

**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> August 2005 and 28<sup>th</sup> February 2006)

**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 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 by  
Hiscox Insurance Company Limited**

**per Saturn (Saturn is a trading name of Martello 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 Hiscox Insurance Company Limited per Saturn, 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.

## **QUERIES**

If you have any query regarding this insurance please contact

Saturn (Saturn is a trading name of Martello Professional Risks Limited)

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

## 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 (Saturn is a trading name of Martello Professional Risks Limited) 130/132 High Street Chesham Bucks HP5 1EF. (Underwriting Agents for Hiscox).
<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>	An act, including but not limited to the use of force or violence and/or the threat of force or violence, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
<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>	Hiscox Insurance Company Limited
<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:  
**insurance;**

- a. **bodily injury** or **property damage** occurring during the **period of**
- 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 others**  
are

If, as a result of **your business**, any party brings a claim, which falls within (a) above, against **your** client or customer or a distributor of **your products** and **you**

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 the you are responsible**
1. loss of or damage to any property belonging to **you** or which at the time of 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 employees**
3. **bodily injury** to any person arising out of and in the course of their 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**  
its
7. the costs of repairing, reconditioning or replacing any **product** or any of 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**.

- Deliberate or reckless acts** 9. any act, breach, omission or infringement **you** 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.
- Contracts** 10. **your** liability under any contract which is greater than the liability **you** would have at law without the contract.
- Date recognition** 11. **date recognition.**
- War, terrorism and nuclear** 12. **war, terrorism or nuclear risks.**
- Asbestos** 13. **asbestos risks.**
- Restricted Restricted recovery rights** B. We will not make any payment for:
1. that part of any claim where **your** right of recovery is restricted by any contract.
- Non-compensatory payments** 2. fines and contractual penalties, punitive or exemplary damages.
- Claims outside the Applicable courts** 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 after of indemnity

At any stage we can pay you the applicable limit of indemnity or what remains 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 action proceedings** regulation  
the  
If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or 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**

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> </ol>
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- e. give **Saturn** all assistance which **we** may reasonably require to pursue recovery of amounts **we** may become liable to pay under this **policy**, in **your** name but at **our** expense.
- 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 in**

**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 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 to 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 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, 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;
  - (iv) by reason of breach of Sections 22 and 23 of the Data Protection Act 1998 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,
- (i) (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 Financial Services Authority under the Financial Services and Markets Act 2000.

**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, 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, 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.

**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 Hiscox Insurance Company Limited, 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.