

UMBRELLA/BLOCK POLICY
Professional Indemnity
Insurance



**CAUNCE
O'HARA**
INSURANCE
BROKERS

Innovative ■ Comprehensive ■ Experienced

UMBRELLA / BLOCK POLICY

Professional Indemnity Insurance

Counce O'Hara and Company Limited was established in 1995 and now ranks within the top 100 independent brokers in the UK.

Counce O'Hara and Company Limited have been arranging insurance cover for Freelance Contractors since they first came into existence.

We understand the marketplace and have been able to offer the breadth and flexibility of cover that is required when insuring under a block policy so many different occupations and activities.

Few insurers understand this risk and we believe we offer value for money insurance policies written on the widest available cover.

We are keen on providing the best in customer service and believe our administration and claim paying systems are fast, efficient and reliable.

For more information please access our website

www.caunceohara.co.uk

or email

info@caunceohara.co.uk



Who is Covered?

The "Assured" shall include the following persons and/or entities:

1. The entity(ies) named in the Schedule and any individual contractor and/or company operating within the Umbrella/block policy.
2. Any person or contractor who at any time is, has been or may work during the period of this Certificate within this block policy arrangement.
3. The estates and/or the legal representatives in the event of the death or incapacity of the Assured or of any of the persons defined in (i) or (ii).

How can a Claim arise?

There are three possible situations under which a claim can be made under this Certificate:

1. Claims made by third parties against individual contractors directly.
2. Claims made against the entity(ies) named in the Schedule by third parties arising from work conducted by individual contractors.
3. Claims made against the entity(ies) named in the Schedule by individual contractors arising from Professional Services provided by the Umbrella Company.

Whereas the Assured stated in the Schedule having submitted a signed Application containing particulars and statements which are hereby considered to be the basis of this insurance contract and incorporated herein and having paid the premium specified in the Schedule, it is hereby agreed:

What activities are covered?

All activities declared in the proposal form are covered and as stated in the schedule of insurance, other than where specifically excluded under the Exclusions.

If you have blanket cover, we may at our discretion ask for further information through the completion of a Referred Activities form on the following industries;

The rail industry.

The fire/security industry.

The car production industry (including motor racing).

The aviation/avionics industry. Even if we accept cover for this industry please see under Exclusion 16 what cover will apply.

Insuring Clauses

The Underwriters will indemnify the Assured to the extent and in the manner detailed herein against any claim for which the Assured may become legally liable, first made against the Assured and notified to the Underwriters during the period of this Certificate arising out of the professional conduct of the Assured's business alleging:

1. Neglect, Error or Omission
any neglect, error or omission including breach of contract occasioned by same.
2. Dishonesty of Employees/Contractors
any dishonest, fraudulent, criminal or malicious act(s) or omission(s) of any person employed at any time by the Assured.

The Assured will not be indemnified against any claim or loss, resulting from the dishonest, fraudulent, criminal or malicious act(s) or omission(s) perpetrated after the Assured could reasonably have discovered or suspected the improper conduct of the employee(s).

No indemnity shall be provided to any person committing or condoning any dishonest, fraudulent, criminal or malicious act(s) or omission(s).

3. Intellectual Property Rights
any claim arising from unintentional breach or infringement of or unauthorised use of confidential information, trade secrets, patents, copyrights, of the systems or programs of others.

4. Libel and Slander
any claim arising from the publication or utterance of a libel or slander.
5. Loss of Documents
Underwriters will indemnify the Assured up to the Limit of Indemnity as specified in the Schedule against:
 - (i) legal liability which the Assured may incur by reason of any claim first made against the Assured and notified to the Underwriters during the period of the Certificate in consequence of documents having been lost, damaged, destroyed, mislaid, distorted or erased;
 - (ii) all costs, charges and expenses incurred by the Assured in replacing or restoring such documents;
 - (iii) all costs, charges and expenses incurred by the Underwriters or by the Assured with the written consent of the Underwriters in the defence settlement or investigation of any claim to establish liability as described in (i) above;

For the purposes of this Section the Excess shall be as defined under the schedule and the amount of any costs, charges and expenses incurred by the Assured as described in (ii) and (iii) above shall be supported by bills and accounts. Indemnity is conditional upon the documents having been entrusted to or deposited with or by the Assured in the ordinary course of their business and where lost or mislaid have been the subject of diligent search by the Assured.
6. Specialist Consultants/Sub-Contractors
Underwriters will indemnify the Assured in respect of any liability for claims falling within the operative clause arising out of the activities of Specialist Consultants, Sub-Contractors or any other person(s) or entity acting on the Assured's behalf and for whom the Assured are responsible.

Definitions

1. "Documents" shall include agreements, plans, records, deeds, books, letters, certificates, documents or forms of any nature whatsoever, whether written, printed or reproduced by any other method and computer programs or information stored on data carrying media, and shall exclude any bearer bonds or coupons, stamps, bank or currency notes or other negotiable instruments.
2. "Limit of Indemnity" Underwriters' liability shall be limited to the sum specified in the Schedule and the Limit of Indemnity will include all costs and expenses incurred with Underwriters' written consent in the investigation, defence or settlement of any claim which falls to be dealt with hereunder.
3. "Uninsured Excess" shall mean the amount specified in the Schedule which shall be borne by the Assured at their own risk and the Underwriters' liability shall only be in excess of this amount except where stated otherwise and will not apply to costs and expenses incurred with the Underwriters' prior consent.
4. "Claim" shall mean any one claim or series of claims arising out of one occurrence or circumstance or series of occurrences or circumstances consequent upon or attributable to one source or original cause and the Excess shall only apply once in respect of such claim or series of claims.
5. "Professional Services" provided by the Umbrella Company to individual operating companies will include the provision of tax, PAYE, financial and other consultancy services as more fully detailed in the proposal form referred to in the Schedule.

Exclusions

Underwriters will not provide indemnity against:

1. Any claim or loss alleging death or bodily injury to any person or physical loss or damage to property (except in so far as indemnified by the Loss of Documents Extension), unless such claim or loss arises out of advice, design, specification or formula.
2. Any claim or circumstance known to the Assured prior to the inception of this Certificate and which the Assured at such time knew or should have reasonably assumed might result in a claim against the Assured.
3. Any claim or loss arising out of any circumstances or matter which has or should have been notified under any Policy or Certificate of Insurance in force prior to the inception of this Certificate.
4. Any claim or loss in respect of which the Assured is entitled to indemnity under any other Policy or Certificate of Insurance.
5. Any fines, penalties, punitive or exemplary damages or other non-compensatory damages of any kind, except that this exclusion shall not apply to damages for defamation which are not specifically identified by the Court to be punitive or exemplary damages.
6. Any fees claimed back by a customer of the Assured due to or allegedly due to total non-performance of the Assured's contractual obligations to that customer unless such fees form part of a compromise settlement involving a claim for damages.
7. Any claim or loss arising out of:
 - i) the sale and/or supply of hardware, other than advice given in connection therewith;
 - ii) the recommendation of any goods or products where their use is not in accordance with the manufacturer's intended specification.

8. Any claim directly or indirectly caused in whole or in part by or arising from ionising radiations or contaminations by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or, the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof, or
9. Any claim or claims made or actions instituted within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada. It also being understood that Underwriters have no liability to investigate or defend the Assured against such claim or claims or be liable 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.
10. Any claim or claims made arising from work undertaken in the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada.
11. Any claim arising from work undertaken prior to the Date of Establishment.
12. Any claim arising directly or indirectly out of the transmission or receipt of a virus, unless such virus is innocently transmitted and emanates from a third party, that causes loss of or damage to any documents and/or computer system and/or prevents or impairs any computer system from performing and/or functioning accurately or properly.
13. Any liability for loss, damage, injury, 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;
 - i) 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
 - ii) 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 any liability for loss, damage, injury 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 (i) and/or (ii) 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.
14. No cover will be provided for claims arising from work undertaken by contractors and/or contractors operating directly within the following business areas and/or industries:
 - i) The provision of Independent Financial Advice as regulated by the Financial Services Authority.
15. Medical Malpractice - for loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any medical or dental practitioner while working in a professional capacity.
16. Abuse Exclusion - Abuse shall mean:
 - a) Acts of Hurting or Injuring Mentally or Physically by Maltreatment or Ill-Use
 - b) Acts of forcing Sexual Activity, Rape or Molestation
 - c) Repeated or Continuing Contemptuous Coarse or Insulting Words or Behaviour
17. Any claim arising from work undertaken directly within the avionics and/or aviation industry where the claim relates to bodily injury, property damage or loss of revenue as a result of aircraft being grounded.

Directors' and Officers' Liability Extension Clause

It is hereby understood and agreed that subject otherwise to its terms limitations and conditions this Insurance is extended to indemnify the Insured against liability at law for Damages in respect of claims first made against them during the Period of Insurance alleging Wrongful Acts committed by any Director or Officer of the Insured in the course of his duties as a Director or Officer of any Limited Liability Company where such position is held by reason of management or other services provided by the Insured.

Definitions applicable to this extension

Wrongful Act shall mean any actual or alleged breach of trust, breach of duty, negligent act, error or omission or mis-statement or misleading statement or breach of warranty of authority or liability for wrongful trading under section 214 of the Insolvency Act 1986 or other act wrongfully committed or attempted by the Director or Officer or any other matter claimed against them solely by reason of their capacities as Directors or Officers.

Damages shall mean damages, judgements, settlements, costs and expenses incurred in the defence of actions, suits or proceedings and appeals therefrom but excluding fines or penalties imposed in a criminal suit or action or any other fines or penalties.

Exclusions applicable to this extension

Any liability whatsoever arising out of any claim:-

- a) based upon or attributable to the Director or Officer gaining in fact any personal profit or advantage to which they were not legally entitled;
- b) for the return of any remuneration paid to the Director or Officer without the prior approval of the Shareholders if such payment shall be adjudicated to have been illegal;
- c) brought about or contributed to by the dishonesty of the Director or Officer where final adjudication shall establish that their Wrongful Act(s) were committed with actual dishonest purpose or intent material to the cause of action so adjudicated;
- d) arising from Directorship or Officer positions in any Company which the Director or Officer (or their Spouse) has a financial interest exceeding 5% of the Company's paid up capital;
- e) directly or indirectly caused by or contributed to by or arising from seepage, pollution or contamination of any kind.

Limit of indemnity

The Limit of Indemnity for claims falling to be dealt with under this extension will be:
£1,000,000 GBP any one claim and in all, including costs and expenses.

Any claims falling to be dealt with under this extension will be subject to a self-insured excess of:
£500 GBP each and every claim, including costs and expenses.

General Conditions

1. In the event that the Assured and Underwriters fail to agree on any settlement of a claim recommended by the Underwriters and the Assured shall elect to contest or continue any legal proceedings in connection therewith then the Underwriters' liability for such claim, in addition to the costs and expenses incurred with Underwriters' consent up to the date of such failure to agree, shall not exceed the amount for which the claim could have been so settled, less the Excess and subject always to the Limit of Indemnity available under this Certificate.
2. If the Assured shall refer any claim knowing the same to be false or fraudulent as regards amount or otherwise, this Certificate shall become void and all claims hereunder shall be forfeited.
3. If any payment is made under this Certificate in respect of a claim and the Underwriters are thereupon subrogated to the Assured's rights of recovery in relation thereto, the Underwriters shall not exercise any such rights against any employee of the Assured unless the claim has been brought about or contributed to by the dishonest, fraudulent, criminal or malicious act(s) of such employee.
4. The statements in the written declaration and/or proposal form are the basis of this Certificate and this Certificate shall not be avoided for a non-disclosure or misrepresentation of such statements unless the non-disclosure or mis-representation was made deliberately and knowingly by the Assured so as to induce the Underwriters to accept the insurance or to decide upon the terms thereof and the Underwriters were so induced.

In any case where the Assured should have notified under any preceding insurance circumstances which could give rise to a claim and the indemnity or cover available under this Certificate is greater or wider in scope than the indemnity to which the Assured would have been entitled under any preceding insurance (whether with other Underwriters or not) then Underwriters shall only be liable to indemnify the Assured in respect of that claim to the extent of the indemnity which would have been afforded by such preceding insurance.

Where the Assured's breach of 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 shall be reduced to such sum as in Underwriters opinion would have been payable by them in the absence of such prejudice.

5. In the event of any dispute or disagreement between the Assured and Underwriters regarding the application of this Certificate such dispute or disagreement shall be referred by either party for arbitration to a Queen's Counsel (or by mutual agreement between the Assured and Underwriters a similar authority).
6. In the event that Underwriters are advised by their Solicitors that they should make payment of the Limit of Indemnity, together with costs and expenses incurred by the Assured with Underwriters' written consent in respect of any claim or circumstance notified hereunder, this shall be in exoneration and total discharge of any further liability of any kind whatsoever in connection with such claim or occurrences for which Underwriters may be liable to the Assured under this Certificate.
7. Contract (Rights of Third Parties) Act 1999 Clause.
The Assured and the Underwriters are the only parties to this insurance. No other person has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this insurance but this does not affect any right or remedy of a third party, which exists or is available apart from this Act.

Claims Procedures

1. Upon receipt by or on behalf of the Assured of notice whether written or oral of any intention to make a claim against the Assured which may be the subject of indemnity hereunder or of any allegation which might give rise to such a claim, or upon the discovery of a circumstance which may become the subject of indemnity hereunder the Assured shall notify Caunce O'Hara & Company Limited in writing of such receipt, allegation or discovery as soon as practicable and shall provide full information in respect thereof so far as such information is in their possession or control.

If during the period hereof the Assured shall become aware of any circumstance which may subsequently be the subject of a claim under this Certificate and shall, as soon as practicable during the period hereof, give written notice to Caunce O'Hara & Company Limited of such circumstances then such subsequent claim hereunder shall be deemed for the purposes of this Certificate to have been made during the period hereof.

2. The Assured shall not admit liability for or settle or make or promise any payment in respect of any claim which may be the subject of indemnity hereunder or incur any costs or expenses in connection therewith without the written consent of the Underwriters who, if they so wish, shall be entitled to take over and conduct in the name of the Assured the defence and/or settlement of any such claim for which purpose the Assured shall give all information and assistance as the Underwriters may reasonably require.

Complaints Procedure

We aim to provide you with a first class service. If we have not delivered the service that you expect or you are concerned with the service provided, we would like the opportunity to put things right.

Initially please raise your concerns with Caunce O'Hara & Company Ltd (Insurance Brokers) who define a complaint as any expression of dissatisfaction, whether oral or written and whether justified or not, about a service or activity provided in connection with this insurance policy. If you have a complaint, please contact Caunce O'Hara & Company Ltd in the first instance.

Mr Christopher Caunce, Caunce O'Hara & Company Ltd, City Wharf, New Bailey Street, Manchester M3 5ER Telephone: 0161 833 2100

If your complaint is not resolved or you are not happy with our response and the course of action proposed, you can progress your complaint to our Customer Relations Office. A separate investigation will then be carried out in an attempt to resolve your complaint and a final response issued. However, if resolution is not possible they will issue a response within 8 weeks of your original complaint. Customer Relations Contact details:

Customer Relations Office, Royal & Sun Alliance Insurance plc, Bowling Mill, Dean Clough Industrial Park, Halifax HX3 5WA
Tel: 0800 107 6160 Fax: 01422 325 146 e-mail: halifax.customerrelationsoffice@uk.royalsun.com

What to do if you are still not satisfied

If you are still not satisfied, Royal & Sun Alliance is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service and you may be able to refer your complaint to them:

Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR
Tel: 0845 080 1800 www.financial-ombudsman.org.uk

Your Rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaints procedures referred to above. However, the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

We are also pleased to be able to offer a Business Liability package for Umbrella/Block Policy arrangements at extremely competitive rates.

If you would like more information please either call

0161 833 2100

and/or e-mail Donna on

donna@caunceohara.co.uk