

EXCESS LAYER PROFESSIONAL INDEMNITY CERTIFICATE

We have agreed to provide this insurance to **You** on the basis that the information provided in the **Proposal** was accurate and complete as at the date of commencement of the **Period of Insurance**. The **Proposal** shall be the basis of and incorporated into this contract of insurance.

The terms and conditions of the **Underlying Policy/ies** shall apply to and are incorporated into this Certificate save as provided below. In the event that there is any conflict between the terms and conditions of the **Underlying Policy/ies** and those of this Certificate then the terms and conditions of this Certificate shall prevail.

In this Certificate:

- words and expressions appearing in bold type shall bear the meanings given against the word or expression in the section of this Certificate headed 'Definitions' .
- headings are for ease of reference only and shall not be taken into account in construing this Certificate.

INSURING CLAUSE

In return for **Your** payment of the premium, **We** shall indemnify **You** as follows:

Indemnity

for any amount in excess of the **Total Underlying Limit** and up to the **Limit of Liability** in respect of **Loss** and **Defence costs and expenses** arising from a claim in respect of which **You** are entitled to be indemnified under the terms of the **Underlying Policy/ies** first made against **You** during the **Period of Insurance** and arising from the ordinary conduct of **Your Professional Business**.

EXCLUSIONS

We will not indemnify **You** against any claim :

- 1 **Radiation**
caused directly or indirectly or otherwise arising from
 - 1.1 ionising radiation or contamination by radioactivity from any nuclear fuel or
 - 1.2 the waste produced by the combustion or other treatment of nuclear fuel; or
 - 1.3 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or any nuclear component of an explosive nuclear assembly;

- 2 **War**
Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, 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 requisition or destruction of or damage to property by or under the order of any government or public or local authority.;

- 3 **Terrorism**
arising directly or indirectly or otherwise as a consequence of any act or acts of force or violence undertaken, for whatever reason, with the aim of influencing or overthrowing of any government or public authority or with the aim of making the public fearful;

- 4 **Limitations on Underlying Policy/ies**
in respect of which the indemnity provided under the terms of the **Underlying Policy/ies** is restricted because it is the subject of a sub-limit whereby the liability of the **Underlying Insurers** to indemnify **You** is for a lesser amount than it is in respect of some other type or types of claim.

- 5 **Sanctions**
to the extent that to do so would expose **Us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

CLAIMS CONDITIONS

Claims Condition 1 below, General Condition 2 and **Your** compliance with all conditions precedent in the **Underlying Policy/ies**, are all conditions precedent to **Our** obligation to indemnify **You** under the terms of this Certificate. If, in relation to a particular claim or **Circumstance**, **You** fail to comply strictly with Claims Condition 1, General Condition 2 or any conditions precedent in the **Underlying Policy/ies** **We** may be entitled to decline to indemnify **You** against that claim or any claim that may arise from the **Circumstance**.

1 **Notification**

You must notify **Us** in writing as soon as possible, provided that **We** receive the notification before the end of the **Period of Insurance**, if you receive, discover or become aware of

- 1.1 any claim made against **You**;
- 1.2 any indication that someone intends to make a claim against **You**; or
- 1.3 a **Circumstance**

in respect of which the **Maximum Possible Loss** may exceed 50% of the **Total Underlying Limit**.

The notification must include full particulars, including without limitation the identity of the claimant or potential claimant, details of the allegations and potential allegations against **You**, identification of the project and services giving rise to the claim or **Circumstance** and, if known, the potential quantum of the claim or **Circumstance**.

If **You** give **Us** notice under paragraphs 1.2 and 1.3 above then any claim made subsequently and arising from the notification will be deemed to have been notified to **Us** during the **Period of Insurance**.

2 **Conduct**

Subject only to any right of the **Underlying Insurers** to exercise control, in the event that, in relation to any claim, **We** consider that any **Loss** payable is likely to exceed the **Total Underlying Limit**, **We** shall be entitled to take over the conduct of any claim and to defend or settle the claim as **We**, in **Our** sole discretion, think fit. However, **We** cannot require **You** to continue to contest any claim unless a Senior Counsel (to be agreed upon between us) advises that the claim should be contested.

3 **Payment of Limit of Liability**

At any time:

- 3.1 **We** may pay to **You** an amount equal to the **Limit of Liability**; or
- 3.2 if **We** consider that a claim may be settled for an amount exceeding the **Total Underlying Limit** but less than the **Limit of Liability** then **We** may pay to **You** that lesser amount.

If **We** make such a payment it will be in full and final settlement of any liability **We** may have to indemnify **You** under this Certificate. **We** will then relinquish conduct and control of the claim and will have no further liability in respect of that claim. For the avoidance of doubt this means that **We** will not be liable for any **Defence costs and expenses** that may be incurred after the date upon which any such payment is made by **Us**.

4 **Erosion of Total Underlying Limit**

Subject always to the application of exclusion clause 4, if, because the **Underlying Insurers** have made payments in relation to any claim or claims first made during the **Period of Insurance**, the applicable **Total Underlying Limit** shall have been:

- 4.1 partially reduced then this Certificate shall apply in excess of the reduced amount of the **Total Underlying Limit** for the remainder of the **Period of Insurance**;
- 4.2 paid in full then **We** shall indemnify **You** on the terms contained in this Certificate as if **We** were the **Underlying Insurers**.

GENERAL CONDITIONS

1 **Ultimate net loss**

We shall only be liable for any **Loss** in excess of the **Total Underlying Limit** on an ultimate net loss basis, which means the sum actually paid by **You** or on **Your** behalf in settlement after deducting all sums recovered from any other party or under any other collectible policy of insurance other than the **Underlying Policy/ies**. All sums recovered after such time as **We** may have made any payment under this Certificate shall be applied as if they had been recovered or received before **We** made any payment.

2 **Underlying Policy/ies**

It is a condition precedent to **Our** obligation to indemnify **You** under this Certificate that the **Underlying Policy/ies** shall be maintained in full force and effect throughout the **Period of Insurance**.

3 **Amendment of Underlying Policy/ies**

No amendment of the terms and conditions of the **Underlying Policy/ies** made or deemed to come into effect during the **Period of Insurance** shall be binding on **Us** unless **We** agree in writing.

4 **Notices**

Any notice to be given under this Certificate must be sent by pre-paid first class post and shall be deemed to have been received :

- 4.1 by **You** if it is sent to **Your** last known address or to **Your** broker; and
- 4.2 by **Us** if sent to Manchester Underwriting Management Limited, Link House, St. Mary's Way, Chesham HP5 1HR.

5 **Contact and Complaints**

- 5.1 All claims and other enquiries shall be addressed to Manchester Underwriting Management Ltd, Link House, St. Mary's Way, Chesham HP5 1HR.
- 5.2 All complaints must be referred in the first instance to Manchester Underwriting Management Ltd, Link House, St. Mary's Way, Chesham HP5 1HR and, if no satisfaction is obtained, complaints relating to Lloyd's underwriters can be referred to the Complaints Department, Lloyd's, Policyholder and Market Assistance, One Lime Street, London EC3M 7HA
- 5.3 **We** are regulated by the Financial Conduct Authority ('the FCA') whose address is 25 The North Colonnade, Canary Wharf, London E14 5HS

6 **Manchester Underwriting Management**

Manchester Underwriting Management Ltd acts as **Our** agent and not for **You**;

7 **Several Liability Notice**

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

8 **Termination of Certificate for Specified Events**

This Certificate will immediately and automatically be terminated in the event of any of the following:

- 8.1 The presentation of a petition seeking the appointment of a receiver or the making of a winding up order or the appointment of an administrator over **You** or the making of a Court order to that effect;
- 8.2 The passing of a resolution for the appointment of a liquidator, receiver or administrator or on the appointment of a liquidator, receiver or administrator over any of **Your** assets;
- 8.3 the suspension by **You** of a payment of **Your** debts or the entering into a voluntary arrangement or other scheme of composition with **Your** creditors by **You**

or any equivalent court application, order, appointment or arrangement in any jurisdiction in which **You** may be domiciled.

9 **Multiple Insureds**

If more than one party is entitled to indemnity under this Certificate then the total amount which **We** will pay in respect of any claim will not exceed the amount which **We** would be liable to pay if there were only one party entitled to indemnity

DEFINITIONS

In this Certificate where the following words appear in bold type they shall have these meanings:

Circumstance shall mean

- (a) any complaint from a client about work undertaken by **You** and which cannot be resolved immediately;
- (b) any series of complaints from a client about work done by **You**;
- (c) any situation by which **You** become aware of any shortcoming in work carried out by **You** for a client (whether this is known to the client or not);
- (d) any situation in which a client, following a complaint, fails to pay fees invoiced by **You**;
- (e) any threat of a claim being brought against **You**
- (f) the discovery, or reasonable cause for suspicion, of dishonesty or fraud on the part of any current or former partner, director, member of **Employee of Yours**;
- (g) any circumstance, event or state of affairs which might reasonably be expected to lead to a claim against **You** or by **You** of a kind that may be covered under this Certificate;
- (h) the receipt by **You** of any written or oral demand for compensation or demand for other civil relief including non pecuniary relief made by a third party against **You**;
- (i) any civil, arbitration or adjudication proceedings, application including any counterclaim or appeal served upon **You**;
- (j) the receipt by **You** of any communication invoking a Pre-Action Protocol

Defence costs

and expenses shall mean legal costs and expenses incurred by **You** or on **Your** behalf with **Our** prior written consent in connection with the investigation, defence or settlement of any claim or potential claim in respect of which **You** are, or may be, entitled to an indemnity under this Certificate

Excess

shall mean the amount payable by **You** before the **Underlying Insurers** are obliged to make any payment under the **Underlying Policy/ies**

Limit of Liability

shall mean the amount stated in the **Schedule** and which shall be the maximum amount of **Our** liability to pay any **Loss** and **Defence costs and expenses** in the aggregate during the **Period of Insurance**

Loss

shall mean any amount that **You** are liable to pay as compensation together with any liability **You** may have to pay the legal costs and expenses of any other party as a result of any claim made against **You**

Maximum Possible Loss	shall mean, in relation to any claim or Circumstance , the largest possible Loss recoverable from You on the assumption that You have no defence on any aspect of liability or quantum and excluding the possibility that You may have any right of recovery from any third party
Period of Insurance	shall mean the period stated in the Schedule
Personal Appointments	shall mean any individual appointment of a personal nature and which arises out of Your Professional Business but not including any appointment as a director or officer of a company or as a trustee
Professional Business	shall mean the professional business of the kind ordinarily expected of a firm of the type specified in the Schedule together with any personal appointments
Proposal	shall mean the proposal form (whether in electronic or paper form) completed by You and received by Us together with any other information provided by You before the date of this Certificate
Schedule	shall mean the schedule attached to this Certificate
Total Underlying Limit	shall mean the amount stated in the Schedule and which is the cumulative maximum amount of the liability of the Underlying Insurers to pay any Loss and Defence costs and expenses under the terms of the Underlying Policy/ies after payment by You of any applicable Excess
Underlying Insurers	shall mean the insurer or insurers subscribing to the Underlying Policy/ies
Underlying Policy/ies	shall mean the underlying policy or policies specified in the Schedule
Us/Our/We	the Insurer or Insurers stated in the Schedule of Insurers
You/Your	shall mean the Insured named in the Schedule together with, individually and collectively, each of Your partners, members or directors including all former partners, members or directors, and all who may become partners, members or directors in Your firm during the Period of Insurance and any Employee .