

**New Acquisitions / Businesses**

Subject always to the terms, conditions, exclusions and limitations of this insurance, **You** shall extend to include any firm acquired or created by **You** or merged into **You (the Firm)** during the **Period of Insurance** where **You** have a shareholding or ownership greater than 50% but only in respect of any **Claim** first made or **Loss** discovered during the **Period of Insurance** provided always that:

- (a) The **Firm's** business activities are substantially the same as Yours prior to the date of the acquisition or merger; and
- (b) the total claims paid plus defence costs paid plus insurer reserves outstanding incurred by the **Firm's** previous professional indemnity insurers in the five years prior to the acquisition or merger does not exceed £20,000 as at the time and date of the acquisition or merger; and
- (c) the total fee plus commission income of the **Firm** in the 12 month period prior to the date of acquisition or merger shall not exceed 10% of **Your** total fee plus commission income in the same period

unless, within 60 days of the date of acquisition or merger, **We** have agreed in writing that (a), (b) or (c) shall not apply.

**We** will not indemnify **You** against any **Claim** or **Loss** arising directly or indirectly from any **Claim** made or **Circumstance** known to **You** or the **Firm** or its partners, principals, directors or members (or of which **You** or the **Firm** or its partners, principals, directors or members ought to have been aware) before the time and date of the acquisition or merger.