

CONTRACTUAL LEGAL LIABILITY POLICY

Whereas the Assured, as defined herein, have made to Underwriters a written Proposal/Declaration bearing the date stated in the Schedule containing particulars and statements which it is hereby agreed are the basis of this Policy and are to be considered as incorporated herein, and have paid the Premium stated in the Schedule.

Now We, the Underwriters, to the extent and in the manner hereinafter provided, hereby agree to indemnify the Assured up to the limit stated in the Schedule against all sums which the Assured shall become legally liable to pay and shall pay as damages as a result of a claim or claims made against the Assured during the period specified in the Schedule arising out of any negligent act, error or omission committed or alleged to have been committed by or on behalf of the Assured in or about the conduct of the Assured's occupation as specified in the Schedule.

Underwriters hereby agree to pay all costs and expenses (including legal cost incurred while defending the case in the court of law) incurred in connection with any claim which falls to be dealt with under this Policy provided that Underwriters' total aggregate liability under this Policy for all damages and/or costs and/or expenses (including legal cost incurred while defending the case in the court of law) shall not exceed in all the Limit of Indemnity specified in the Schedule, notwithstanding the number of claims made. However, if an excess is specified in the Schedule, this amount shall be borne by the Assured at their own risk and Underwriters' liability shall only be excess of this amount.

DEFINITION

The expression 'the Assured' shall be deemed to mean:-

- (a) the firm, partnership or company named in the Schedule
- and
- (b) any person who is, has been, or may become during the Period specified in the Schedule, a Principal, Partner or Director of the firm named in the Schedule but only in respect of claims arising out of work undertaken by the firm, partnership or company named in the Schedule.

EXCLUSIONS

Underwriters shall not be liable for:

- (i) any claim made upon the Assured for work carried out by the Assured for and in the name of any other firm(s) or other association formed of which the Assured form part for the purpose of undertaking any joint venture or joint ventures unless Underwriters' agreement has been first obtained and an endorsement made upon this policy.
- (ii) any claim directly or indirectly arising from the use by the Assured or by any person or persons employed by the Assured of any aircraft, vessel, automobile or any other vehicle or mechanically propelled mobile machinery.
- (iii) any claim
 - (a) by any person for bodily injury, sickness, disease or death, incurred, contracted or occurring whilst under a contract of service or apprenticeship with the Assured, or
 - (b) for any breach of any obligation owed by the Assured as an employer to any employee.
- (iv) any claims made or legal proceedings 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 judgement 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;

- (c) arising from work carried out in offices of the Assured situated in the United States of America or Canada.
- (v) any claims for death, bodily injury or loss of or damage to property unless arising from a failure to achieve the legally required standard of care, diligence and expertise in the exercise of the professional or occupational skills offered by the Assured.
- (vi) any claim arising out of a specific liability assumed by the Assured under contract which goes beyond the duty to use such skill and care as is usual in the exercise of their profession or occupation.
- (vii) any claim in respect of which the Assured 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 Policy not been effected.
- (viii) any claim arising out of any circumstance(s) or occurrence(s) which has been notified under any other Policy or Certificate of Insurance attaching prior to the inception of this Policy.
- (ix) any claim directly or indirectly caused by, or contributed to by, or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, or from the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or from 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.

CONDITIONS

1. The Assured shall as a condition precedent to their right to be indemnified under this Policy give to the Underwriters immediate notice in writing immediately but not later than 72 hours of the receipt of Court notice from any person and / or entity to file a suit against them
2. The Assured shall give to the Underwriters immediate notice in writing of any circumstance, of which they shall become aware during the subsistence hereof, likely to give rise to a claim against them. Such notice having been given, any claim, to which that circumstance has given rise, which is made after the expiration of the period specified in the Schedule shall be deemed for the purpose of this Policy to have been made during the subsistence hereof.
3. After notice to Underwriters has been given of a claim or of circumstances likely to give rise to a claim the Assured shall not disclose to any person without Underwriters' written consent the nature or terms of this Policy and no liability shall be admitted or costs or expenses incurred and no admission, arrangement, offer, promise or payment shall be made by the Assured without the written consent of the Underwriters who shall be entitled at their own choice to take control of the defence of any claim or to prosecute in the name of the Assured for their own benefit any claim for indemnity or damage or otherwise against any third party and shall have full discretion in the conduct of any negotiations or proceedings on the settlement of any claim.
Nevertheless, the Underwriters shall not exercise their subrogated rights of recovery against any person who has been or may be under a contract of service or apprenticeship with the Assured unless the payment giving rise to such right has been brought about or contributed to by the dishonest, fraudulent, criminal or malicious act of such person.
4. In the event of any claim, complaint or threat of action being made against the Assured which, in the opinion of the Underwriters, should be compromised or otherwise settled on the most advantageous terms but which claim, complaint or threat of action the Assured insists on defending or resisting, the Underwriters shall not be liable for any damages, costs and/or expenses incurred from the date of such refusal to compromise as a result of such insistence on the part of the Assured.
5. It is specifically understood and agreed that all court notices shall be reported to and controlled by Underwriters, or no such indemnity shall be afforded by this Policy in respect of such claims.
6. In the event of Underwriters being at any time entitled to void this Policy ab initio by reason of the inaccuracy or omission of any material information given or which ought to have been given by the Assured, Underwriters may at their election instead of voiding this Policy ab initio give notice in writing to the Assured that they regard this Policy as of full force and effect save that there shall be excluded from the indemnity afforded hereunder any claim which has arisen or which may arise and which is related to

circumstances which ought to have been disclosed but which were not disclosed to Underwriters. This Policy shall then continue in full force and effect but shall be deemed to exclude as if the same had been specifically endorsed ab initio the particular claim or possible claim referred to in the said notice.

7. It is a condition precedent to liability hereunder that the Assured will not effect insurance for any sum in excess of the Indemnity provided by this Policy without the prior consent of Underwriters hereon.
8. It is a condition of this Policy or of any renewal hereof that the Assured shall maintain such records as will enable them to supply at any time when requested the total amount of the Gross Fees received by them and that such records may be inspected at any time by Underwriters or their duly authorised representatives, should they so require.
9. This Policy may be cancelled at any time by or on behalf of Underwriters by thirty (30) days' notice given in writing to the Assured at his/their last known address and the Premium hereon shall be adjusted on the basis of the Underwriters retaining pro rata premium.

SPECIMEN

Endorsement

WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), 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.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.