

## Professional Liability Certificate

### Certificate Administration

#### Preamble

This is to certify that in accordance with the authorisation granted under the Contract (the number of which is specified in Item 17 of the **Schedule**) to the undersigned by certain Underwriters at Lloyd's whose names and the proportions underwritten by them which will be supplied on application can be ascertained by reference to the said Contract which bears the Seal of Lloyd's Signing Office (whom are hereinafter referred to as **We** and or **Us**) and in consideration of the premium specified herein **We** are hereby bound each for **Our** own part and not for another **Our** Executors and Administrators to insure in accordance with the terms and conditions contained herein or endorsed hereon

**We** hereby agree to the extent and in the manner hereinafter provided to indemnify **You** against loss or **Damage** sustained or legal liability for accidents happening during the **Period of Insurance** stated in Item 4 of the **Schedule** after such loss **Damage** or liability are proved provided always that

- (a) **Our** liability shall not exceed the Limits of Indemnity expressed in the said **Schedule** or such other Limits of Indemnity as may be substituted therefor by **Endorsement** hereon or attached hereto signed by **Us** or on **Our** behalf
- (b) this Certificate insures in respect only of such of the Sections hereof as are so specified in the **Schedule**

In witness whereof this Certificate has been signed 100% with **Us**

Effected through Harman Wicks & Swayne Limited 110 Fenchurch Street London EC3M 5NA

**Our** obligations under contracts of insurance to which **We** subscribe are several and not joint and are limited solely to the extent of **Our** individual subscriptions

**We** are not responsible for the subscription of any co - subscribing Underwriters who for any reason do not satisfy all or part of their obligations

**You** are requested to read this Certificate and if it is incorrect return it immediately for alteration The Certificate is made and accepted subject to all the provisions conditions warranties and exclusions set forth herein attached or endorsed all of which are to be considered

#### Scope of Cover

This Certificate applies in respect of **Your** activities anywhere in the **Territory** but only in respect of **Business** conducted by **Your** companies listed in Item 2 of the **Schedule** from **Your** Premises

#### Certificate Jurisdiction

Unless endorsed to the contrary the construction interpretation and meaning of the provisions of this Certificate shall be determined in accordance with the law of England and Wales and any disputes relating thereto shall be submitted to the exclusive jurisdiction of the Courts of England and Wales However where **Your** registered office or principal place of **Business** is situated in Scotland Northern Ireland Jersey Guernsey or the Isle of Man the law of that territory shall apply

#### Conditions Precedent

These are conditions with which **You** must comply and failure to do so will invalidate **Your** right to indemnity under this Certificate

#### Third Parties

A person who is not party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from the Act

#### The Right to Cancel Cover

If this cover does not meet **Your** requirements **You** should return all documentation to **Your** Broker Intermediary or Agent who arranged the Certificate within 14 days of receipt whereupon **We** will return any premium paid in full However if there has been an insured event **Claim** or **Circumstance** (whether reported to **Us** or not) **We** shall be under no obligation to make any return of such premium

## Termination

If **You** wish to terminate the cover provided by this Certificate at any other time after cover has commenced **You** should return all documentation to **Your** Broker Intermediary or Agent who arranged the Certificate. If there has been an insured event **Claim** or **Circumstance** (whether reported to **Us** or not) **We** shall be under no obligation to make any return of premium. In all other circumstances **You** shall be entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance subject to **Our** retaining **Our** designated minimum premium for the Certificate. Full details of minimum premiums may be obtained in writing from **Us**.

**We** may at any time cancel this Certificate (or any Section thereof) by giving 30 days notice by registered post to **You** at **Your** last known address and in such event **You** shall become entitled to the return of a proportionate part of the premium corresponding to the unexpired portion of the insurance subject to **Us** retaining **Our** designated minimum premium for each Section of the Certificate.

## How to Make a Claim

**Claims** must be made in accordance with the Claims notification provisions in Section 5 Claims Conditions of the Certificate. In the first instance **You** should contact **Your** Broker Intermediary or Agent who arranged the Certificate quoting the Certificate number as specified in Item 1 of the **Schedule**.

## Complaints and Enquiries

**We** are dedicated to providing the highest possible level of customer satisfaction in all areas of **Our** business. If for any reason **You** have a query or feel that the service **You** receive has fallen below those standards **You** should report this to **Us** at once. All complaints will be handled promptly and a policy of open communication will be adopted.

Any complaint should be addressed in the first instance to

The Managing Director  
Glemham Underwriting Limited  
1 Pound Farm Cottages  
Great Glemham  
Saxmundham  
Suffolk IP17 2DQ

Should **You** remain dissatisfied **You** can ask the Complaints Department at Lloyd's to review the Complaint. The address is

Complaints Department  
Lloyd's  
One Lime Street  
London EC3M 7HA

Referral can also be made to the Financial Ombudsman Service after the Complaints Department at Lloyd's have completed their investigation process or eight weeks if this is earlier. The address is

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London E14 9S

## Definitions

A defined word or phrase will be printed in bold each time it appears in this Certificate except for headings and titles.

Each time **We** use one of the words or phrases listed below in bold it will have the same meaning wherever it appears in **Your** Certificate unless **We** state otherwise.

## Application Form

The application or proposal form including all supporting information submitted to **Us** by **You** or on **Your** behalf and upon which **We** have underwritten the cover provided under this Certificate.

## Asbestos

Fibres or particles of or any material or mixture containing crocidolite, amosite, chrysolite, fibrous actinolite, fibrous anthophyllite, fibrous tremolite.

## Avionics

Any **Product** fitted within any aircraft, spacecraft or other aerial device and used in connection with the navigation control of flight or maintenance of orbit.

### **Bodily Injury**

Death Bodily Injury illness disease or mental injury

### **Business**

Activities directly connected with the business specified in Item 5 of the **Schedule**

### **Circumstance**

An incident occurrence fact matter act error omission or event which could reasonably be foreseen to give rise to a **Claim**

### **Claim**

- (a) Any threat or demand or series of threats or demands whether verbal or written made against **You** for damages or compensation
- (b) Any notice or intention whether verbal or written to commence legal arbitration or adjudication proceedings

### **Computer Virus**

Any computer program including but not limited to any file virus boot sector virus macro virus hostile applet trojan horse program Java virus ActiveX virus or other executable program which contains instructions to initiate an event on the infected computer causing modification of or damage to data memory or data media

### **Damage**

Accidental loss destruction or damage

### **Documents**

- (a) Documents whether written printed or reproduced by any other method (excluding any bearer bonds coupons bank or currency notes or other negotiable instruments)

- (b) **Electronic Documents**

entrusted to or deposited with **You** in the ordinary course of **Your Business** and for which **You** are responsible

### **Electronic Documents**

Computer records or any document in electronic format

### **Employee**

Any person who is or was at the time of any **Claim** or **Circumstance** under a contract of service with **You** in respect of the conduct of **Your Business**

### **Endorsement**

An alteration to the terms of this Certificate as specified in Item 15 of the **Schedule**

### **Excess**

The amount specified in Item 7 of the **Schedule** (or any **Endorsement**) which **You** must bear for each and every **Claim** and which **You** shall reimburse to **Us** immediately upon request

### **Government Action**

The action taken by the government as a direct consequence of **War** or **Terrorism** whether or not resulting from the adoption of emergency powers

### **Period of Insurance**

The period from the effective date of this Certificate until the expiry date of this Certificate specified in Item 4 of the **Schedule**

### **Pollution**

Pollution consequent pollution seepage or contamination caused by contributed to by or arising from any electronic solid liquid gaseous or thermal irritant or contaminant including but not limited to electromagnetic fields noise radio waves smoke vapour water-borne disease soot fumes acids alkalis chemicals and waste Waste includes material to be recycled reconditioned or reclaimed

This Definition shall not include pollution or contamination caused by contributed to by or arising from **Asbestos**

### Premises

The premises stated in the **Application Form** and specified in Item 3 of the **Schedule** and any other premises or work site within the United Kingdom the Channel Islands or the Isle of Man from which **You** conduct **Your Business**

### Product

Any commodity article or thing computer software or firmware (including its container packaging label and instructions for use) which is

- (a) manufactured sold supplied processed altered or treated
- (b) repaired serviced tested or maintained
- (c) installed commissioned constructed erected or transported

by **You** or on **Your** behalf and which is no longer in **Your** custody or control

### Retroactive Date

The Retroactive Date specified in Item 8 of the **Schedule**

### Schedule

The document which specifies details of **You** the **Premises** the covers insured and any **Excess Endorsements** and other conditions applying to this Certificate

### Series of Claims

A number of **Claims** (whether made by the same or different claimants and whether falling under one or more insuring clauses of the Certificate) that arise directly or indirectly from one source or originating cause

### Territory

The Territory specified in Item 10 of the **Schedule**

### Terrorism

Any act including but not limited to the use of force or violence and/or the threat thereof or the use of any **Computer Virus** electronic mail denial of service attack or other attack using electronic means against people property data or infrastructure by any person 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 put the public or any section of the public in fear

### War

War invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny civil commotion assuming the proportions of or amounting to popular rising military rising insurrection rebellion revolution or military or usurped power

### We/Us/Our

Certain Underwriters at Lloyd's in respect of all sections evidenced by the Lloyd's Contract (the number of which is specified in Item 17 of the **Schedule**)

### You/Your/Yourself

- (a) The person company partnership unincorporated association or trading style specified in Item 2 of the **Schedule** as the Certificate Holder or any predecessor in business of such person company partnership unincorporated association or trading style declared to **Us** in the **Application Form**
- (b) any person who is or was your partner director principal or **Employee** but only in respect of their employment with you
- (c) any Executor or Administrator of any person referred to in (a) or (b) above but only in respect of your employment of such person
- (d) any contractor or subcontractor working for you but only in respect of your liability for such contractor or subcontractor
- (e) any office-bearer or member of a social or sporting club or welfare organisation formed by you or with your consent but only in respect of **Claims** arising from duties connected with the activities of such club or organisation
- (f) any internet website or email identity adopted by any person company partnership unincorporated association or trading style specified in Item 2 of the **Schedule** as the Certificate Holder



GLEMHAM UNDERWRITING LIMITED

## Section 1 - Professional Indemnity

### The Cover

#### PI1.0 Claims Made Cover

This cover is underwritten on a claims-made basis. This means that **We** will only handle and settle **Claims** that are first made during the **Period of Insurance** and notified in accordance with the Claims Conditions in Section 5 of this Certificate.

#### PI1.1 Claims Made Against You

**We** will pay all sums for which **You** shall become legally liable in respect of any breach of **Your** professional duty that results in a **Circumstance** or **Claim** against **You** for

- (a) economic loss not accompanied by **Bodily Injury** or **Damage** including economic loss arising from a term implied into a contract by virtue of
    - (i) Section 14 of the Sale of Goods Act 1979 (or any super-ceding legislation)
    - (ii) Section 13 of the Supply of Goods and Services Act 1982 (or any super-ceding legislation)or any common law or any enactment outside the United Kingdom which has the same legal effect
  - (b) (i) accidental **Bodily Injury** and/or **Damage** to physical property not caused by any **Product**
    - (ii) economic loss consequent upon such accidental **Bodily Injury** and/or **Damage**
  - (c) unintentional breach, infringement or unauthorised use of confidential information, trade secrets, copyrights, trademarks, designs or computer routines and programs not owned by **You** and committed in good faith
  - (d) loss of or **Damage** to **Documents** not owned by **You**
  - (e) unintentional defamation
  - (f) the dishonest or fraudulent action of any **Employee**
  - (g) the inadvertent transmission of any **Computer Virus** provided that such **Computer Virus** is not written by **You**
- provided that such **Circumstance** or **Claim**
- (i) is discovered by **You** made against **You** or intimated to **You** for the first time during the **Period of Insurance**
  - (ii) is notified to **Us** during the **Period of Insurance**
  - (iii) arises from a negligent act, error or omission committed by **You** on or after the **Retroactive Date** and does not form part of an inter-related series of acts, errors, omissions or events which commenced prior to the **Retroactive Date**
  - (iv) arises in connection with the conduct of **Your Business** within the **Territory**

#### PI1.2 Limit of Indemnity

The Limit of Indemnity for this Section is as specified in Item 6 (a) of the **Schedule** and shall apply as follows:

- (a) The Limit of Indemnity shall apply in respect of any one **Claim** or **Series of Claims**
- (b) **We** will pay a further Limit of Indemnity in respect of costs incurred under Additional Covers Clause PI1.4. Costs and the total amount payable in respect of such costs shall not exceed the Limit of Indemnity specified in Item 6 (a) of the **Schedule** in respect of any one **Claim** or **Series of Claims**

Notwithstanding PI1.2(a) and (b) above, the maximum amount payable by **Us** under Claims Made Against You Clause PI1.1 (d) shall be GBP100,000 in respect of all such **Claims** made during any one **Period of Insurance**.

#### PI1.3 Excess

- (a) In respect of any one **Claim** or **Series of Claims**, **We** will not be liable for the amount of the **Excess** specified in Item 7 (a) of the **Schedule** (or any lesser amount for which a **Claim** may be settled)
- (b) **We** shall only be liable for that part of each and every **Claim** (excluding the costs and expenses incurred in the investigation, defence and settlement of such **Claim**) which exceeds the amount of the **Excess** specified in Item 7 (a) of the **Schedule**



- (c) The **Excess** shall not apply to **Claims** where the sole payment is made under Additional Covers Clause PI1.4 Costs

## **Additional Covers**

### **PI1.4 Costs**

We will also pay

- (a) all other costs and expenses incurred by **Us** or by **You**
- (b) GBP300 per person for every day that any **Employee** is required by **Your** legal representatives to attend court
- (c) the fees of any accountant or other professional advisor incurred to substantiate the amount of any loss for the dishonest or fraudulent action of any **Employee**

in connection with any **Claim** or **Circumstance** under this Section of the Certificate provided that all such costs are incurred with **Our** prior written consent

### **PI1.5 Irrecoverable Fees**

We may at **Our** discretion and subject to **Our** prior written consent reimburse **You** up to the value of any fee owed to **You** by **Your** client where such client is alleging that **You** are in breach of **Your** professional duty and where in **Our** sole opinion a valid **Claim** is likely to be made against **You** in respect of such breach for which this Section of the Certificate would provide indemnity provided that such breach

- (a) first becomes known to **You** during the **Period of Insurance**
- (b) is notified to **Us** during the **Period of Insurance**
- (c) arises from a negligent act error or omission committed on or after the **Retroactive Date** and
- (d) arises in connection with the conduct of **Your Business** within the **Territory**

## **Exclusions**

We will not pay

### **PI1.6 Fraud and Dishonesty**

any **Claim** arising out of dishonest or fraudulent action save to the extent that such **Claim** arises by reason of and was solely and directly caused by the (actual or alleged) dishonest or fraudulent action of any **Employee** (whether committed alone or in collusion with others) and results in any client of **Yours** suffering a loss and provided always that

- (a) no indemnity shall be afforded in respect of any **Claim** arising out of such dishonest or fraudulent on the part of any party committing or condoning such dishonest or fraudulent action
- (b) no indemnity shall be afforded in respect of any **Claim** arising out of such dishonest or fraudulent action which was known or ought reasonably to have been known by **You**
- (c) any **Claim** or **Series of Claims** arising out of dishonest or fraudulent action whether of a similar nature or otherwise committed by a person or persons acting in collusion with others shall for the purposes of this Certificate be treated as one **Claim** and only one Limit of Indemnity shall apply
- (d) **Your** annual accounts (and client accounts where applicable) have been certified by an independent and properly qualified accountant or auditor

### **PI1.7 Property Transport and Occupiers Liability**

- (a) any **Claim** arising from the ownership possession or use by **You** of any buildings premises structures land aircraft watercraft or vehicle
- (b) any **Claim** for loss of or **Damage** to property owned by leased hired rented or entrusted to **You** or otherwise in **Your** care custody or control save that this exclusion shall not apply in respect of **Claims** for loss of or **Damage** to **Documents** not owned by **You** (as insured by Claims Made Against You Clause PI1.1 (d))

### **PI1.8 Pollution**

any **Claim** caused by contributed to by or arising out of **Pollution**

### **PI1.9 Product Liability**

any **Claim** caused by or arising from any **Product**

#### PI1.10 Controlling Interest

any **Claim** arising from or brought by

- (a) any firm company or organisation in which **You** have a controlling interest or
- (b) any entity that has a controlling interest in **You** by virtue of their having a majority financial or executive interest in **Your** operation

unless such **Claim** originates from a source independent of such firm company organisation or entity whereupon the maximum amount payable by **Us** shall be limited to the amount of compensation paid to such party together with **Your** Costs as defined by Additional Covers Clause PI1.4 Costs

#### PI1.11 Joint Ventures

any **Claim** arising from a partnership or joint venture of which **You** are a member unless such partnership or joint venture is specified in Item 2 of the **Schedule**

#### PI1.12 Subrogation

any **Claim** in respect of which **You** have agreed to exclude or limit **Your** rights of recovery from another party unless **We** have approved such agreement and endorsed this Certificate accordingly

#### PI1.13 Patent Infringement

any **Claim** arising from **Your** infringement of any patent

## Section 2 - Liability

### The Cover

#### LI2.0 Losses Occurring Cover

This cover is underwritten on a losses-occurring basis This means that **We** will only handle and settle **Claims** that first occur during the **Period of Insurance** and are notified in accordance with the **Claims** Conditions in Section 5 of this Certificate

#### LI2.1 Public Liability

**We** will pay all sums for which **You** become legally liable in respect of a breach of duty that results in a **Claim** against **You** for

- (a) accidental **Bodily Injury** and/or **Damage** to physical property not caused by any **Product**
- (b) economic loss consequent upon such accidental **Bodily Injury** and/or **Damage** to physical property
- (c) liability in nuisance trespass or interference with any right of way or right to water light or air
- (d) the personal liability of any **Employee** and spouse or partner of such **Employee** for accidental **Bodily Injury** and/or property **Damage** to physical property not caused by any **Product** and not arising out of the ownership or occupation of any land or building

provided that such **Bodily Injury** **Damage** economic loss or liability

- (i) occurs during the **Period of Insurance**
- (ii) arises from a negligent act error or omission nuisance trespass or interference with any right of way or right to water light or air and
- (iii) arises in connection with **Your Business**

#### LI2.2 Products Liability

**We** will pay all sums for which **You** become legally liable in respect of a breach of duty that results in a **Claim** against **You** for

- (a) accidental **Bodily Injury** and/or **Damage** to physical property caused by any **Product**
- (b) economic loss consequent upon such accidental **Bodily Injury** and/or **Damage** to physical property

provided that such **Bodily Injury** **Damage** or economic loss

- (i) occurs during the **Period of Insurance**
- (ii) arises from a negligent act error or omission and
- (iii) arises in connection with the conduct of **Your Business**

### **LI2.3 Limit of Indemnity**

The Limit of Indemnity for this Section is as specified in Item 6 of the **Schedule** and shall apply as follows

- (a)
  - (i) In respect of cover afforded by Clause LI2.1 Public Liability for **Claims** arising from **Pollution** the Limit of Indemnity specified in Item 6 (b) shall apply in total in respect of all **Claims** incurred by **You** during any one **Period of Insurance** and the Costs incurred under Additional Covers Clause LI2.5 Costs shall be included within the Limit of Indemnity
  - (ii) In respect of all other cover afforded by Clause LI2.1 Public Liability the Limit of Indemnity shall apply in respect of any one **Claim** or **Series of Claims** and **We** will pay a further Limit of Indemnity in respect of Costs incurred under Additional Cover Clause LI2.5 Costs and the total amount payable in respect of such costs shall not exceed the Limit of Indemnity specified in Item 6 (b) of the **Schedule** in respect of any one **Claim** or **Series of Claims**
- (b) In respect of cover afforded by Clause LI2.2 Products Liability the Limit of Indemnity shall apply in total in respect of all **Claims** incurred by **You** during any one **Period of Insurance** and the Costs incurred under Additional Covers Clause LI2.5 Costs shall be included within the Limit of Indemnity

### **LI2.4 Excess**

- (a) In respect of any one **Claim** or **Series of Claims** **We** will not be liable for the amount of the **Excess** (or any lesser amount for which a **Claim** may be settled) specified in Item 7 (b) of the **Schedule**
- (b) **We** shall only be liable for that part of each and every **Claim** (including the costs and expenses incurred in the investigation defence and settlement of such **Claim**) which exceeds the amount of the **Excess** specified in Item 7 (b) of the **Schedule**
- (c) The **Excess** shall not apply to **Claims** arising solely from Additional Covers Clause LI2.5 Costs

## **Additional Covers**

### **LI2.5 Costs**

**We** will also pay

- (a) all other costs and expenses incurred by **Us** or by **You**
- (b) the costs of representing **You** (including the costs of the prosecution awarded against **You**) arising from any prosecution of **You** or an appeal against conviction for a breach or alleged breach of Part II of the Consumer Protection Act 1987 the Health & Safety at Work Act 1974 the Health & Safety at Work (Northern Ireland) Order 1978 the Food Safety Act 1990 or any analogous legislation in any other state outside the United Kingdom
- (c) GBP 300 per person for every day that any **Employee** is required by **Your** legal representatives to attend court

in connection with any **Claim** or **Circumstance** under this Section of the Certificate provided that all such costs are incurred with **Our** prior written consent

## **Exclusions**

**We** will not pay

### **LI2.6 Professional Indemnity**

any **Claim** resulting from a breach of **Your** professional duty to any client or other party unless solely caused by or arising out of any **Product**

### **LI2.7 Product Recall**

any **Claim** for damages costs and expenses relating to the removal from sale withdrawal inspection repair modification or replacement of any **Product** or of any other item of which such **Product** forms part where such **Product** or other item is withdrawn from the market or from use because of any known alleged or suspected harmful nature or other deficiency therein

### LI2.8 Property Liability

any **Claim** for loss of or **Damage** to property owned by leased hired rented or entrusted to **You** or otherwise in **Your** care custody or control save that this exclusion shall not apply in respect of **Claims** for loss of or **Damage** to

- (a) **Premises** rented by **You** or
- (b) the personal effects (including vehicles) of any **Employee** or visitor to the **Premises**

### LI2.9 Subrogation

any **Claim** in respect of which **You** have agreed to exclude or limit **Your** rights of recovery from another party unless **We** have approved such agreement and endorsed the Certificate accordingly

### LI2.10 Transport Liability

any **Claim** arising from the ownership possession or use of any aircraft watercraft or vehicle licensed for road use provided that this Exclusion shall not apply to liability caused by or arising from

- (a) **Damage** to a vehicle licensed for road use and not owned or leased by **You** that is
  - (i) in **Your** care custody or control in any car park owned or leased by **You**
  - (ii) moved by **You** or on **Your** behalf because it is interfering with **Your Business**
- (b) the loading or unloading of any vehicle or the bringing to or taking away of a load from any vehicle
- (c) the use of plant as a tool of trade at the **Premises**
- (d) **Damage** to any building bridge weighbridge road or to anything beneath any vehicle caused by vibration or by the weight of such vehicle or its load
- (e) **Bodily Injury** or **Damage** arising from the use of a vehicle licensed for road use and not owned leased or driven by **You** that is used in connection with **Your Business**

However the cover afforded by this clause shall not be deemed to meet the legal compulsory insurance requirements of the owner or lessee of such vehicle to insure the vehicle

### LI2.11 Pollution or Contamination

any **Claim** in respect of **Pollution** other than if caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance** All **Claims** in respect of **Pollution** which arise out of one incident shall be deemed to have occurred at the time such incident takes place

### LI2.12 Computer Virus

any **Claim** caused by contributed to by or arising from any **Computer Virus**

## Section 3 - Certificate Exclusions

The following Exclusions shall apply to all Sections of this Certificate

We will not pay

### 3.0 Deliberate Acts and Known Defects

any **Claim** caused by or arising from

- (a) any deliberate act error or omission by **You**
- (b) the specification of or provision by **You** of any **Product** or the provision by **You** of any service which **You** knew or which **You** ought reasonably to have known to be deficient or ineffective and incapable of substantially fulfilling the essential purpose for which it is intended or to perform as specified warranted (whether express or implied) or guaranteed

### 3.1 Fines Penalties and Damages

any fines punitive penal multiple or exemplary damages where such can be identified separately within any court award

### 3.2 Asbestos

any **Claim** caused by contributed to by or arising from **Asbestos** (including any **Claim** arising from the fear of suffering **Bodily Injury** as a result of actual or suspected exposure to **Asbestos**)

### 3.3 Contractual Liability

- (a) any **Claim** arising from an agreement by **You** to assume liability where **Your** liability under such agreement exceeds the amount of **Your** liability in the absence of such an agreement
- (b) any **Claim** arising from an agreement by **You** to pay penalties or liquidated damages

### 3.4 Liability arising out of Employment

any **Claim** in respect of

- (a) **Bodily Injury** to any **Employee**
- (b) any breach of any contractual statutory or other obligation owed by **You** as an employer to any **Employee**
- (c) Costs incurred under Additional Cover Clause LI2.5 (b) for prosecutions solely involving the health safety or welfare of any **Employee**

### 3.5 Trading Losses

any **Claim** arising out of or in connection with **Your** insolvency (including any **Claim** made by **Your** liquidator provisional liquidator or administrator) or any trading losses or trading liabilities incurred by any business managed or carried on by **You**

### 3.6 Previous Claims and Circumstances

any **Claim Circumstance** or occurrence which has been notified or is notifiable under any other policy or certificate of insurance attaching prior to the effective date of this Certificate or which would have been notifiable had **You** not been uninsured at the time **You** first became aware of such **Claim Circumstance** or occurrence

### 3.7 Other Insurances

any **Claim** where **You** are entitled to indemnity under any other insurance except in respect of any excess beyond the amount which would have been payable under such insurance had this Certificate not been effected. However if any other such insurance is subject to any provision whereby it is excluded from ranking concurrently with this Certificate whether in whole or in part or from contributing proportionately then **Our** liability hereunder shall be limited to any excess beyond the amount which would have been payable under such other insurance had this Certificate not been effected.

### 3.8 Directors and Officers Liability

- (a) any **Claim** against **You** in **Your** capacity as a director officer or trustee in respect of **Your** performance or non-performance of **Your** duties as a director officer or trustee
- (b) any **Claim** made against **Your** principal partner director or executive officer in respect of a breach of his legal duty to manage **You** in accordance with his legal and/or regulatory obligations

### 3.9 Unethical Conduct

any **Claim** made in respect of any actual or alleged violation of any law relating to unconscionable conduct any anti-trust or competition law or other law prohibiting restraint of trade business or profession

### 3.10 USA and Canada

any **Claim** made or action instituted

- (a) within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada
- (b) to enforce a judgment obtained in any Court of the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada

### 3.11 War Government Action and Terrorism

any **Claim** caused by contributed to by or arising out of

- (a) **War Government Action** or **Terrorism**
- (b) Civil Commotion in Northern Ireland

### 3.12 Radioactive Contamination

Any **Claim** caused by contributed to by or arising out of

- (a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel



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- (b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

### 3.13 Sonic Bangs

any **Claim** in respect of **Damage** caused by pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds

## Section 4 - General Conditions

### 4.0 The Certificate

This Certificate and the Sections referred to in the **Schedule** and any **Endorsement** attaching thereto shall be read together as one document

At all times the masculine shall include the feminine and neuter and the singular includes the plural and vice versa

### 4.1 Misrepresentation and Fraud

This Certificate shall be voidable in the event of

- (a) misrepresentation misdescription or nondisclosure in any material particular
- (b) **You** making any **Claim** knowing the same to be false or fraudulent as regards amount or otherwise

and all **Claims** hereunder shall be forfeited

### 4.2 Reasonable Precautions

It is a condition precedent to **Our** liability under this Certificate that **You** must

- (a) take all reasonable precautions to prevent or minimise **Damage** accident or **Bodily Injury** including taking all reasonable measures (which shall include the implementation and regular up-dating of current computer protection software) to protect yourselves from unauthorised use of or access to **Your** records and computer systems (including **Your** internet website) and to take back-up copies of all data web pages and programs not less frequently than weekly
- (b) maintain the **Premises** machinery equipment and furnishings in a good state of repair
- (c) exercise reasonable care in the selection and supervision of **Employees** and ensure that they are provided with adequate resources to maintain the level of competence necessary to fulfil their duties
- (d) comply with all relevant statutory requirements manufacturers' recommendations and other regulations relating to the use inspection and safety of property and the safety of persons

### 4.3 Change of Risk or Interest

This Certificate shall be avoided if

- (a) **Your** interest ceases other than by death or
- (b) the **Business** be wound up or carried on by a liquidator or receiver or permanently discontinued or
- (c) any alteration be made either to the **Business** or to the **Premises** or in any other circumstances whereby the risk is increased at any time during the **Period of Insurance** unless **We** have consented to such alteration in writing

### 4.4 Premium Payment

It is a condition precedent to **Our** liability under this Certificate that

- (a) **You** have paid the premium to **Us** within 30 days of the end of the month in which the Certificate of insurance inception whereupon **We** will provide the insurance stated herein otherwise all benefit under the Certificate shall be forfeited and the Certificate will be avoided from the effective date
- (b) where the premium is paid by **You** by means of a premium instalment facility each instalment shall be paid when due otherwise all benefit under the Certificate shall be forfeited and the Certificate shall be cancelled from the date when any unpaid instalment was due and **You** shall surrender forthwith to **Us** any effective Certificate(s) of Insurance whereupon **We** will credit to **You** a pro rata premium for the unexpired part of the **Period of Insurance** provided that no **Claims** or **Circumstances** have been reported **Us** since the effective date of such **Period of Insurance**



GLEMHAM UNDERWRITING LIMITED

## Section 5 - Claims Conditions

### 5.0 General Claims Conditions

- (a) It is a condition precedent to **Our** liability under this Certificate that **You** shall notify **Us** within 14 days of any **Claim** or intimation to **You** of a possible **Claim** against **You** or upon **Your** becoming aware of any **Circumstance** regardless of any **Excess**

Written notice shall be provided to **Us** by writing to

Devonshire Claims Services  
5<sup>th</sup> Floor Minster House  
42 Mincing Lane  
London  
EC3R 7AE

- (b) **We** shall be entitled at any time to conduct in **Your** name the defence or settlement of any **Claim** and it is a condition precedent to **Our** liability under this Certificate that **You** do not agree that any other party may take over the conduct and control of any **Claim** without **Our** prior written consent
- (c) It is a condition precedent to **Our** liability under this Certificate that **You** will not admit liability for or settle any **Claim** or incur any costs or expenses in connection therewith without **Our** prior written consent
- (d) **You** will at **Your** own expense provide **Us** with all information requested by **Us** (or any party acting on **Our** behalf) in respect of the investigation or defence of any **Claim** made against **You**
- (e) Following a payment in respect of a **Claim** **We** may at **Our** absolute discretion seek recovery from any other party save that **We** will not exercise such rights against any of **Your** principals partners directors executive officers or other **Employees** unless such **Claim** arises as a result of or is contributed towards by the dishonest fraudulent malicious or criminal act or omission of such person
- (f) **You** will upon request give to **Us** all such information and assistance as **We** may reasonably require within 7 days of **Our** requesting such information or assistance and will in all such matters do and concur in doing all such things as **We** may require in the timescale specified by **Us** or any party acting on **Our** behalf
- (g) Neither **We** nor **You** shall be required
- (i) to contest any legal proceedings or
  - (ii) to take any steps to effect recovery from any person committing or conspiring to commit or condoning any dishonest or fraudulent act or omission or from the personal representatives of such person including the taking of legal proceedings against such person

unless a Queen's Counsel (to be mutually agreed upon between **You** and **Us**) advises that such action actually has a reasonable prospect of success taking into consideration the economics of the matter the damages and Costs which are likely to be recovered by the claimant the likely Costs and the prospects of **You** successfully defending the **Claim**

The cost of such Senior Counsel's opinion shall be regarded as part of the Costs

- (h) In connection with any **Claim** against **You** **We** may at any time pay the Certificate Holder specified in Item 2 of the **Schedule** the Limit of Indemnity stated in Item 4 of the **Schedule** (after deduction of any sums already paid as damages or claimant's costs and expenses in respect of such **Claim**) or any lesser amount for which such **Claim** can be settled and thereupon **We** will relinquish the control of such **Claim** and be under no further liability in connection therewith except for costs and expenses for which **We** may be responsible under this Certificate and which **We** have consented to incur prior to the date of such payment
- (i) Where **Your** breach or non-compliance with any condition of this Certificate has resulted in prejudice to the handling or settlement of any **Claim** the indemnity afforded by this Certificate in respect of such **Claim** (including costs and expenses) shall be reduced to such sum as on **Our** opinion would have been payable in the absence of such prejudice
- (j) Every warranty to which this Certificate or any Section or Item thereof is or may be made subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of this Certificate
- Non-compliance with any such warranty insofar as it increases the risk of loss or **Damage** shall be a bar to any **Claim** in respect of such **Damage**
- (k) If any difference shall arise as to the amount to be paid under this Certificate (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions regarding arbitration in force at the time

Where any difference is so referred to arbitration the making of an award shall be a condition precedent to any right of action against **Us**