

**PCG Special Aggregate Excess Wording  
(Costs Inclusive) Post 16<sup>th</sup> October 2004  
Applicable to Individual Insureds incepting between  
16<sup>th</sup> October 2004 and 31<sup>st</sup> July 2005**

**Section C – Professional Indemnity Insurance only**

Hiscox Insurance Company Ltd via Saturn Professional Risks Limited (hereinafter referred to as the Underwriter) have agreed to indemnify the Insured for Claim or Claims first made against the Insured during the Period of Insurance hereon up to this Policy's amount of liability (as hereinafter specified) in the aggregate, the excess of the Underlying Policy(ies) limits (as herein after specified) in the aggregate, the latter amount being the subject of Indemnity Policy(ies) (as hereinafter specified) or any Policy(ies) issued in substitution or renewal thereof for the same amount effected by the Insured and herein after referred to as 'the Underlying Policy(ies)'.

**This Policy's Amount of Liability:  
Including M1874**

£2,000,000 in the aggregate including costs and expenses incurred in the investigation, defence or settlement of any Claim shared between all Members of the Professional Contractors Group (PCG) who purchase the Underlying Policy described below.

It is hereby understood and agreed that no one individual Member of PCG can expose this Policy for a period of more than 12 months. The inception date of the Underlying Policy must be between the 16<sup>th</sup> October 2004 and 31<sup>st</sup> July 2005 (both days inclusive) and for a Policy period of 12 months.

**Maximum Liability any one Claim  
and/or Insured:**

No one Claim and/or Insured can impair or exhaust this Policy by more than £1,000,000 any one Claim and in the aggregate including costs and expenses of the Insured in the investigation, defence or settlement of any Claim during their own Period of Insurance.

**Underlying Policy(ies) limits:**

Limits up to £3,000,000 annual aggregate including costs and expenses incurred in the investigation, defence or settlement of a claim as described in the Limits of Indemnity (c) of the applicable Policy Schedule issued to an entity of whom at least one shareholder fee-earner is a member of the Professional Contractors Group between 16<sup>th</sup> October 2004 and 31<sup>st</sup> July 2005.

All Underlying Policies must be issued by the Manager (Randell Dorling Limited) on behalf of Hiscox Insurance Company Ltd via Saturn Professional Risks Limited.

**Underling Policy(ies) Number(s):** All underlying policies must contain an individual reference bearing the prefix 'M8926'.

1. Liability to pay under this Policy shall not attach unless and until the Insurer of the Underlying Policy(ies) shall have paid or have admitted liability or have been held liable to pay, the full amount of their indemnity inclusive of costs and expenses.
2. It is a condition of this Policy that the Underlying Policy(ies) shall be maintained in full effect during the currency of this Policy except for any reduction of the aggregate limits contained therein solely by payment of Claims or of legal costs and expenses incurred in defence or settlement of such Claims.
3. If by reason of the payment of any Claim or Claims or legal costs and expenses by the Insurer of the Underlying Policy(ies) during the period of this Insurance, the amount of indemnity provided by such Underlying Policy(ies) is: -
  - (a) Partially reduced, then this Policy shall apply in excess of the reduced amount of the Underlying Policy(ies) for the remainder of the Period of Insurance;
  - (b) Totally exhausted, then this Policy shall continue in force as Underlying Policy until expiry hereof.
4. In the event of a Claim arising to which the Insurer hereon may be liable to contribute, no costs shall be incurred on their behalf without their consent being first obtained (such consent not to be unreasonably withheld). No settlement of a Claim shall be effected by the Insured for such a sum as will involve this Policy without the consent of Insurer hereon.
5. Any Claim(s) made against the Insured or the discovery by the Insured of any loss(es) or any circumstances of which the Insured becomes aware during the subsistence hereof which are likely to give rise to such a Claim or loss, shall, if it appears likely that such Claim(s) plus costs and expenses incurred in the defence or settlement of such Claim(s) or loss(es) may exceed the indemnity available under the Policy(ies) of the Primary and Underlying Excess Insurers, be notified immediately by the Insured in writing to the Insurer hereon.
6. All recoveries or payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between the Insured and the Insurer provided always that nothing in this Policy shall be construed to mean that loss settlements under this Policy are not payable until the Insured's ultimate net loss has been finally ascertained.
7. Except as otherwise provided herein this Policy is subject to the same terms, exclusions, conditions and definitions as the Professional Indemnity Section c of the Underlying Policy.
8. If the Insured shall prefer any Claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all Claims shall be forfeited.
9. No Claim will be paid hereon unless at the date of such notification of a Claim at least one Shareholder or Fee-Earner employed by the individual Insured is a fully paid up Member of the Professional Contractors Group or shall be fully paid up within 45 days of such notification of such Claim.
10. It is hereby noted and agreed that the Premium of £15 part of the £25 + Insurance Premium Tax per Insured stated in the PCG Special Shared Aggregate Excess Policy Schedule supplied by 'The Manager' is deemed fully earned at inception as is the premium of £10 paid by each Insured for the £1,000,000 reinstatement layer. The provisions of this reinstatement layer are more fully described in a slip policy containing a Saturn Professional Risks Ltd reference of M1874 and a Blackmore Borley Limited reference of BB042624PI

11. Notwithstanding anything contained herein to the contrary this Policy excludes liability for any coverage available to an entity by virtue of the fact that they have purchased “Extension-Discovery period of 36 Months” from any underlying Policy.

**Endorsement Number: One**

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

**Security Amendment Endorsement**

It is hereby understood and agreed that any risk bound on or after 16<sup>th</sup> October 2004, the Security is 100% Hiscox Insurance Company Ltd. This in no way increases the Limit of Liability under this Policy.

For the record Limits are allocated on a Claims Paid Basis.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED**

Issued by Hiscox Insurance Company Ltd per Saturn Professional Risks Limited