

Underwritten by Pegasus Underwriting Limited
for and on behalf of Beazley syndicates at Lloyd's*

PROFESSIONAL INDEMNITY

Miscellaneous (Aggregate)

WHEREAS the person or persons or partnership or Company named in the Schedule (hereinafter referred to as "the Assured", which term shall include his/their executors or personal representatives) has/have submitted a written proposal containing particulars and statements which (together with any other information which may have been supplied) it is agreed shall be the basis of this contract and are to be considered as incorporated herein, and have paid the premium stated in the Schedule.

INSURING CLAUSE

NOW THEREFORE, we, the Underwriters, hereby agree to indemnify the Assured against any Claim or Claims first made against them and notified to the Underwriters during the Certificate Period in respect of any Civil Liability whatsoever or whensoever arising (including liability for Claimants' costs) incurred in the course of any Professional Business carried on by or on behalf of the Assured.

FURTHER, it is understood and agreed that the liability of the Underwriters for all damages and defence costs and expenses incurred with the Underwriters' written consent in the investigation, defence and/or settlement of any Claim shall not exceed in the aggregate during any one Certificate Period the amount specified in the Schedule.

EXCESS

Provided always that the Underwriters shall be liable only, in respect of any Claim hereunder, for that part of the Claim (which for the purpose of this clause shall include all costs and expenses incurred by Underwriters investigating and defending the Claim) which exceeds the amount stated as "the Excess" in the Schedule.

INDEMNITY TO EMPLOYEES

In the event of a Claim or Claims being made against any employee of the Assured or former employee of the Assured whilst acting within the scope of his employment with the Assured which, if it had been made against the Assured, would have been the subject of indemnity under this Certificate, Underwriters' agree to indemnify such employee in a like manner to the Assured.

DISHONESTY OF EMPLOYEES

Notwithstanding anything herein contained to the contrary it is noted and agreed that this Certificate and all other applicable endorsements are extended to indemnify the Assured for any Claim or Claims brought about, or contributed to, by the fraudulent, criminal or malicious act or omission of any person at any time employed by the Assured. Underwriters shall not be liable for any Claim arising from any fraudulent, criminal or malicious act or omission committed by any person after the discovery in relation to that person of reasonable cause for suspicion of fraud or dishonesty.

LOSS OF DOCUMENTS

Subject to an Excess of HK\$10,000 each and every Claim or loss, this Certificate will also cover the Assured up to a maximum of HK\$1,000,000 for any reasonable costs and expenses incurred with Underwriters' consent in replacing or restoring any Document which is lost, damaged or destroyed during the Certificate Period. Underwriters will not pay for any loss brought about or contributed to by the dishonesty of the Assured's Partners, Directors or other Employees.

* Pegasus Underwriting Limited is a service company. Pegasus Underwriting Limited is registered as an Insurance Agent by the Insurance Authority, and trades under Lloyd's licence in its capacity as a Lloyd's coverholder. Lloyd's is an authorised insurer in Hong Kong under the Insurance Companies Ordinance, and is regulated by the Insurance Authority. Pegasus Underwriting Limited has authority to enter into contracts of insurance on behalf of the Lloyd's underwriting members of Lloyd's syndicate 623 and 2623 which are managed by Beazley Furlonge Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK (ref 204896) in its capacity as an insurer.



LIBEL AND SLANDER

Notwithstanding anything contained herein to the contrary, it is understood and agreed that this Certificate is extended to indemnify the Assured for all sums which the Assured may become legally liable to pay in respect of any Claim or Claims made upon them in direct consequence of any Libel or Slander committed in good faith by the Assured in their professional capacity as stated in the Schedule. As a condition precedent to indemnity under this extension the Assured shall give Underwriters, unless another person is so nominated in the Schedule for such purpose, notice in writing within 3 days of the receipt of any such Claim made against them as defined in Condition (a) (i) and (ii) of the Certificate.

BREACH OF CONFIDENTIALITY

Underwriters agree subject otherwise to the terms, conditions and exclusions of this Certificate to indemnify the Assured for any Claim or Claims made during the Certificate Period arising from the unintentional breach of confidentiality.

INFRINGEMENT OF COPYRIGHT

It is understood and agreed that this Certificate is extended to indemnify the Assured in respect of any Claim or Claims brought against them arising out of any unintentional infringement of copyright or the unauthorised use of or infringement of the systems or designs of others.

PREDECESSORS IN BUSINESS

It is hereby understood and agreed that cover is extended to include any predecessors in business of the Assured disclosed in writing to Underwriters prior to the inception of this Certificate. This shall be deemed to include Partners, Directors and Principals of those firms. However, such cover will not apply in respect of any work undertaken prior to the Retroactive Date shown in the Schedule (refer Condition 2 of this Certificate).

DATA PROTECTION ACT

It is understood and agreed that this Certificate is extended to indemnify the Assured for Defence Costs and Expenses resulting from any prosecution first brought against the Assured and notified during the Certificate Period which arises out of the conduct of the Assured's business in respect of any offences or alleged offences under sections 21(1), 21(2), 22(6) or 47(1) of the Data Protection Act 1998 or any similar local legislation.

EXCLUSIONS

This Certificate does not cover any liability whatsoever arising out of:

1. **GOODS OR PRODUCTS:** Any goods or products manufactured, constructed, altered, repaired, installed, serviced, treated, sold, supplied or distributed by the Assured or from any other business or occupation even though the same may be carried on by the Assured in conjunction with their business as stated in the Schedule.
2. **BODILY INJURY:** Bodily Injury, Sickness (including Mental Stress), Disease or Death sustained by any person whether or not in the employment of the Assured.
3. **DISHONESTY:** Any Claim or Claims made against the Assured as a result of any dishonest, malicious or illegal acts of any present or previous director principal or partner of the Assured.
4. **MOBILE/IMMOBILE PROPERTY:** The ownership, use, occupation or leasing of property, mobile and/or immobile, by, to or on behalf of the Assured.
5. **TERRITORIAL LIMITS:** Work in connection with contracts where action is brought in U.S.A. or Canada or a court of law within those territories to enforce a foreign judgement whether by way of Reciprocal Agreement or otherwise.
6. **JURISDICTION LIMITS:** Liability in respect of any action for damages brought against the Assured in U.S.A. or Canada or a court of law within those territories to enforce a foreign judgement whether by way of Reciprocal Agreement or otherwise.



7. **NUCLEAR/WAR:** Any Claim or loss whether directly or indirectly caused by, or contributed to by, or arising from:
 - (a) ionising radiation or contamination 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
 - (b) 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.
8. **POLLUTION:** Any Claim or Claims based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving seepage pollution or contamination of any kind.
9. **PRIOR CLAIMS OR CIRCUMSTANCES:** Any Claim or Circumstance known to the Assured prior to the inception of this Certificate.
10. **FINES:**
 - (a) Fines, prosecution costs or penalties of any kind;
 - (b) Or penal, punitive, exemplary or aggravated damages.
11. **INVESTMENT:** Any investment of, or direct advice on, the investment of client funds.
12. **CONTROLLING INTEREST:** Any Claim or Claims brought by a firm company or organisation in whom any Partners(s)/Director(s) have a controlling interest unless such Claim or Claims are brought against the Assured by an independent third party source.
13. **OTHER INSURANCE:** If at the time any Claim arises under this Certificate the Assured is or would but for the existence of this Insurance be entitled to indemnity under any other Certificate or Certificates, the Underwriters shall not be liable except in respect of any excess beyond the amount which would have been payable under such other Certificate or Certificates had this Certificate not been effected.
14. ~~**FINANCIAL MATTERS:** Any negligence on the part of the Assured in connection with the effecting or maintenance of insurance and/or in connection with the provision of finance or advice on financial matters.~~
15. **TRADING LOSSES:** Any Claim or Claims made in connection with any trading losses or trading liabilities incurred by the professional business conducted by the Assured including loss of any client account and/or custom.
16. **INSOLVENCY:** The insolvency or bankruptcy of the Assured or any Insurer, Underwriter, Building Society, Bank or other providers of finance or the bankruptcy of any partner, principal or director of the Assured.
17. **CONTRACTOR:** Any contract where the Assured acts as a Building or Engineering Contractor whether in conjunction with his/their profession as stated in the Schedule or not.
18. **TERRORISM:** Any Claim, loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion 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 Certificate also excludes any Claim, 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 any act of terrorism.



If the Underwriters' allege that by reason of this exclusion, any Claim, 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 exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

19. **ASBESTOS & TOXIC MOULD:** Any Claim or loss arising directly or indirectly out of or resulting from or in consequence of, or in any way involving:
- (a) asbestos, or any materials containing asbestos in whatever form or quantity; or
 - (b) the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; or
 - (c) any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; or
 - (d) any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins.
20. **PATENT:** Actual or alleged infringement of patent or misappropriation of trade secret.
21. **ASSOCIATED CO:** Any association or joint venture conducted with any third party other than in respect of any Claim arising from the Assured's business. The Underwriters will not be liable to pay any Claim made by any associated party within the association or joint venture unless such Claim emanates from a wholly independent third party.
22. **INTERNET:**
- (a) the failure of any computer or other electronic processing device or of any program, instruction or data for use in any computer or other electronic processing device, equipment or system to function in the way expected or intended;
 - (b) the transmission or receipt of any virus, program or code that causes loss or damage to any computer system and/or prevents or impairs its proper function or performance; or
 - (c) business conducted and/or transacted via the Internet, Intranet, Extranet and/or via the Assured's own website, Internet site, web-address and/or via the transmission of electronic mail or documents by electronic means. This exclusion shall not apply if the Assured can prove, to the reasonable satisfaction of Underwriters, that the liability to the Assured would have attached to the same extent in the absence of the fact that the business was conducted and/or transacted via the Internet, Intranet, Extranet and/or via the Assured's own website, Internet site, web-address and/or via the transmission of electronic mail or documents by electronic means. Any such liability must also be subject to the Jurisdiction stated in the Schedule and arise from liability accruing within the Territorial Limits stated in the Schedule.
23. **GUARANTEE:** Any liability arising from any performance warranty, guarantee, penalty clause or liquidated damages clause unless the liability of the Assured would have existed to the same extent in the absence of such warranty, guarantee penalty clause or liquidated damages clause.
24. **PENSION:** Any liability arising directly or indirectly from the Assured acting in the capacity of trustee or administrator of any pension, retirement or superannuation scheme or programme.
25. **INVESTMENTS:** Any Claim arising out of, based upon, directly or indirectly resulting from or in consequence of, or in any way involving the depreciation, failure to appreciate or loss of any investments and/or property for investment purposes when such depreciation, failure to appreciate or loss is a result of normal or abnormal fluctuations in any financial, stock or commodity or other markets which are outside the influence or control of the Assured.



26. **FSA:** Any Claim arising directly or indirectly from the Assured's business which was regulated by FSA86 or is regulated by FSMA2000 or any similar local legislation.

CONDITIONS

CLAIMS CONDITIONS

The Claims Conditions are all Conditions precedent to Underwriters' liability. Underwriters will not make any payment under this Certificate unless the Assured complies with all requirements of the Claims Conditions.

1. **ASSURED'S DUTIES IN THE EVENT OF A CLAIM:**

(Libel and Slander Claims are subject to the additional notification requirements set out above).

Our ability to properly respond to any complaint or Claim depends upon you promptly notifying us of any problem you might face. This is especially so because the Civil Procedure Rules enable the Court to impose severe costs sanctions on litigants who act unreasonably either before or after commencement of proceedings. This may include for example failing to reply to a Letter of Claim within the periods of time prescribed by the Pre-Action protocols.

As a condition precedent to Underwriters' liability under this Certificate we therefore require that:

- (a) (i) Any Claim to be notified to us in writing within 14 days always provided that such notification is made within the Certificate Period;
- (ii) Any Circumstance to be notified to us in writing within 30 days always provided that such notification is made during the Certificate Period. Such notice having been given, any subsequent Claim made against the Assured or loss sustained by them arising out of that Circumstance shall be deemed to have been first made or sustained during the Certificate Period.
- (b) (i) 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.
- (ii) The Assured shall at all times give to Underwriters and/or their duly appointed representatives all such information, co-operation and assistance as Underwriters may reasonably require. Insofar as the Claim is subject to the Civil Procedure Rules such assistance will extend, but is not limited to the provision of signed statements or depositions as may be required to facilitate compliance with all, and any, Civil Procedure Rules, practice directions and pre-action protocols as may be issued and approved from time to time by the Head of Civil Justice. By way of example, and without limitation, the Assured's obligations will include, inter-alia:
 - (a) The provision of full and prompt information, instructions, and or assistance to Underwriters or their duly appointed representatives;
 - (b) The undertaking, by an appropriate representative of the Assured, of a reasonable search for documents required to be disclosed in any litigation, together with the provision of a signed disclosure statement in terms advised by legal representatives appointed by Underwriters;
 - (c) The provision, by an appropriate representative of the Assured, of a signed statement verifying that he or she believes the facts stated in the defence, statement of case, responses to other parties requests for information or witness statements to be true.

GENERAL CONDITIONS

2. **RETROACTIVE DATE:** Where a retroactive date is specified in the Schedule this Certificate will not respond in respect of any Claim or loss arising from contracts commenced or work carried out prior to the said retroactive date.



3. **CANCELLATION CLAUSE:** This Certificate can be cancelled by or on behalf of Underwriters by giving 30 days notice in writing to the Assured. A pro-rata amount of the premium will be returned unless the Assured has notified Underwriters of a Claim or a Circumstance prior to cancellation, in which case no premium will be returned.
4. **AGREEMENT TO PAY CLAIMS:** Underwriters agree to pay any Claim or Claims which may arise under this Certificate without requiring the Assured to dispute any Claim unless a Queen's Counsel or lawyer of comparable standing in the territory concerned (to be mutually agreed upon by Underwriters and the Assured) advise that the same could be contested with a reasonable prospect of success by the Assured and the Assured consents to such Claim being contested, but such consent is not to be unreasonably withheld. In the event of any dispute arising between the Assured and the Underwriters as to what constitutes an unreasonable refusal to contest a Claim at Law, the President for the time being of the Professional Body of which the Assured is a member shall nominate a referee to decide this point (only) and the decision of such referee shall be binding on both parties. In the event of the Assured not being a member of a Professional Body, the President for the time being of the Chartered Institute of Arbitrators shall nominate a referee to adjudicate as aforementioned.
5. **DISCHARGE OF LIABILITY:** Where in Underwriters' opinion a Claim may exceed the limit of Indemnity available under the Certificate Underwriters' reserve the right at any time to pay over the limit of indemnity to the Assured. In these circumstances Underwriters will have no further liability under the Certificate in relation to the Claim whether for defence costs and expenses or otherwise.
6. **SUBROGATION:** If any payment is made under this Certificate in respect of a Claim hereunder Underwriters are thereupon subrogated to all the Assured's rights of recovery thereto however Underwriters shall not exercise any such rights against any employee or former employee of the Assured unless the Claim has been brought about or contributed to by any dishonest fraudulent criminal or malicious act of the employee, it being understood that Underwriters shall at all times retain all the Assured's rights of recovery against any person or party who is not an employee of the Assured or former employee of the Assured.
7. **FRAUDULENT CLAIMS:** If the Assured shall make or refer any Claim knowing the Claim to be false or fraudulent, as regards amount or otherwise, this Certificate shall become void and all Claims thereunder shall be forfeited.
8. **DISCLAIMER OF LIABILITY BY UNDERWRITERS:** In the event of Underwriters at any time being entitled to avoid this Certificate ab initio by reason of any materially inaccurate or misleading information given to Underwriters in the Proposal Form or at any time during the negotiations leading to the inception of this Certificate or as a result of failure to disclose material facts before the conclusion of the Certificate or for any other reason at law, Underwriters may at their election instead of avoiding this Certificate ab initio give notice to the Assured that they regard this Certificate 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 to the Underwriters in the Proposal Form or which arises out of materially inaccurate or misleading information given to Underwriters. This Certificate shall then continue as if the same had been specifically endorsed ab initio excluding the particular Claim or Circumstance referred to in the said notice.
9. **INTERPRETATION CLAUSE:** Notwithstanding the Jurisdiction Limits contained herein, any dispute in respect of the interpretation or application of this Certificate, or its terms, conditions and exclusions, will be subject to Hong Kong Courts.
10. **THIRD PARTY ACT 1999 PROVISIONS CLAUSE:** It is hereby noted and agreed that the terms of this Certificate will only be enforceable by the named Assured(s). A person who is not a named Assured has no rights under the Contract (Rights of Third Parties) Act 1999 or similar local legislation to enforce any term of this Certificate but this does not affect any right or remedy of a third party which exists or is available apart from that act.
11. **CHOICE OF LAW:** There is a choice of law applicable to this Certificate but unless Underwriters agree otherwise Hong Kong law will apply.
12. **SEVERAL LIABILITY NOTICE:** The subscribing underwriters' 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 underwriters are not responsible for the subscription of any co-subscribing underwriter who for any reason does not satisfy all or part of its obligations.



DEFINITIONS:

"CLAIM" shall mean any legal proceedings, Letter of Claim or series (whether by one or more than one Claimant) arising from or in connection with or attributable to any one act, error, omission or originating cause or source or the dishonesty of any person or group of persons acting together. Any such series of Claims shall be deemed to be one Claim for all purposes under this Certificate.

"CIRCUMSTANCE" shall mean a specific situation the details of which should be provided to Underwriters where there is:

- (a) An intimation of a Claim against the Assured,
- (b) Any known direct or indirect criticism or dispute whether expressed or implied relating to the performance of the Assured (whether justified or not) which may give rise to third party loss or damage,
- (c) Any known direct or indirect criticism or dispute whether expressed or implied relating to performance (whether justified or not) of a party for whom and for which the Assured may be responsible which may give rise to third party loss or damage,
- (d) Any awareness of the Assured of a failing or real doubt of efficacy of their own performance or of the performance of a party for whom and for which they may be responsible which might give rise to third party loss or damage,
- (e) Any awareness of the Assured, that materials goods, services or actions or actions specified, designed or recommended by the Assured or by a party for whom and for which the Assured may be responsible have failed to meet the standard required and which may result in some third party loss or damage,

which may be the subject of indemnity under this Certificate.

"LETTER OF CLAIM" shall mean any letter or written communication whether expressed to be written under a pre-action protocol or otherwise which indicates any suggestion that a Claim for damages against the Assured may be made.

"COMPUTER SYSTEM" shall mean any computer, data processing equipment media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or storage device, microchip, integrated circuit, real-time clock system or similar device or any computer software (including but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode used owned operated or relied upon by the Assured.

"DOCUMENTS" shall mean deeds wills agreements maps plans records books letters Certificates Computer System Records forms and documents of whatsoever nature whether written printed or reproduced by any other method (other than bearer bonds coupons bank notes currency notes and negotiable instruments).

"EXTRANET" means a restricted-access group of inter-connected networks accessible via service providers or online service providers using dial-up telephone service, digital subscriber lines, integrated service digital network lines, cable modem access or similar transfer mediums.

"INTERNET" means the worldwide group of inter-connected networks accessible via service providers or online service providers using dial-up telephone service, digital subscriber lines, integrated service digital network lines, cable modem access or similar transfer mediums.

"INTRANET" means one or more inter-connected networks with restricted access to the Assured via service providers or online service providers using dial-up telephone service, digital subscriber lines, integrated service digital network lines, cable modem access or similar transfer mediums.

"TERRORIST ACTION" means the actual or threatened:

- (a) use of force or violence against persons or property, or
- (b) commission of an act dangerous to human life or property, or
- (c) commission of an act that interferes with or disrupts an electronic or communications system undertaken by any person or group, whether or not acting on behalf of or in connection with any organisation, government, power, authority, or military force, when any of the following applies:



- (i) the apparent intent or effect is to intimidate or coerce a government or business, or to disrupt any segment of the economy; or
- (ii) the apparent intent or effect is to cause alarm, fright, fear of danger, or apprehension of public safety in one or more distinct segments of the general public, or to intimidate or coerce one or more such segments; or
- (iii) the reasonably apparent intent or effect is to further political, ideological, religious or cultural objectives, or to express support for (or opposition to) a philosophy, ideology, religion or culture.

SERVICE OF SUIT CLAUSE (HONG KONG)

This Insurance shall be governed by Hong Kong law and the Hong Kong Courts shall have jurisdiction in any dispute arising hereunder.

In this event Ms. Eve Yeung of Lloyd's, Suite 619, 4/F Reception, Lee Garden Three, 1 Sunning Road, Causeway Bay, Hong Kong, Lloyd's Representative in Hong Kong, is authorised to accept service of suit on behalf of Underwriters.

NMA2349A (Hong Kong Amended Version)
20 June 2017

COMPLAINTS PROCEDURE

Notice to the Proposer/Assured. Any enquiry or complaint should be addressed in the first instance to your Broker/Pegasus Underwriting Limited. If you are not satisfied with the way a complaint has been dealt with you may ask the Policyholder & Market Assistance at Lloyd's to review your case without prejudice to your rights in law. The address is:

Policyholder & Market Assistance
Lloyd's Market Services
One Lime Street
London EC3M 7HA
Telephone: +44 (0)207 327 5693
Facsimile: +44 (0)207 327 5225
E-mail: complaints@lloyds.com



**ENDORSEMENTS ATTACHING TO AND FORMING PART OF
CERTIFICATE NO. PUL0024PI0005800**

- 1.** It is hereby noted and agreed that Exclusion 14 [**FINANCIAL MATTERS**] is deleted and replaced by the following.

This Certificate does not cover any liability whatsoever arising out of:-

14. **FINANCIAL MATTERS**: any negligence on the part of the Assured in connection with the provision of finance or advice on financial matters.

2. INSURANCE BROKERS/AGENTS ENDORSEMENT

This Certificate will not indemnify the Assured against any claim:-

- (a) by any insurer arising out of any alleged negligent act, error or omission by the Assured in their capacity as insurance agents or general insurance agents of that insurer, unless that insurer has obtained a judgement against the Assured in any court in respect of that claim,
- (b) arising out of the commingling of monies or accounts, or loss of monies received by the Assured or credited to the Assured's account,
- (c) arising out of, due to or involving directly or indirectly the insolvency, receivership, bankruptcy, liquidation or financial inability to pay, by any insurance company, agent, broker or intermediary with which the Assured has placed or obtained coverage for a client or an account,
- (d) arising out of the Assured's activities as a managing agent or managing general agent unless otherwise endorsed herein,
- (e) arising out of the Assured's activities by signing any insurance proposal on behalf of others.

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3. INSURANCE BROKERS BINDING AUTHORITIES (SPECIFIC)

This Certificate shall not cover Loss in connection with any claim arising out of, based upon or attributable to any Binding Authority agreement between the Assured and the delegating underwriter or insurance company under which the Assured may, in accordance with the terms of the agreement, accept risks on behalf of the delegating underwriter or insurance company other than in respect of those listed below:

Delegating underwriter or insurance company

Reference

1. AXA – Home Insurance

The Underwriters shall have no liability in connection with any claim unless the delegating underwriter or insurance company has obtained a judgement in a court of competent jurisdiction against the Assured for breach of the Binding Authority.

The following Definition is added to this Certificate:

"BINDING AUTHORITY" shall mean any written agreement between Assured and underwriting or insurance company which delegates authority to the Assured to bind business and/or settle claims on behalf of said underwriting or insurance company.

Subject otherwise to the Certificate terms and conditions.



4. REINSTATEMENT CLAUSE

It is agreed that the amount of the reduction in the Limit of Indemnity on account of any claim or claims paid or payable hereunder shall be automatically reinstated but such reinstatement sums shall only apply:

- (a) in excess of the total Limit of Indemnity available under this and any insurance coverage in excess of this Certificate;
- (b) in respect of any subsequent claim or claims which are totally unrelated to the claim or claims by which the original Limit of Indemnity was reduced.

The amount available in respect of any one claim or series of claims arising from one cause shall not exceed the Limit of Indemnity neither shall the maximum amount payable under this Certificate in respect of any one Certificate Period exceed twice the original Limit of Indemnity.

For the avoidance of doubt, the expressions Limit of Indemnity, Certificate Period and claim shall bear the meanings assigned to them in this Certificate.

Subject otherwise to the Certificate terms and conditions.

5. SANCTION LIMITATION AND EXCLUSION CLAUSE (LMA3100 – 15th September 2010)

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer 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.

6. SPECIFIC MATTERS EXCLUSION

This Certificate shall not be liable to indemnify the Assured against any Claim or Claims directly or indirectly caused by, arising out of or in any way connected with the matter specified below:

The incident notified on 28 July 2020 about failure to effect marine cargo insurance for a shipment of household goods from Hong Kong to Singapore.

7. CYBER LIMITED EXCLUSION AND DATA EXCLUSION

- 1. This Certificate excludes any actual or alleged loss, damage, liability, claim, fine, penalty, cost (including, but not limited to, defence cost and mitigation cost) or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - 1.1 a **Cyber Incident**, unless subject to the provisions of paragraph 3;
 - 1.2 a **Cyber Act**; or
 - 1.3 a breach of **Data Protection Law** by the Assured, or parties acting for the Assured, involving access to, processing of, use of or operation of any **Computer System** or **Data**, including notification costs, crisis consultancy costs, credit monitoring expenses, replacement of actual credit or payment cards, forensic expenses, public relations expenses or legal advice and services.
- 2. Any cover for the costs of reconstituting or recovering lost or damaged documents owned or controlled by the Assured in this Certificate shall not apply to **Data**.

3. Subject to all the terms, conditions, limitations and exclusions of this Certificate or any endorsement thereto, sub-paragraph 1.1 shall not apply to any otherwise covered claim arising out of any actual or alleged breach of Professional Duty by the Assured involving access to, processing of, use of or operation of any **Computer System** or **Data** unless such actual or alleged breach of Professional Duty by the Assured is caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act**.

Definitions

4. **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
5. **Cyber Incident** means:
- 5.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- 5.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.
6. **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Assured or any other party.
7. **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.
8. **Data Protection Law** means all applicable data protection and privacy legislation, regulations in any country, province, state, territory or jurisdiction which governs the use, confidentiality, integrity, security and protection of personal data, and any guidance or codes of practice issued by any data protection regulator or authority from time to time (all as amended, updated or re-enacted from time to time).

LMA5531
17 December 2020

8. SCHEDULED COMMUNICABLE DISEASE EXCLUSION

It is hereby understood and agreed that:

1. The following exclusion is added to **EXCLUSIONS**:

This Certificate does not cover any liability whatsoever arising out of, based upon, in connection with, resulting from, contributed to by, or attributable to, directly or indirectly, in whole or in part, any actual, alleged or suspected:

- a. transmission of any **Scheduled Communicable Disease** by (i) an Assured, (ii) an independent contractor who is providing services to, for, or on behalf of an Assured, (iii) a patient, or (iv) a visitor;
- b. transmission of any **Communicable Disease**, which has been declared an **Epidemic** or **Pandemic**, by (i) an Assured, (ii) an independent contractor who is providing services to, for, or on behalf of an Assured, (iii) a patient, or (iv) a visitor;
- c. rationing or withholding of medical care, due to a lack, shortage, limited availability, or following government directives; or unavailability of, or an inability to procure or otherwise obtain or retain any, medications, personnel, equipment or supplies actually or allegedly occurring in relation to or resulting from any **Scheduled Communicable Disease, Epidemic or Pandemic**;

- d. vicarious liability, other derivative liability, or joint and several liability of any Assured for or with, any other Assured, co-defendant, entity, business, manufacturer, medical care provider, person, or governmental entity that has been granted, enjoys, claims or asserts **Immunity**;
 - e. use, hiring, retention, or supervision of medical providers actually or allegedly lacking any license, credential, privileges, or registration in violation of the regulations or other laws in force at the time of the alleged act, error or omission, or occurrence in relation to any **Scheduled Communicable Disease, Epidemic or Pandemic**;
 - f. failure to act in good faith, gross negligence, or willful misconduct resulting in the loss of **Immunity**.
2. For the purposes of this endorsement the following definitions are added:

Communicable Disease means an illness or disease caused by the infection, presence and growth of pathogenic biologic agents in an individual human or other animal host, including but not limited to any bacteria, virus, mold, mildew, fungi, parasite or other vector and which biologic agents or its toxins are directly or indirectly transmitted to infected individuals by physical contact with an infectious person, consuming contaminated foods or beverages, contact with contaminated body fluids, contact with contaminated inanimate objects, inhalation, being bitten by an infected animal, insect or tick, or other means. **Communicable Disease** includes **Scheduled Communicable Disease**.

Epidemic means a widespread occurrence of a **Communicable Disease** which affects a large number of individuals constituting an increase in the number of cases of such **Communicable Disease** above what is normally expected within a population, community or region over a particular period of time.

Immunity means any immunity from suit or liability, limitation on liability, or other legal protection against civil or criminal liability afforded to any person or entity pursuant to any statute, regulation, ordinance, executive order, declaration by any federal or state agency, or other applicable law with respect to any Claim arising from the provision of medical services in connection with or in response to any **Scheduled Communicable Disease, Epidemic or Pandemic**.

Pandemic means an **Epidemic**, which the World Health Organization has declared to be, or assessed or characterized as a pandemic in any public statement.

Scheduled Communicable Disease means coronavirus disease 2019 (COVID-19) or any other disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV 2) (previously known as 2019-nCoV), or any disease caused by any mutation or variation of SARS-CoV 2.

All other terms and conditions of this Certificate remain unchanged.

END
