

**A PROGRAMME SPONSORED BY  
PROFESSIONAL CONTRACTORS GROUP FOR MEMBERS WHO  
ARE IT CONTRACTORS AND/OR IT CONSULTANTS**

(Individual Insureds attaching for a 12 month policy between 1<sup>st</sup> March 2003 and 29<sup>th</sup> February 2004)

**Managed by**

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

**POLICY DOCUMENT**

**SECTION A: EMPLOYER'S LIABILITY**

**AND/OR**

**SECTION B: PUBLIC LIABILITY**

**(THERE IS NO PRODUCTS LIABILITY COVERAGE. HOWEVER THIS COVER MAYBE  
AVAILABLE FROM THE MANAGER UPON APPLICATION)**

**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 AND REPORTED DURING THE PERIOD OF INSURANCE OR ANY DULY PURCHASED DISCOVERY PERIOD (IF APPLICABLE).

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

IMPORTANT NOTICE: 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 on behalf of  
60 % MMA Insurance plc  
40% Hiscox Insurance Company Limited**

The subscribing Insurers under this contract of insurance are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

**per Saturn Professional Risks Limited  
Saturn House  
130-132 High Street  
Chesham, Bucks  
HP5 1EF**

**IMPORTANT NOTES FOR GUIDANCE  
(NOT FORMING PART OF THE POLICY WORDING OR SCHEDULE)**

Thank you for choosing MMA Insurance plc and Hiscox Insurance Company Limited per Saturn Professional Risks Limited, companies committed to providing service of the highest quality. We have prepared the following notes which are for your guidance only.

**CHANGE IN CIRCUMSTANCES**

Please let your Manager know if your circumstances change at any time, ie. new address, new e-mail address, change in partners or directors or a new line of business activity.

**AVOIDING CLAIMS**

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 if possible that all contracts and instructions are confirmed in writing. Written records of meetings and telephone conversations should also be retained on file.

**CLAIMS & NOTIFICATION**

The Randell Dorling website [www.randelldorling.co.uk](http://www.randelldorling.co.uk) contains an explanation of how to present a claim depending on whether a cover is Professional Indemnity (Claims Made) or Public Liability/Employers' Liability (Occurrence). 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 us immediately, even if you believe that your actions have been beyond reproach and that a claim could never succeed. The Claims Reporting Form can be accessed via the button on the Randell Dorling website [www.randelldorling.co.uk](http://www.randelldorling.co.uk) headed "Claims".

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
- a 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 Professional Indemnity and/or Public Liability and/or Employer's Liability insurance as this may prejudice the position.

Do not discuss or admit liability. Any correspondence should be passed to us as soon as possible although you should send the Client an acknowledgement of receipt of his letter of complaint. If you require help in the drafting of this letter, please do not hesitate to contact us.

## **LAW APPLICABLE TO THIS 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.

## **COMPLAINTS PROCEDURE**

It is always our intention to provide a first class standard of service. However if you have any cause for complaint, you should in the first instance, contact either the Manager who arranged the policy for you or Saturn who issue the policy on behalf of the MMA Insurance plc and Hiscox Insurance Company Limited. Please be ready to quote your policy number. Should the matter not be resolved to your satisfaction, please write to the Directors of Saturn Professional Risks Limited.

If you consider the matter still unresolved, the following options are open to you:

- a) Contact the Association of British Insurers for assistance at: Consumer Information, Dept. 51, Gresham Street, London, EC2V 7HQ.
- b) In the case of a complaint concerning a member of the General Insurance Standards Council contact the General Insurance Standards Council at 110 Cannon Street, London, EC4N 6EU

## **QUERIES**

If you have any query regarding this insurance please contact your insurance broker.

Saturn Professional Risks Limited  
Saturn House  
130-132 High Street  
Chesham  
Buckinghamshire  
HP5 1EF  
info@saturnprl.co.uk

## **SECTIONS A & B: LIABILITY INSURANCE**

Whereas the Insured named in the Schedule has made severally to 60% MMA Insurance plc and 40% Hiscox Insurance Company Limited (hereinafter described as the Insurers).

The subscribing Insurers under this contract of insurance are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

The proposal and declaration bearing the date specified in the Schedule which shall be the basis of this part of the contract and incorporated herein, and has paid the premium specified in the Schedule.

The Insurers hereby agree to indemnify the Insured and if the Insured requests, any director, partner or Employee of the Insured against their legal liability to pay compensation including interest, up to the Limits of Indemnity specified in the Schedule and subject to the terms, exclusions, definitions, limits, conditions and endorsements specified in the Policy and Schedule in connection with any Occurrence for which indemnity is provided to the Insured by the Policy.

In addition the Insurers will indemnify the Insured and, if the Insured requests, any director, partner, or employee of the Insured in respect of the costs of legal representation arising out of any Occurrence which may be the subject of indemnity under this Policy, including:

- (i) any Coroner's inquest, or Fatal Accident Enquiry in Scotland, in respect of any death, and
- (ii) criminal proceedings in any Court arising out of any alleged breach of statutory duty resulting in Bodily Injury, and
- (iii) all other costs and expenses in relation to any matter which may be the subject of a claim under this Policy

PROVIDED that all such costs are incurred with Insurers' prior written consent.

However, no such indemnity will not be provided:

- (i) for fines, prosecution costs or penalties of any kind
- (ii) where indemnity is provided by any other insurance
- (iii) in respect of proceedings consequent upon any deliberate act or omission by the Insured or any person for whom the Insured are responsible.

## GENERAL DEFINITIONS

1. BUSINESS means the business specified in the Schedule and shall include the ownership and disposal of premises and the provision and management of canteen, social, sports and welfare organisations for the Insured's employee's, first aid, fire and ambulance services and private work carried out with the consent of the Insured for any director, partner or senior official of the Insured by an Employee.
2. BODILY INJURY shall include illness, disease, death and nervous shock.
3. PROPERTY shall mean material property.
4. EMPLOYEE shall mean any person under a contract of service or apprenticeship with the Insured, any labour only sub-contractor or person supplied by them, any person hired or borrowed by the Insured from another Employer to be employed by the Insured, or any trainee under a Government sponsored scheme, while engaged in working for the Insured in connection with the Insured's business, provided that any payments made to same are declared to the Insurer for premium purposes.
5. PRODUCT shall mean any goods manufactured, installed, sold, supplied, erected, distributed, treated, serviced, altered repaired or let on hire by the Insured (including containers, labelling, instructions or advice provided in connection therewith) after they have ceased to be in the Insured's care, custody or control.
6. TERRITORIAL LIMITS shall mean:  
Section A - Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and temporary visits by non-manual Employees outside such territories.  
Section B - As shown above, but anywhere in the world other than the United States of America or Canada.
7. OCCURRENCE shall mean any one occurrence or all occurrences of a series consequent on or attributable to one source or original cause.
8. PRINCIPAL shall mean any Person, Company, Firm or Public Authority with whom the Insured has entered into a contract for work or services.
9. OFFSHORE  
It is understood and agreed that for the purpose of this Policy the Insureds' employees shall be deemed to be "offshore" as from the time when they embark onto a conveyance at the point of final departure to an offshore rig or offshore platform. All such employees shall continue to be "offshore" until such time as they disembark from the conveyance onto land upon their return from an offshore rig or an offshore platform.

## **SECTION A: EMPLOYERS' LIABILITY**

### **THE INSURED EVENT**

Bodily Injury caused during the Period of Insurance and within the Territorial Limits to any Employee and arising out of and in the course of employment by the Insured in the Insured's Business.

This indemnity extends to include liability as herein defined assumed under contract or agreement by the Insured and/or any Principal but only in respect of liability as defined herein to any Employee.

### **EMPLOYERS' LIABILITY COMPULSORY INSURANCE CLAUSE**

The indemnity granted by this Insurance is deemed to be 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, but the Insured shall repay to the Insurers all sums paid by the Insurers which the Insurers would not have been liable to pay but for the provisions of such law.

### **HEALTH AND SAFETY DEFENCE COSTS**

The Insurers will pay with their consent the costs and expenses of defence in a Court of Summary Jurisdiction in respect of any prosecution occurring during the Period of Insurance for breach of duty under Part 1 of the Health and Safety at Work Act 1974 or similar duty imposed under legislation in Northern Ireland, the Isle of Man or the Channel Islands, but only insofar as such prosecution relates to health, safety or welfare of Employees. The liability of the Insurers under this extension shall not exceed an aggregate limit of £100,000 in the Period of Insurance.

The Insurers will also pay any legal expenses incurred in the United Kingdom for:

- (i) representation at any Coroner's Inquest or Fatal Accident Inquiry
- (ii) defending in any Court of Summary Jurisdiction any proceedings in respect of any act or commission causing or relating to any event which may be the subject of indemnity under this Policy

provided all such costs and expenses are incurred with the Insurers' consent.

## **EXTENSIONS TO SECTION A**

### **UNSATISFIED COURT JUDGEMENT**

In the event of a judgement for compensation being obtained in any court within the Territorial Limits

- (i) by any Employee or personal representatives or any Employee in respect of Bodily Injury to that Employee caused during the Period of Insurance and arising out of and in the course of employment by the Insured in the Insured's Business, and
- (ii) against any Company or individual operating from premises within Great Britain , Northern Ireland, the Isle of Man and the Channel Islands and
- (iii) remaining unsatisfied in whole or in part six months after the date of such judgement

The Insurers will pay to the Employee or the legal personal representatives of the Employee at the request of the Insured the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that

- (i) there is no appeal outstanding
- (ii) if any payment is made under the terms of the extension the Employee or the legal personal representatives of the Employee shall assign the judgement to the Insurers
- (iii) the Insured and the Employee or the legal personal representatives of the Employee shall provide all necessary assistance to Insurers

## **SECTION B: PUBLIC LIABILITY EXCLUDING PRODUCTS LIABILITY**

### **THE INSURED EVENT**

Accidental Bodily Injury to any person or accidental loss of or damage to Property occurring during the Period of Insurance within the Territorial Limits in connection with the Insured's Business.

### **EXTENSIONS TO SECTION B**

#### **1. CROSS LIABILITIES**

If indemnity is provided to more than one party the Insurers will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each. Provided that the total amount payable in respect of compensation arising out of an Occurrence shall not exceed the Limit of Indemnity.

#### **2. CONTINGENT MOTOR LIABILITY**

Notwithstanding Exclusion 1. (i) to this Section B the Insurers will provide indemnity to the Insured against legal 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.

#### **3. DEFECTIVE PREMISES ACT 1972**

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 Insurers 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.

#### **4. INDEMNITY TO PRINCIPAL**

Notwithstanding Exclusion 4 to Section B 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 Extension 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.

## **5. HEALTH AND SAFETY DEFENCE COSTS**

The Insurers will pay with their consent the costs and expenses of defence in a Court of Summary Jurisdiction in respect of any prosecution occurring during the Period of Insurance for breach of duty under Part 1 of the Health and Safety at Work Act 1974 or similar duty imposed under legislation in Northern Ireland, the Isle of Man or the Channel Islands, but only insofar as such prosecution relates to the health, safety or welfare of third parties. The liability of the Insurers under this extension shall not exceed an aggregate limit of £100,000 in the Period of Insurance.

The Insurers will also pay any legal expenses incurred in the United Kingdom for:

- (i) representation at any Coroner's Inquest or Fatal Accident Inquiry
- (ii) defending in any Court of Summary Jurisdiction any proceedings in respect of any act or omission causing or relating to any event which may be the subject of indemnity under this Policy

provided all such costs and expenses are incurred with the Insurers' consent.

## **EXCLUSIONS TO SECTIONS A AND B**

This Policy excludes liability in connection with the following:

### Offshore

- (i) any work Offshore;

### Nuclear and War

- (ii) (a) loss or destruction or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (b) 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
- (iii) directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to Property by or under the order of any Government or public or local authority.

### Terrorism

- (iii) Bodily injury, loss or damage occasioned by or happening through or in consequence directly or indirectly of terrorism as defined in the UK Terrorism act 2000 except up to the amount necessary to meet the requirements of Employers Liability legislation.

### Asbestos

- (iv) Bodily injury, loss or damage occasioned by or happening through or in consequence directly or indirectly of exposure to asbestos except up to the amount necessary to meet the requirements of Employers' Liability legislation.

## **EXCLUSIONS TO SECTION B**

This Section will not apply to legal liability for:-

### **1. VEHICLES AND CRAFT**

- (i) Bodily Injury or loss of or damage to Property arising out of the ownership possession or use including loading and unloading by or on behalf of the Insured of any
  - (a) mechanically propelled vehicle for which insurance or security is required under the Road Traffic Acts or similar legislation, or
  - (b) aircraft or other airborne device, or
  - (c) hovercraft or water-borne craft (other than hand propelled or sailing craft in inland or territorial waters)

- (ii) Loss of or damage to any aircraft, hovercraft, airborne or water-borne craft, arising out of work carried out therein or thereon by or on behalf of the Insured.
- (iii) Bodily injury loss of or damage arising out of any Product which with the Insured's knowledge is incorporated into the structure, machinery or controls of any aircraft, ship or the running parts of any motor vehicle.

**2. EMPLOYERS' LIABILITY**

Bodily Injury sustained by an Employee as defined in Section A herein whether Section A is operative or not.

**3. PROPERTY UNDER THE INSURED'S CONTROL**

Loss or damage to Property owned by or in the care, custody, possession or control of the Insured or an Employee other than

- (i) Personal Property of Employees, Directors, Partners or visitors.
- (ii) Premises and their contents not owned by, leased, licensed, loaned or rented to the Insured at which the Insured is undertaking work in connection with the Insured's Business.
- (iii) Premises and Landlord's fixtures and fittings leased, licensed, loaned or rented to the Insured provided that: -
  - (a) such liability would have attached to the Insured in the absence of any agreement for occupation
  - (b) notwithstanding the amount of the excess shown in the Schedule the indemnity shall not apply to the first £250 of each and every claim caused other than by fire or explosion

**4. LIABILITY BY AGREEMENT**

Liability assumed by the Insured by agreement unless such liability would have attached in the absence of such agreement.

**5. PROFESSIONAL ADVICE**

Bodily Injury or loss of or damage to Property arising out of or in connection with advice, design or specification provided by the Insured for a fee.

**6. COMPUTER (LOSS OF DATA)**

This Policy excludes all liability arising out of loss of or damage to documents, data processing media and computer systems records and loss, distortion or erasure of information contained therein, how so ever caused.

## **7. POLLUTION OR CONTAMINATION**

- (i) This Policy excludes all liability in respect of Pollution or Contamination other than caused by sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

- (ii) The liability of the Insurers for all compensation payable in respect of all Pollution or Contamination which is deemed to have occurred during the Period of Insurance shall not exceed the amount specified in the Schedule for Section B.
- (iii) For the purpose of this Exclusion "Pollution or Contamination" shall be deemed to mean
- (a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
  - (b) all loss or damage or injury directly or indirectly caused by such pollution or contamination.

## **JURISDICTION CLAUSE**

No indemnity shall be given in respect of any judgement, award, or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the World to enforce such judgement, award or settlement either in whole or part).

## **GENERAL CONDITIONS**

### **1. LIMIT OF INDEMNITY**

The liability of the Insurers under Section B of this Insurance for all claims made against the Insured in respect of or arising out of any one occurrence or series of occurrences arising out of any one event shall not exceed the sum stated in the Limits of Indemnity but the Insurers will, in addition, in the event of their requiring any claims to be contested by the Insured pay all costs charges and expenses in connection therewith subject nevertheless to the following condition.

If a payment exceeding the Limit of Indemnity has to be made to dispose of a claim, the liability of the Insurers to pay any costs, charges and expenses in connection therewith shall be limited to such proportion of the said costs, charges and expenses as the Limit of Indemnity bears to the total amount paid to dispose of the claim.

### **2. CONDITIONS PRECEDENT**

The due observance of the terms and conditions of this Policy relating to anything to be done or complied with by the Insured is a condition precedent to any liability of the Insurers except insofar as it necessary to comply with the requirements of any legislation enacted in Great Britain relating to compulsory insurance of legal liability to Employees.

### **3. PRECAUTIONS**

The Insured shall take reasonable precautions to prevent Bodily Injury to persons and damage to Property and to maintain all buildings, furnishings, ways, works, machinery, plant and vehicles in sound and safe condition.

### **4. CANCELLATION**

This Insurance may be cancelled by or on behalf of the Insurers by a Recorded Delivery letter sent to the Insured's last known address, giving not less than 30 days' notice of the Insurers' intention

to cancel this Insurance, such notice to run from midnight of the day following that upon which the letter is posted.

#### **5. 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.

#### **6. NON-DISCLOSURE**

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure of material facts.

#### **7. DELIBERATE OR WILFUL ACTS AND FRAUD**

If any loss, destruction or damage be occasioned by the deliberate or wilful act or with the connivance of the Insured or if any claim hereunder be fraudulent in any particular, all indemnity under this Policy shall be forfeited.

#### **8. OTHER INSURANCE**

If the Insured is entitled to indemnity in respect of any claim under this Policy in whole or in part under any other Policy of Insurance the liability of the Insurer hereon shall be limited to a rateable proportion of any such claim.

#### **9. CLAIMS CONDITIONS AND PROCEDURES**

(i) The Insured shall give the Insurers via Saturn Professional Risks Limited, Saturn House, 130-132 High Street, Chesham, Bucks, HP5 1EF or online at <http://www.randelldorling.co.uk/>

(a) **immediate written notice** with full particulars of any Occurrence which may give rise to a claim for indemnity by the Insured under this Policy

(b) **immediately** upon receipt every letter, claim, writ, summons and process in connection therewith

(c) notice of **immediately** any prosecution inquest or enquiry in connection therewith.

(ii) No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Insurers who shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim in the name of the Insured for their own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

(iii) The Insured shall give to the Insurers all necessary information and assistance as the Insurers may reasonably require to investigate and/or conduct any proceedings.

#### **10. E.U. DISCLOSURE CLAUSE (UK)**

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.

## SECTION C: PROFESSIONAL INDEMNITY INSURANCE

### PREAMBLE

Coverage applies, subject to the terms of this 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 the Insurers, the Excess and all the terms of this Policy.

The 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 the Insurers, the receiving of all notices from the Insurers, the payment of the premium and the receiving of any return premiums that may become due under this policy.

### INSURING CLAUSES

Whereas the Insured named in the SCHEDULE has also severally to 60% MMA Insurance plc and 40% Hiscox Insurance Company Limited (hereinafter described as the Insurers), their Proposal and Declaration bearing the date specified in the SCHEDULE which shall be the basis of this part of the contract and incorporated herein and has paid the premium specified in the SCHEDULE.

The subscribing Insurers under this contract of insurance are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing Insurers are not responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

The Insurers agree subject to the terms, limitations, exclusions and conditions of this Policy to indemnify the Insured against Loss

1. arising from any Claim or Claims made against the Insured and first reported during the Period of Insurance
  - (i) by reasons of a Wrongful Act committed by
    - (a) the Insured, or
    - (b) any director or Employee of the Insured, or
    - (c) any other person, firm or company directly appointed by or acting for or on behalf of the Insured if such person, form or company is deemed a Sub-Contractor then limited coverage is available by virtue of the coverage buy-back in Exclusion 21 hereof. Broader coverage is available if a premium is paid to replace Exclusion 21 with Endorsement One.
  - (ii) by reason of any dishonest, fraudulent, criminal or malicious act on the part of
    - (a) any Employee of the Insured, or
    - (b) any other person, (other than a director, partner or principal of the Insured), firm or company directly appointed by and acting for or on behalf of the Insured;
  - (iii) for libel, slander or defamation written or spoken by
    - (a) the Insured, or
    - (b) any director or Employee of the Insured, or

- (c) any other person, firm or company directly appointed by or acting for or on behalf of the Insured if such person, firm or company is deemed a Sub-Contractor then limited coverage is available by virtue of the coverage buy-back in Exclusion 21 hereof. Broader coverage is available if a premium is paid to replace Exclusion 21 with Endorsement One;
  - (iv) by reason of breach of Sections 22 and 23 of the Data Protection Act 1984 and any amendments thereto, provided that the Insured has been accepted and registered by the Data Protection Registrar;
- 2. notified to the Insurers during the Period of Insurance which arises from the physical destruction or damage, loss or mislaying of any Document which after diligent search cannot be found and/or from any resulting Claim or Claims made against the Insured during the Period of Insurance in or about the conduct of the Insured's Business

## DEFINITIONS

**“Insured”** shall mean the person, persons, partners, former partners (or in the event of the death, incompetency, incapacity, bankruptcy or insolvency of any other foregoing, their estate, heirs, legal representatives or assigns), firm or company stated in the Schedule.

In addition, if the Insured so requires, the Insurers will indemnify any director or Employee of the Insured in like manner to the Insured, provided always that such persons shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy in so far as they can apply.

**“Insured’s Business”** shall mean activities, profession or occupation stated in the Schedule under the heading **“Business”**.

**“Claim”** shall mean

- (i) any writ or summons or other application of any description whatsoever or counter claim issued against or served upon the Insured, or
- (ii) any communication or allegation communicated to the Insured

which might result in a Loss.

**“Costs and Expenses”** shall mean all legal costs and expenses reasonably incurred by the Insurers or by the Insured with the Insurers written consent other than

- (i) damages and costs awarded against the Insured
- (ii) remuneration of whatsoever nature due to any director, partner, principal or Employee of the Insured.

**“Document”** shall mean

- (i) all documents excluding stamps, currency, coins, bank notes and bullion, travellers cheques, cheques, postal orders, money orders, securities, negotiable instruments and the like,
- (ii) separable programme, instruction or data for physical incorporation into any computer system,

belonging to the Insured or for which the Insured is legally responsible, whilst in the custody of the Insured, or in the custody of any person to or with whom they have been entrusted, lodged or deposited by the Insured in the ordinary course of the Insured’s Business.

**“Employee”** shall mean any person, other than a director of the Insured, who is

- (i) under a contract of service or apprenticeship with the Insured (not including sub-contractors unless endorsed hereon), or
- (ii) supplied to or hired or borrowed by the Insured, or
- (iii) under any work experience or similar scheme

whilst employed or engaged by and under the control of the Insured in connection with the Insured’s Business.

**“Excess”** shall mean the amount stated in the Schedule inclusive of Costs and Expenses (other than in respect of Insuring Clause 2 when, in respect of costs and expenses incurred by the Insured in replacement or restoration, such amount shall be deemed to be £100).

**“Limit of Indemnity”** shall mean the amount stated in the Schedule inclusive of Costs and Expenses (other than in respect of Insuring Clause 2 when an aggregate limit of £10,000 shall apply in respect of costs and expenses incurred by the Insured in replacement or restoration. This £10,000 will not serve to increase the Limit of Indemnity stated in the Schedule).

**“Loss”** shall mean

- (i) (a) the Insured’s legal liability for damages awarded against the Insured,
- (b) the Insured’s legal liability for costs awarded against the Insured,
- (ii) Costs and Expenses,
- (iii) and, for the purposes of Insuring Clause 2, costs and expenses incurred by the Insured in replacement or restoration

resulting from or attributable to the same originating cause.

**“Period of Insurance”** shall mean the period stated in the Schedule.

**“Pollution”** shall mean the discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including (but not limited to), smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste (including but not limited to, material to be recycled, reconditioned or reclaimed).

**“Premium”** shall mean the amount stated in the Schedule.

**“Proposal”** shall mean the written proposal bearing the date stated in the Schedule and containing particulars and statements together with any other information supplied to the Insurer.

**“Retroactive Date”** shall mean the date specified in the Schedule.

**“Terrorism”** shall mean the use of violence for political ends and includes any use of violence for the purposes of putting the public or any section of the public in fear.

**“Unlawful Association”** shall mean any organisation which is engaged in Terrorism and include any organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973 and any amendments thereto.

**“Wrongful Act”** shall mean any actual or alleged

- (i) negligent act, error or omission
- (ii) unintentional breach of confidentiality
- (iii) unintentional breach of copyright
- (iv) unintentional infringement of patent or registered design or trade mark
- (v) unintentional use of the systems or programmes of others.

## **LIMIT AND EXCESS**

The Insurers' liability under this Policy for Loss (inclusive of Costs and Expenses) shall not exceed the annual aggregate Limit of Indemnity as stated in the Schedule.

The Insurers shall only be liable for that part of the Loss which exceeds the Excess as stated in the Schedule.

## **EXCLUSIONS**

(The heading of each exclusion is for ease of identification only)

The Insurers shall not be liable to pay or indemnify the Insured against Loss(es)

### **1. EMPLOYERS LIABILITY**

which result directly or indirectly from bodily injury, mental injury, mental anguish, shock, sickness, disease or death sustained by any Employee arising out of and in the course of his/her employment by the Insured or for any breach of any obligations owed by the Insured as an employer to any Employee.

### **2. PROPERTY**

which result directly or indirectly from the ownership, possession or use by or on behalf of the Insured of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle.

### **3. DISHONEST AND MALICIOUS ACTS**

- (i) which result directly or indirectly from any dishonest, fraudulent, criminal or malicious act or omission of the Insured, other than as provided by Insuring Clause 1(ii)
- (ii) under Insuring Clause 1(ii), which result from any dishonest, fraudulent, criminal or malicious act committed by any person after the discovery of reasonable cause for suspicion of such act or omission in relation to that person

Furthermore,

- (i) no person committing or condoning a dishonest, fraudulent, criminal or malicious act or omission shall be entitled to indemnity under this Policy
- (ii) the following shall be deducted from any amount payable by the Insurers
  - (a) any monies which but for such act would be due from the Insured to the person committing or condoning such act
  - (b) any monies held by the Insured and belonging to such person
  - (c) any monies recovered following action in accordance with Condition 3 of this Policy.

### **4. FINES/PENALTIES**

to the extent of any fine or penalty, punitive, exemplary or non-compensatory damages (other than exemplary damages in respect of libel, slander or defamation).

### **5. CONTRACTUAL LIABILITY**

resulting from any agreement by the Insured in so far as liability under such agreement exceeds the Insured's liability in the absence of such agreement unless specifically agreed in writing by the Insurers to the contrary.

**6. CONSORTIA AND JOINT VENTURES**

resulting from the Insured's association whilst acting in consortia or joint venture with others, other than in respect of Loss(es) arising from the Insured's

- (i) own acts or omissions
- (ii) contingent liability for the activities of others

**7. OTHER INSURANCE**

in respect of which the Insured is entitled to indemnity under any other insurance.

**8. CIRCUMSTANCES KNOWN AT INCEPTION**

brought about by, or contributed to, or consequent upon any paid claim outstanding claim or circumstances existing prior to or at inception of this Policy and which the Insured ought reasonably to have known might give rise to a Loss.

**9. RETROACTIVE DATE**

arising from the carrying out of the Insured's Business, prior to the Retroactive Date.

**10. LEGAL ACTION**

where 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.)

**11. WAR RISKS**

under Insuring Clause 2 arising directly or indirectly by reason of or in connection with

- (i) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportion of or amounting to a popular uprising military or usurped power, martial law, riot or the act of any lawfully constituted authority.
- (ii) terrorism
- (iii) any unlawful, wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any unlawful association.

**12. RADIOACTIVE CONTAMINATION OR EXPLOSIVE NUCLEAR ASSEMBLIES**

brought about by or contributed to by or consequent upon

- (i) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (ii) 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.

**13. POLLUTION**

based upon, arising out of or relating directly or indirectly from, in consequence of or in any way involving Pollution.

**14. BODILY INJURY/PROPERTY DAMAGE**

arising from any Claim or Claims for bodily injury, mental injury, mental anguish, shock, sickness, disease or death sustained by any person (other than emotional distress arising from any libel, slander or defamation), or for any loss, damage or destruction of property, including loss of use thereof (other than as provided by Insuring Clause 2) unless such Claim directly results from negligent advice, design, specification or formula.

**15. PRODUCTS**

any liability arising from, or relating to

- (i) defects in computer hardware or peripheral equipment and wiring
- (ii) defective workmanship in the installation, repair or maintenance of computers or hardware or peripheral equipment and wiring

this exclusion shall not apply to

- (a) software
- (b) advice upon machinery configuration
- (c) allegations of failure to supervise persons carrying out the corrections to the activities described in this exclusion
- (d) advice upon who to use (or not to use) in an attempt to correct defects or defective workmanship

**16. INSOLVENCY/BANKRUPTCY OF INSURED**

as a result of or relating directly or indirectly from the insolvency or bankruptcy of the Insured.

**17. FINANCIAL INTEREST**

arising from any Claim or Claims made against the Insured by

- (i) any parent or subsidiary company, or
- (ii) any person or entity having a financial, executive or controlling interest in the operation of the Insured, or
- (iii) any company or entity in which the Insured or any director or partner of the Insured has a financial, executive or controlling interest,

unless such Claim or Claims are for an indemnity or contribution in respect of a Claim made by an independent third party against such company, person or entity.

**18. INFRINGEMENT**

arising from any Claim or Claims alleging infringement of trademark, passing off and/or infringement of intellectual property rights other than those contained within the definition of Wrongful Act.

**19. LOSS OF DATA**

under Insuring Clause 2, in respect of costs and expenses incurred by the Insured in the replacement or restoration of any Document arising directly or indirectly from the failure or inefficacy of any programme, instructions or data for use in any computer or other electronic data procession device, equipment or system occasioned other than through its physical destruction or damage.

**20. FINANCIAL SERVICES ACT**

which result directly from the Insured being formally supervised by the Personal Investment Authority or any predecessor heron or other regulatory body under the 1986 Financial Services Act or amendments hereon.

**21. SUB-CONTRACTORS**

arising from 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 or disease or bereavement and / or
- (ii) holidays, however for the waiver of this Exclusion to apply you
  - (a) must 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.
  - (b) not waive or otherwise allow to impair Insurers' right of recourse /subrogation against such specialist designer consultant or sub-contractor.

**22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

in respect of any claim, loss, liability or expense arising out of rights under the Contracts (Rights 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.

## CONDITIONS

(The heading of each condition is for ease of identification only)

### 1. CLAIMS NOTIFICATION

- (i) The Insured shall give to Insurers via Saturn Professional Risks Limited, Saturn House, 130-132 High Street, Chesham, Bucks, HP5 1EF or online at <http://www.randelldorling.co.uk/> immediate notice in writing during the Period of Insurance of: -
- (a) any Claim made against the Insured, or
  - (b) the receipt of any notice of an intention to make a Claim against the Insured, or
  - (c) any circumstances of which the Insured shall become aware which might reasonably be expected to give rise to a Claim against the Insured, or the Insured seeking payment or indemnity under this Policy, giving reasons for the anticipation of such Claim, or request for payment or indemnity, together with full particulars as to dates and persons involved.
- Such notice having been given as required by (b) or (c) above, any subsequent Claim made or request for payment or indemnity shall be deemed to have been made during the Period of Insurance.
- (ii) The Insured as a condition precedent to their right to payment or indemnity under this Policy shall give the Insurers via Saturn Professional Risks Limited, Saturn House, 130-132 High Street, Chesham, Bucks, HP5 1EF or online at <http://www.randelldorling.co.uk/> such information and co-operation as the Insurers may reasonably require.
- (iii) Any payment or indemnity 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 the Insurers.

### 2. CLAIMS HANDLING

The Insured as a condition precedent to their right to payment or indemnity under this Policy shall not admit liability for, nor settle any Claim, nor incur any Costs or Expenses in connection therewith without the written consent of the Insurers.

The Insurers shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any Claim or Loss.

The Insured shall not be required to contest any legal proceedings unless a counsel (to be mutually agreed upon by the Insured and the Insurers) shall advise that such proceedings should be contested.

The Insured shall be entitled at their own risk to contest any Claim or legal proceedings which in the opinion of the Insurers should be compromised or settled provided that the Insurers shall not be liable for any Loss incurred directly or indirectly as a result of the Insured's refusal to compromise or settle such Claim or legal proceedings.

**3. SUBROGATION**

The Insurers shall be subrogated to all the Insured's rights of recovery against any person before or after any payment or indemnity under this Policy.

The Insurers agree not to exercise any such rights against any director or Employee of the Insured unless the Claim is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the director or Employee.

The Insured shall give all such assistance in the exercise of rights of recovery as the Insurers may reasonably require.

**4. DUE OBSERVANCE**

The due observance of and compliance with the terms, provisions and conditions of this Policy in so far as they relate to anything to be done or complied with by the Insured, shall be conditions precedent to any liability of the Insurers.

**5. FRAUDULENT CLAIM**

If the Insured shall make and request for payment or indemnity knowing the same to be false or fraudulent as regards amount, or otherwise, this Policy shall (unless the Insurers otherwise determine) be void and all payment and indemnity hereunder shall be forfeited.

**6. CANCELLATION**

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.

**7. LAW OF CONTRACT**

The contract of insurance evidenced by this Policy shall be governed by English law and subject to the exclusive jurisdiction of the English courts.

**8. MULTIPLE INSUREDS**

The Insurers' liability under any and all contracts of insurance evidenced or deemed to be evidenced by this Policy shall be the liability so specified in this Policy as applicable to any one such contract and shall not (save as so specified) be varied or deemed varied by virtue or the number of type of Insured's or claims under this Policy.

**9. POLICY ENHANCEMENTS**

- (i) In the event of the Insurers being entitled to avoid this insurance from inception or from the time of any variation in cover (including at renewal) the Insurers may at their absolute discretion maintain this insurance in full force but exclude the consequences of any matter which ought to have been disclosed at inception or at the time of any variation in cover ( including at renewal )
- (ii) In the event of non-disclosure or misrepresentation at any renewal the Insurers will waive their rights to avoid this insurance provided that
  - (a) the Insured is able to establish to the satisfaction of the Insurers that such non-disclosure was innocent and free from any fraudulent conduct or intent to deceive

- (b) the Premium and terms shall be adjusted at the discretion of the Insurers to those which would have applied had such circumstances been disclosed
- (c) where the Insured should have notified during a preceding Period of Insurance either a claim made against the Insured or a circumstance which could give rise to a claim and the indemnity or cover to which the Insured would have been entitled was in any way more restricted than that provided at the date of notification the Insurers shall be liable only to the extent applicable during such preceding Period of Insurance. For the purposes of this Policy Enhancement this insurance shall be deemed to be a renewal of any immediately preceding Professional Indemnity insurance issued by the Insurers under which the Insured was entitled to indemnity

## **EXTENSION - DISCOVERY PERIOD OF 36 MONTHS**

In the event that:

- (i) The Insurers refuse to renew this policy or;
- (ii) The Insured ceases to trade (including, but not limited to retirement, disability, death, sickness or adopts the status of an employee of another company).

The Insured is entitled, subject to the payment of an additional premium equal to the annual premium stated in the Schedule i.e. 100%, to extend this cover to protect the Insured for a period of 36 months covering loss or losses arising out of claims made after the date of the trigger described in (i) or (ii) above, providing moreover that the events described in the Insuring Clauses took place during the period of coverage between the Retroactive Date stated in the Schedule and the trigger described in (i) or (ii) above.

The premium must be paid within 10 days in every case other than death where the premium must be received within 60 days.

The Limit of Indemnity as described in the PRIMARY SCHEDULE is not increased by virtue of the purchase of this extension.

Information:

There is no access to the "PCG Special Aggregate Excess Wording" if this extension is purchased.

## Contracts (Rights 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 (Rights 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 AND CONDITIONS REMAIN UNALTERED**

**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 agreed to delete Exclusion 21.

By virtue of the deletion of Exclusion 21 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 21 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 60% MMA Insurance plc, 40% Hiscox Insurance Company Limited, per Saturn 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.