, HP5 1EF or online at <http://www.randelldorling.co.uk/> of:
  - (a) receipt of a notice that a dispute is being referred to Adjudication
  - (b) becoming aware that a dispute is likely to be referred to Adjudication
  - (c) a decision by the Insured to refer a dispute to Adjudication
- (ii) The Insured shall immediately deliver full written details of the matter notified under (i) above (including any subsequent correspondence or notices received) via Saturn, Saturn House, 130-132 High Street, Chesham, Bucks, HP5 1EF or online at <http://www.randelldorling.co.uk/>.
- (iii) The Insured shall provide full and expeditious co-operation to the Insurers and/or its representatives and will comply with all their reasonable requests, in particular those relating to response times
- (iv) The Insurers shall at their discretion take over and control in the name of the Insured the conduct, defence or settlement of the dispute referred to Adjudication
- (v) The Insured shall not without the prior written consent of the Insurers
  - (a) make any admission in respect of the dispute being referred to Adjudication
  - (b) agree to accept the decision of the adjudicator as finally determining the dispute with no further reference to legal proceedings, arbitration or alternative dispute resolution
- (vi) In respect of any contract entered in to by the Insured
  - (a) The Insured shall not accept any adjudication provisions which are more onerous than those contained in the Schemes referred to in the Act(s)
  - (b) The Insured shall not accept the decision of the adjudicator as finally determining the dispute
  - (c) The Insured shall not waive their rights to refer the dispute to court of law

All other terms and conditions remain unaltered.

### **Project Managers Extension**

It is hereby agreed and understood that this Insurance is extended to include the Insured's activities as Project Managers.

Provided always that this extension shall only cover the Insured for their legal liability for negligent acts, errors or omissions as defined in the Policy as Managers of a project where they are remunerated for a fee for their services and shall be limited to the overall control and general supervision of the contract.

This extension shall not however cover claims made against the Insured for:

1. Any claim resulting from failure to procure or maintain any financing for the payment of contract work or services in connection therewith from any cause whatsoever.
2. Any claim which would normally be the responsibility of the Building Contractor if a separate Project Manager were not appointed.
3. Any claim as a result of failure to effect and maintain insurance.
4. Insolvency of any of the parties involved in the project.
5. Any liability assumed by the Insured under contract which would not have attached to them but for the existence of the Contract.
6. Error or omission of the Insured in estimates of probable construction cost or cost estimates being exceeded.

All other terms, conditions, exclusions or endorsements of this Insurance remain unaltered.

### **CONTRACTS (RIGHT OF THIRD PARTIES) ACT 1999**

It is hereby understood and agreed that this Policy shall not indemnify the Insured in respect of any claim, loss, liability or expense arising out of rights under the Contracts (Right of Third Parties) Act 1999, of any person or company who is not a party to this Policy to enforce any term of this Policy, other than any rights or remedies of any such person or company which may exist or be available regardless of the said Act.

All other terms, exclusions, conditions and endorsements of this Insurance remain unchanged

Endorsement Number: One

**Effective Date: Inception of the Policy Period or as otherwise agreed by the Insurers**

### **Full Sub-Contractors Extension**

In consideration of the Premium stated in the Schedule being fully paid the Insurers agree to delete Exclusion 14.

By virtue of the deletion of Exclusion 14 the Insured will not waive or otherwise allow to impair Insurers' right of recourse/subrogation against such specialist designers, consultants or sub contractors.

Moreover it is a condition precedent to the granting of the deletion of Exclusion 14 that the Insured has received written confirmation that the specialist designer, consultant or sub-contractor maintains professional indemnity insurance for a limit of not less than £ 100,000 that insures their liability whilst acting as a specialist designer, consultant or sub contractor other than in the event of illness, sickness or disease or bereavement where no such £100,000 of Professional Indemnity Insurance is required.

### **ALL OTHER TERMS AND CONDITIONS REMAIN UNALTERED**

Issued by Royal & Sun Alliance Insurance plc, per Saturn (Saturn is a trading name of Martello Professional Risks Limited)

Information: The coverage provided by this Endorsement is only available in the event that there is a charge of more than £1 under the heading **Premium Allocation For Subcontractors** appearing on the Policy Schedule.

