

**A PROGRAMME SPONSORED BY  
PROFESSIONAL CONTRACTORS GROUP**  
(Individual Insureds attaching for a 12 month policy between  
1<sup>st</sup> March 2005 and 31<sup>st</sup> July 2005)

**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: PUBLIC LIABILITY WITH LIMITED PRODUCTS LIABILITY  
AND/OR  
SECTION B: EMPLOYER'S LIABILITY  
AND/OR  
SECTION C: PRIMARY PROFESSIONAL INDEMNITY**

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

**OPTIONAL EQUIPMENT COVERAGE**

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

**1. PROFESSIONAL INDEMNITY**

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

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

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

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

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

EXCESS LAYERS ARE AVAILABLE FROM OUR MANAGER UPON APPLICATION

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

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

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

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

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

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

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

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

**Policy issued by  
Hiscox Insurance Company Limited**

**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 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 Hiscox Insurance Company Limited and MMA Insurance plc. 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

## 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 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:
- a. **bodily injury** or **property damage** occurring during the **period of insurance**;
  - b. **personal injury** or **denial of access** committed during the **period of insurance**,
- we** will indemnify **you** against the sums **you** have to pay as compensation.
- This includes a claim against any employee or volunteer worker of **yours** when they are acting on **your** behalf in whatever capacity.
- We** will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.
- Claims against others** 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** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to the client, customer or distributor that **we** would have made to **you**, provided that the party to be indemnified:
- a. has not, in **our** reasonable opinion, caused or contributed to the claim against them;
  - b. accepts that **we** can control the claim's defence and settlement in accordance with the terms of this section;
  - c. has not admitted liability or prejudiced the defence of the claim before **we** are notified of it;
  - d. gives **us** the information and co-operation **we** reasonably require for dealing with the claim.
- Criminal you proceedings** If any governmental, administrative or regulatory body brings any criminal action against during the **period of insurance** for any breach of statute or regulation directly relating to any actual or potential claim under this section, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you** or any employee of **yours**.

## WHAT IS NOT COVERED BY THIS SECTION

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

This does not apply to:

    - a. any **tool of trade**;
    - b. the loading or unloading of any vehicle off the highway.
- Injury to 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**
7. the costs of repairing, reconditioning or replacing any **product** or any of its parts.
  8.
    - a. any of **your products** relating to aircraft, including missiles or spacecraft, and any ground support or control equipment used in connection with such products;
    - b. any of **your products** installed in aircraft, including missiles or spacecraft, or used in connection with such craft, or for tooling used in their manufacture including ground-handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, advice and services and labour relating to such craft or **your products**.
- 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.

- |   |   |
|---|---|
| <b>Contracts</b>                                | 10. <b>your</b> liability under any contract which is greater than the liability <b>you</b> would have at law without the contract.   |
| <b>Date recognition</b>                         | 11. <b>date recognition.</b>  |
| <b>War, terrorism and nuclear</b>               | 12. <b>war, terrorism or nuclear risks.</b>   |
| <b>Asbestos</b>                                 | 13. <b>asbestos risks.</b>  |
| <b>10 Restricted Restricted recovery rights</b> | <b>B. We will not make any payment for:</b>   |
| <b>Non-compensatory payments</b>                | 1. that part of any claim where <b>your</b> right of recovery is restricted by any contract.  |
| <b>Claims outside the</b>                       | 2. fines and contractual penalties, punitive or exemplary damages.  |
| <b>Applicable courts</b>                        | 3. any claim, including arbitration, brought outside the countries set out in the schedule under Applicable Courts. This applies to proceedings in the Applicable Courts to enforce, or which are based on, a judgment or award from outside the Applicable Courts. |

## HOW MUCH WE WILL PAY

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

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

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

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

(B) EMPLOYERS' LIABILITY INSURANCE

WHAT IS COVERED BY THIS SECTION

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

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

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

WHAT IS NOT COVERED BY THIS SECTION

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

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

**Deliberate or reckless acts**

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>	The most <b>we</b> will pay is the relevant amount shown in the schedule.  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> .  <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> .
<b>Aggregate limit</b>	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> . 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.
<b>Rights of third parties</b>	<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.
<b>Other insurance</b>	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.
<b>Governing law</b>	Unless some other law is agreed in writing, this <b>policy</b> will be governed by the laws of England.
<b>Arbitration</b>	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.

## 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.

**Your obligations** **We** will not make any payment under this **policy** unless **you**:

- a. notify **Saturn** promptly of any claim or threatened claim against **you**
- b. notify **Saturn** as soon as practicable of:
  - i) **your** discovery that **products** are defective;
  - ii) any threatened criminal action by any governmental, administrative or regulatory body
- c. give **Saturn**, at **your** expense, any information which **we** may reasonably require and co- operate fully in the investigation of any claim under this **policy**
- 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;
- 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**

**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

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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.

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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 (COSTS INCLUSIVE)

**PREAMBLE**

Whereas the person or persons, partnership, firm or company named in the Schedule (hereinafter referred to as "the Insured") have made to 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.

**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.

**1. 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 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.