

## Professional Liability Insurance Policy

Professional Liability Insurance Coverage is issued by the insurer subject to its term, exclusions, limitations and conditions and provides an indemnity to the insured in respect of the insured's legal liability to third parties for any third party claim which meets the following requirements.

### Coverage

#### A. Third Party Claim Must:

1. Be for compensatory damages, such indemnity to include Claimant Costs and the insured's approved costs and expenses and
2. Be first made against the insured and notified by the insured to the insurer during the policy period or any applicable extended reporting period and
3. Be arising or relating to an negligent act, negligent error, or negligent omission committed or omitted or alleged to have been committed or omitted (as the case may be) by the insured after the retroactive date and
4. Arise out of the ordinary course of the performance of the professional activities & duties

#### Professional liability Limitation and Exclusions

1. From any negligent act, negligent error or negligent omission which wash or may have been or may have been or is alleged to have been committed or omitted (as the case may be) after the policy period, including during the extended reporting period
2. Made other than by a third party
3. In respect of work undertaken as a contractor
4. For gross negligence or willful misconduct by the insured or its representatives including gross negligence or willful misconduct in relation to the failure to observe or comply with any applicable statutory building regulations
5. Arising from liability assumed by the insured by agreement under any contact, whether oral or in writing, unless such liability would have attached to the insured in the absence of such agreement
6. Arising out of the conduct of an individual, corporation, partnership or joint venture of which the insured is a partner, officer, member or employee, which is not designated in the schedule as a named insured, unless specifically endorsed
7. The policy shall not indemnify the insured in respect of claims for death, bodily injury, disease or sickness sustained by any person out of and in the course of their employment by the insured under a contact of service or apprenticeship with the insured and/or for death, bodily injury, disease or sickness sustained by any person arising in respect of the performance of a contact the primary purpose of which is the provision of labor or service only for the performance of work of a kind ordinarily performed under a contract of service

8. Any claim against any insured in their capacity as a director, officer or trustee in respect of the performance or non performance of their duties as a director, officer or trustee
  9. Arising from the advising of requirements for, or failure to advise of requirements for, or failure to maintain any form of insurance or bond, either with respect to the insured or any other person
  10. Arising from the infringement of any trademark or patent
  11. Arising from the ownership, rental, leasing, operation, maintenance, use or repair of any real or personal property, including property damage to property owned by, occupied by, rented or leased to the insured.
  12. Any liability in respect of any judgment, award, payment, defense costs or settlement delivered, made or incurred within countries which operate under the laws of United States of America, its territories and possessions or Canada (or to any order made anywhere in the world to enforce such judgment, award, payment, defence costs or settlement either in whole or in part) unless otherwise stipulated in the schedule
  13. Any claim made, threatened or intimated against the insured prior to the period of insurance
  14. Any claim made, directly or indirectly arising out of, or any way involving any fact or circumstance :
  15. A. of which written notice has been given under any previous policy (whether insured by the insurer or not)  
Or  
B. Of which the insured first become aware prior to the period of insurance and which the insured knew or ought reasonably to have know had the potential to give rise to a claim or loss
  16. Arising from or as a consequence of estimates of probable construction cost or cost estimates being exceeded, or estimates of profit or return on capital not being achieved
  17. Arising from inadequate accounting or imperfect control of accounts, or from financial operations or advices for libel or slander
  18. For consequential loss whatsoever and howsoever arising
  19. Arising from or contributed to by any dishonest fraudulent, criminal or malicious act or omission of the **insured** or of any director or of any officer or employee or of any sub-**contractor** or agent of the **insured**.
  20. Arising out of deterioration, depletion, rust, corrosion or erosion, wear and tear as might reasonably be expected given the physical conditions;
  21. arising out of the manufacture, sale or supply of products even though such activity may be carried on by the **insured** in conjunction with their professional services;
  22. in respect of liability loss or expense arising out of defective workmanship, defective materials, manual labour operations, or any defective materials, workmanship or production techniques used in the actual manufacture of the product. This exclusion shall not apply where such liability is otherwise indemnifiable hereunder and arises from negligent design where such **professional activities and duties** are undertaken by a professionally qualified architect or engineer;
- 3 a) for injury, sickness, disease, death, loss, destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;

- b) for any legal liability of whatsoever nature;
- c) for any sum which the **insured** becomes legally liable to pay or any loss or expense; directly or indirectly caused by or contributed to by or arising from or, in the case of (c) above, attributable to:
- a. ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
23. for loss or damage occasioned by or through or in consequence, directly or indirectly, of any of following occurrences, namely:
- a) war, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), and/or civil war.
  - b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
  - c) acts of **terrorism**
- In any action, suit or proceeding, where the **insurer** relies upon the provisions of this exclusion to exclude loss or damage, the burden of proving that such loss or damage is covered shall rest upon the **insured**;
24. directly or indirectly caused by or alleged to be caused by or contributed to in whole or in part by or arising from the existence of or exposure to asbestos and/or any asbestos containing materials. Nor shall there be any obligation to defend any claim or suit against the **insured** alleging liability resulting from the above and **insurer** shall have no liability for **costs and expenses** arising therefrom;
25. for **damages** caused by seepage pollution or contamination of the atmosphere soil or water, or arising from the effects of atmospheric conditions, temperature, smoke, dust, soot, gases, steam, odours, noise or vibrations. However, this exclusion shall not apply if the harmful effect is due to a sudden occurrence neither intended nor expected where the same results as a direct consequence of an act of negligence in the conduct or the **professional activities and duties** undertaken by the **insured**;
26. for the costs of removing, nullifying or cleaning-up seeping polluting or contaminating substances unless the seepage pollution or contamination is caused by a sudden unintended and unexpected occurrence where the same results as a direct consequence of an act of negligence in the conduct or the **professional activities and duties undertaken** by the **insured**;
27. for losses for which the **insured** has or ought reasonably to have purchased insurance cover under an erection, construction, or CAR, or guarantee policy, including any public liability cover that

would typically be provided by such covers, and even if such covers contain an exclusion of liability for professional indemnity risks;

28. in respect of the insolvency of the **insured**.