

**A PROGRAMME SPONSORED BY  
PROFESSIONAL CONTRACTORS GROUP**

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

**For Professionals other than IT Consultants, IT Contractors and  
Engineers**

**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 DURING THE PERIOD OF INSURANCE OR ANY DULY PURCHASED DISCOVERY PERIOD (IF APPLICABLE). PLEASE READ AND REVIEW THE POLICY CAREFULLY.

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

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

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

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

EXCESS LAYERS ARE AVAILABLE FROM OUR MANAGER UPON APPLICATION

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

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

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

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

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

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

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

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

**Policy issued 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 and 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 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 an 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: EMPLOYER'S 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.

### **EMPLOYER'S 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 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.

## **EXTENSIONS TO SECTION A**

### **UNSATISFIED COURT 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 in whole or in part six months after the date of such 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

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 the 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 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 that 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.

NB: This Exclusion does not apply to liability for damage to the computer hardware itself.

## **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 Insurers notice in writing as soon as reasonably practicable of any alteration which materially affects the risk insured. On receipt of such notice, the Insurers 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 Insurers 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  
(COSTS INCLUSIVE)**

**PREAMBLE**

Whereas the person or persons, partnership, firm or company named in the Schedule (hereinafter referred to as "the Insured") have made severally to 60% MMA Insurance plc and 40% Hiscox Insurance Company Limited (hereinafter described as the Insurers). A written Proposal bearing the date stated in the Schedule and containing particulars and statements which, together with any other information which may have been supplied, shall be the basis of this contract and shall be considered as incorporated herein, and in consideration of the Premium stated 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.

**INDEMNITY CLAUSE**

Insurers agree, subject to the terms, limitations, exclusions and conditions of this section of the Policy, to indemnify the Insured against all sums which the Insured shall become legally liable to pay as damages and claimants' costs and expenses as a result of any Claim or Claims made against the Insured and notified to Insurers during the Period of Insurance stated in the Schedule arising out of any negligent act, error or omission on the part of,

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

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

**COSTS AND EXPENSES**

Insurers also agree to pay all costs and expenses incurred in the investigation, defence or settlement of any Claim which falls to be dealt with under this Policy.

**LIMIT OF INSURER'S LIABILITY**

Provided always that Insurers' total aggregate liability under this Policy shall not exceed the Limit of Indemnity specified in the Schedule in respect of all Claims (which for the purpose of this clause shall be deemed to include all costs and expenses incurred in the investigation, defence or settlement of all Claims) made against the Insured during any one Period of Insurance.

**EXCESS CLAUSE**

Provided further that Insurers shall only be liable for that part of each and every Claim (which for the purpose of this clause shall be deemed to include all costs and expenses incurred in the investigation, defence or settlement of any Claim) which exceeds the amount of the Excess stated in the Schedule.

For the purpose of this clause "Claim" shall also mean all Claims attributable to or arising out of the same cause or event.

If any expenditure is incurred by Insurers, which by virtue of this clause is the responsibility of the Insured, then such amount shall be reimbursed to Insurers by the Insured forthwith.

## **LEGAL PERSONAL REPRESENTATIVES**

In the event of the death of any Insured Insurers will, in respect of the liability incurred by the Insured, indemnify the Insured's legal personal representatives in the terms of this Policy provided that such legal personal representatives shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy insofar as they can apply.

## **INDEMNITY TO DIRECTORS AND EMPLOYEES**

If the Insured so requires, Insurers will indemnify any director or employee of the Insured in like manner to the Insured, provided always that all such persons shall, as though they were the Insured, observe, fulfil and be subject to the terms, conditions and exclusions of this Policy.

## **CLAIM**

"Claim" shall mean:-

- (i) any writ or summons or other application of any description whatsoever or cross-claim or counter claim issued against or served upon the Insured for any negligent act, error or omission, or
- (ii) any written communication alleging a negligent act, error or omission communicated to the Insured.

## **PERIOD OF INSURANCE**

The "Period of Insurance" means the period stated in the Schedule of the Policy.

## **CONDITIONS**

### **1. CLAIMS NOTIFICATION**

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 any Insured; or
- (b) the receipt of notice from any person or entity of their intention to make a Claim against the Insured for the results of any negligent act, error or omission, or
- (c) any circumstances of which the Insured shall become aware which might reasonably be expected to give rise to a Claim being made against the Insured, giving reasons for the anticipation of such Claim, 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 shall be deemed to have been made during the Period of Insurance.

### **2. CLAIMS HANDLING**

The Insured shall not admit liability for or settle or make or promise any payment in respect of any claim which may be the subject of indemnity hereunder or incur any costs or expenses in connection therewith without the written consent of the Insurers who if they so wish shall be entitled to take over and conduct in the name of the Insured the defence and/or settlement of any such claim for which purpose the Insured shall give all such information and assistance as the Insurers may reasonably require.

The Insured shall not be required to contest any legal proceedings unless a Counsel to be mutually agreed upon by the Insured and 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 Insurers should be compromised or settled provided that Insurer shall not be liable for any damages, costs or expenses incurred directly or indirectly as a result of the Insured's refusal to compromise or settle such Claim or legal proceedings.

### **3. WAIVER OF SUBROGATION AGAINST DIRECTORS OR EMPLOYEES**

If any payment is made under this Policy and Insurers are thereupon subrogated to the Insured's rights of recovery in relation thereto, Insurer 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.

### **4. ADJUSTMENT OF PREMIUMS**

If the Premium for this Policy has been calculated on any estimates furnished by the Insured, and has been made adjustable within the Schedule, the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow Insurer or their duly appointed representative to inspect such records. The Insured shall within one month from expiry of the Period of Insurance furnish such particulars and information as Insurers may require. The Premium for such period shall then be adjusted and the difference paid by or allowed to the Insured as the case may be, provided that the Premium for any Period of Insurance shall not be less than the Minimum Premium stated in the Schedule.

**5. CANCELLATION**

This Policy may be cancelled by or on behalf of Insurers by thirty days notice given in writing to the Insured and the Premium hereon shall be adjusted in accordance with Condition 4, or if the premium has not been calculated on any estimates furnished by the Insured, on the basis of Insurers receiving or retaining, pro rata premium.

Notice shall be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed to the Insured's last known address.

**6. 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.

**7. 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.

**8. DUE OBSERVANCE**

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

## **EXCLUSIONS**

Insurers shall not be liable to indemnify the Insured against any Claim or Claims,

**1. EMPLOYERS' LIABILITY**

Arising directly or indirectly from bodily injury, sickness, disease or death sustained by any person arising out of and in the course of his/her employment by the Insured under any contract of service or apprenticeship, or for any breach of any obligation owed by the Insured as an employer to any employee,

**2. LAND, BUILDING ETC**

Arising 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. DISHONESTY**

Arising directly or indirectly from any dishonest, fraudulent, malicious or illegal act or omission of the Insured,

**4. DEFAMATION**

Alleging libel or slander,

**5. INFRINGEMENT**

Alleging infringement of Copyright, Patents, Registered Designs, Trade Marks or Passing-off,

**6. CONTRACTUAL LIABILITY**

Arising directly or indirectly from any liability assumed by the Insured under any express warranty, agreement or guarantee unless such liability would have attached to the Insured notwithstanding such express warranty, agreement or guarantee,

**7. PRODUCTS**

Arising out of or relating to goods or products, sold, supplied repaired, altered, manufactured, installed or maintained by the Insured or any related Company or by sub-contractors of the Insured,

**8. BODILY INJURY/PROPERTY DAMAGE**

For bodily injury, sickness, disease, or death sustained by any person or any loss, damage or destruction of property unless such claim emanates from negligent advice, design, specification, formula or a breach of duty owed in a professional capacity by the Insured,

**9. INSOLVENCY/BANKRUPTCY OF INSURED**

Arising out of or relating directly or indirectly from the insolvency or bankruptcy of the Insured,

**10. SEEPAGE AND POLLUTION**

Based upon, arising out of or relating directly or indirectly from or in consequence of or in any way involving, seepage, pollution or contamination of any kind, unless such claim emanates from negligent advice, design, specification, formula or a breach of duty owed in a professional capacity by the Insured

**11. OTHER INSURANCE**

In respect of which the Insured are entitled to indemnity under any other insurance except in respect of any excess beyond the amount which is payable under such other insurance,

**12. CLAIMS/CIRCUMSTANCES KNOWN AT INCEPTION**

- (i) claims known at inception
- (ii) arising out of any circumstances(s) or occurrence(s) which could give rise to a Claim or Claims under this Policy of which the Insured is or are aware, or ought reasonably to be aware, at inception of this Policy, whether notified under any other insurance or not,

arising out of any circumstances(s) or occurrence(s) which could give rise to a Claim or Claims under this Policy of which the Insured is or are aware, or ought reasonably to be aware, at inception of this Policy, whether notified under any other insurance or not,

**13. RADIOACTIVE CONTAMINATION AND EXPLOSIVE NUCLEAR ASSEMBLIES**

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,

**14. LEGAL ACTION**

Where the action for damages is brought in a court of law that operates under the laws of the United States of America and/or Canada (or to any order made anywhere in the World to enforce such a judgement or settlement of damages in whole or part.

**15. FINES/PENALTIES**

For fines, penalties, punitive, multiple or exemplary damages.

**16. YEAR 2000**

Based upon, arising out of, directly or indirectly resulting from or in any way involving any computer program software, computer system or network, computer, or computer chip that fails or is alleged to fail to perform a function involving

- (i) any time or date on or after midnight on 31<sup>st</sup> December 1999
- (ii) any time or date data representing or referring to different centuries or more than one century
- (iii) the change in millennium occurring when the year 1999 changes to year 2000.

**17. CONTRACTS (RIGHT OF THIRD PARTIES) ACT 1999**

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

**18. SUBCONTRACTORS LIMITATION**

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 Insurer's right of recourse /subrogation against such specialist designer consultant or sub-contractor.

**19. ASSOCIATED PERSONS/COMPANIES EXCLUSION**

Any claims by any person, partnership or firm associated with the Insured (financially or otherwise) unless such claims emanate from an independent third party.

## **LOSS OF DOCUMENTS EXTENSION**

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

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

## **DEFINITION**

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

## **LIMIT OF LIABILITY/LIMIT OF INDEMNITY/SUM INSURED (DELETE AS APPLICABLE)**

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

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

## EXCLUSIONS

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

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

## CONDITIONS

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

## SUBJECT OTHERWISE TO THE POLICY TERMS AND CONDITIONS

LSW428 (03/94)

### **LIBEL AND SLANDER/DEFAMATION EXTENSION**

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

- (a) the Insured, or
- (b) any employee of the Insured, or
- (c) any director of the Insured

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

LSW433 (03/94) (Amended)

### **INFRINGEMENT OF COPYRIGHT, PATENT OR REGISTERED DESIGN EXTENSION**

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

- (a) the Insured, or
- (b) any employee of the Insured, or
- (c) any director of the Insured

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

LSW427 (03/94)

### **DISHONESTY OF EMPLOYEES EXTENSION**

Insurers agree to indemnify the Insured against all sums which the Insured shall become legally liable to pay as a result of any Claim or Claims made against the Insured during the Period of Insurance brought about or contributed to by any dishonest, fraudulent, criminal or malicious act or omission of any employee of the Insured.

(The term 'employee' shall not be deemed to include any director of the Insured)

LSW432 (03/94)

### **UNINTENTIONAL BREACH OF CONFIDENTIALITY EXTENSION**

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

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

Subject always to Policy Certificate Terms, Conditions, Limitations and Exclusions.

## **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 agree to delete Exclusion 18.

By virtue of the deletion of Exclusion 18 the Insured will not waive or otherwise allow to impair Insurer's 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 18 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.