

THE SCHEDULE

Policy No: {Missing}

Name and Address of Assured:

{Missing}

{Missing}

{Missing}

{Missing}

Period of Insurance:

From: {Missing}

To: {Missing}

both days at 12.01 a.m. Standard Time at address of Assured stated above

Retroactive Date: {Missing}

Limits of Liability and Deductible:

A. The liability of Underwriters for "each claim", including claims expenses, which is first made against the Assured during the Policy Period shall not exceed {Missing} {Missing}

and subject to that limit for each claim the total of Underwriters' liability for all claims, including claims expenses, first made against the Assured during the Policy Period shall not exceed in the "aggregate" {Missing} {Missing}

B. The Limit of Liability afforded under the policy shall be subject to a deductible amount of {Missing} {Missing}

which shall be applicable to "each claim" and shall be inclusive of "claims expenses" as more fully set forth in the Policy.

Designee for Notice of Claim:

{Missing}

{Missing}

{Missing}

{Missing}

Designee for Service of Suit:

{Missing}

{Missing}

{Missing}

{Missing}

Date of Application:

{Missing}

Additional Information:

{Missing}

{Missing}

Premium: {Missing} {Missing}

Dated in London: {Missing}

{Missing}

INSURANCE BROKERS AND AGENTS
ERRORS AND OMISSIONS INSURANCE

NOTICE

THIS IS A CLAIMS MADE AND REPORTED POLICY

EXCEPT TO SUCH EXTENT AS MAY BE PROVIDED OTHERWISE HEREIN, THIS POLICY IS LIMITED TO INDEMNITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE ASSURED DURING THE POLICY PERIOD AND REPORTED TO UNDERWRITERS PURSUANT TO THE POLICY TERMS. PLEASE REVIEW THE POLICY CAREFULLY.

In consideration of the payment of the premium and the undertaking of the Assured to pay the deductible as described herein and in reliance upon the statements in the application attached hereto and made a part hereof, and subject to the Limits of Liability shown in the Schedule, and subject to all the terms of this Insurance, Underwriters agree with the Named Assured as follows.

INSURING AGREEMENTS

1. **COVERAGE: CLAIMS MADE PROVISION:**

The Underwriters will pay on behalf of the Assured all sums which the Assured shall become legally obligated to pay as **Damages** and **Claim Expenses** resulting from Claims first made against the Insured during the Policy Period by reason of any negligent act, error or omission committed or alleged to have been committed by the Assured or by any person for whose negligent acts, errors or omissions the Assured is legally responsible which arise out of the conduct of the Assured's **Professional Services** for a fee as Insurance Brokers, Insurance Agents or General Insurance Agents, provided that such negligent act, error or omission was committed on or after the Retroactive Date and before the end of the Policy Period, and provided always that

- (a) a claim is first made against the Assured during the Policy Period by reason of such negligent act, error or omission, and as a condition precedent to coverage under this Policy the Assured reports such Claim in writing to Underwriters by notice to the Designee for Notice of Claim stated in the Schedule, such notice to be received as soon as practicable but in no event later than 60 days after the expiration or termination of this Policy; and,
- (b) the Assured has no knowledge, on or prior to the effective date of this Policy, that such negligent act, error or omission may give rise to a claim against the Assured, or, there are no prior policy or policies which provide insurance for such liability or claims resulting from such negligent act, error or omission whether or not the deductible provisions and amount of such prior policy or policies are different from this Policy.

2. **DISCOVERY CLAUSE:**

If during the Policy Period the Assured shall first become aware of any facts or circumstances which may subsequently give rise to a claim against the Assured by reason of any negligent act, error or omission for which coverage would be afforded hereunder, and if the Assured shall DURING THE POLICY PERIOD stated in the Schedule give written notice to Underwriters of such facts or

circumstances, any such claim subsequently made against the Assured arising out of such negligent act, error or omission shall be deemed for the purpose of this Insurance to have been first made during the Policy Period stated in the Schedule. The Assured shall co-operate fully with Underwriters or its representatives as provided in Condition 1 and any investigation conducted by Underwriters or its representatives shall be subject to the terms set forth in this Insurance.

3. **LIMITS OF LIABILITY:**

The liability of Underwriters for each claim made during the Policy Period, including claims expenses, shall not exceed the amount stated in the Schedule for "each claim". Subject to that limit for each claim, the total Limit of Underwriters' Liability for all claims made during the Policy Period, including claims expenses, shall never exceed the amount stated in the Schedule as "aggregate". The inclusion herein of more than one Assured or the making of claims or the bringing of suits by more than one person or organisation, shall not operate to increase the Limit of Underwriters' Liability for each claim or in the aggregate.

4. **DEDUCTIBLE:**

The deductible amount stated in the Schedule shall be paid by the Named Assured, shall be applicable to each claim, and shall include claim payments and claims expenses, whether or not claim payment is made.

5. **DEFENSE AND SETTLEMENT:**

- (a) The Assured shall not admit liability for or settle any claim or incur any claims expenses in connection therewith without the written consent of the Underwriters, who shall be entitled at any time to take over and conduct in the name of the Assured, the defense of any claims, and the Assured shall continue to co-operate fully with the Underwriters in such defense. All claims expenses shall be subject to the Limits of Liability available for such claims.
- (b) The Underwriters shall not settle any claim without the consent of the Assured. If however the Assured shall refuse to consent to any settlement recommended by the Underwriters and shall elect to contest or continue any legal proceedings in connection with such claim, then the Underwriters' liability for the claim shall not exceed the amount for which the claim could have been so settled including the claims expenses incurred with their consent up to the date of such refusal.

DEFINITIONS

1. **THE ASSURED:**

The unqualified word "Assured" whenever used in this Policy means:

- (a) the individual, partnership or corporation designated as the Named Assured in the Schedule:
- (b) any partner, executive officer, director, or salaried employee of the Named Assured while acting within the scope of his duties as such:
- (c) any former partner, executive officer, director or salaried employee of the Named Assured for acts committed while acting within the scope of his duties as such.

2. POLICY PERIOD:

The term "Policy Period" whenever used in this Policy shall mean the period from the inception date of this policy to the expiration date as set forth in the Schedule or its earlier termination date, if any.

3. CLAIM:

The unqualified word "claim" whenever used in this Policy shall mean a written demand received by the Assured for money or services, including the service of suit or demand for arbitration against the Assured. The filing of suit, or the filing of demand for arbitration, shall not constitute a claim within the meaning of the policy.

4. CLAIMS EXPENSES:

"Claims Expenses" means:

- (a) fees charged by an attorney designated by Underwriters,
- (b) all other fees, costs and expenses incurred by Underwriters in the investigation, adjustment, defense and appeal of a claim, and
- (c) the reasonable fees charged by an attorney designated by the Assured with the written consent of Underwriters.

5. CLIENT

Client means any entity or individual for whom the Assured has agreed to render **Professional Services** for a fee including any appointed administrator, beneficiary, executor, receiver, or trustee of such individual or entity.

6. DAMAGES

Damages means monetary compensation, whether part of a settlement, award or judgment (including any award of pre-judgment or post-judgment interest and attorneys' fees), for which the Assured is legally obligated to pay on account of a covered Claim.

Damages does not include:

- (a) Civil or criminal fines, penalties, forfeitures, sanctions, taxes, punitive or exemplary damages, or other monetary awards deemed uninsurable under applicable law;
- (b) The multiplied portion of any multiplied awards;
- (c) The return, reduction or restitution of fees, premiums, commissions, expenses or costs for **Professional Services** performed or to be performed by the Assured or any economic loss that is a consequence of any fees, commissions, expenses or costs charged by the Assured;

- (d) Non-monetary relief, including any costs incurred in complying with a request, order, judgment or settlement agreement to provide non-monetary relief, or attorneys' fees or costs awarded to the party seeking non-monetary relief;
- (e) The costs of complying with any injunctive or declaratory relief; and,
- (f) Any legal fees, costs or expenses claimed by or awarded to a claimant that do not arise on account of a covered Claim.

7. PROFESSIONAL SERVICES

Professional Services means with respect to an Insurance Broker, Insurance Agent or General Insurance Agent, the rendering of or the failure to render insurance services for a fee for a **Client**, or prospective **Client**, as conducted in such broker or agent's business as a broker or agent.

Professional Services does not include:

- (a) Activities undertaken by or on behalf of the Assured in connection with any promotion, purchase, sale, operation, marketing, or administration of the Assured's business as a broker or agent; or,
- (b) Any services which the Assured (or any person for whom the Assured is legally responsible) is not licensed to render on the date such **Professional Services** are alleged to have occurred due to the Assured's deliberate violation of any federal, state or local licensing law, statute, ordinance, rule, requirement or regulation, or where the absence of such license is with the Assured's knowledge and consent.

EXCLUSIONS

The Insuring Agreements and all other provisions of this Policy shall not provide indemnity or claims expenses for claims:

- (a) Arising out of any dishonest, fraudulent, criminal or malicious act committed or alleged to have been committed by, or at the direction of the Assured;
- (b) For punitive or exemplary damages, fines or penalties;
- (c) For bodily injury to, or sickness, disease or death of any person, or injury to or destruction of any tangible property, including the loss of use thereof;
- (d) For libel, slander, invasion of privacy or discrimination;
- (e) 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 there is a final adjudication that the Insurer's loss was solely caused by the negligent act, error or omission of the Assured.

- (f) Arising out of the commingling of monies or accounts, or loss of monies received by the Assured or credited to the Assured's account;
- (g) 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;
- (h) By any entity or individual which is wholly or partially owned, operated or managed by the Assured or which wholly or partially owns, operates or manages the Assured, or which is wholly or partially under the same common ownership, operation or management as the Assured;
- (i) Arising out of the Assured's activities as a managing agent or managing general agent unless otherwise endorsed on the Schedule;
- (j) For any claim by a competitor of the Assured; joint venturer of the Assured; or an entity or individual in a partnership with the Assured, unless such claim specifically arises out of an Assured's **Professional Services** provided to a **Client** or prospective client of the Assured;
- (k) For any liability assumed by any Assured under any contract, indemnity agreement, purchase agreement, hold harmless clause or other similar agreement unless such liability would have attached to the Assured in the absence of such contract; and,
- (l) Based upon, arising out of, directly or indirectly, or in any way involving actual or alleged anti-trust violation, unfair competition; infringement of copyright; plagiarism; piracy or misappropriation of ideas; infringement of title, slogan, trademark, trade name, trade dress, service mark or service name; or, misappropriation of trade secrets, client lists, or proprietary or confidential information or anything related thereto.

CONDITIONS

1. ASSURED'S DUTIES IN THE EVENT OF CLAIM OR SUIT:

The Assured shall, as a condition precedent to their right to be indemnified under this Insurance, give to Underwriters immediate notice in writing of any claim first made against them, co-operate with Underwriters and upon Underwriters' request submit to examination and interrogation by Underwriters' representative, under oath if required, and attend hearings, depositions and trials, and assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and assisting in the conduct of suits, as well as in the giving of a written statement or statements to Underwriters' representatives and meetings with such representatives for the purposes of investigation and/or defense, and all without charge to Underwriters.

2. SUBROGATION:

In the event of any payment under this Policy, Underwriters shall be subrogated to all the Assured's right of recovery therefore against any person or organisation and the Assured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Assured shall do nothing to prejudice such rights.

3. ACTION AGAINST UNDERWRITERS:

No action shall lie against Underwriters unless, as a condition precedent thereto, the Assured shall have fully complied with all the terms of this Policy, nor until the amount of the Assured's obligation to pay shall have been fully and finally determined, either by judgement against the Assured after actual trial, or by written agreement of the Assured, the claimant and Underwriters.

4. FALSE OR FRAUDULENT CLAIMS:

If the Assured shall proffer any claim knowing same to be false or fraudulent, as regards amount or otherwise, this Insurance shall become null and void and all coverage hereunder shall be forfeited.

5. APPLICATION:

By acceptance of this Policy the Assured agrees that the statements in the application are his representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between himself and Underwriters, or any of its agents, relating to this Insurance.

6. OTHER INSURANCE:

Subject to the limitation of coverage as set forth in Insuring Agreement 1(b) regarding the application of a prior policy or policies, this Insurance is in excess of the amount of the applicable deductible of this Policy and any other valid and collectible insurance available to the Assured whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise.

7. ASSIGNMENT:

Assignment of interest under this Policy shall not bind Underwriters until their consent is endorsed hereon. In the event of the death or incompetency of the Assured this Policy shall cover the Assured for any claims first made against the Assured or its legal representatives during the Policy Period and which would otherwise be covered by this Policy.

8. CANCELLATION:

This Policy may be cancelled by the Named Assured by a written notice stating when thereafter such cancellation shall be effective. If cancelled by the Named Assured, Underwriters shall retain the customary short rate proportion of the earned Premium hereon.

This Policy may be cancelled by Underwriters by mailing to the Named Assured written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective, but this Policy may be cancelled as aforesaid by not less than ten days notice when the cancellation is being effected by reason of the Assured's non-payment of premium. The mailing of notice as aforementioned shall be sufficient notice and the effective date of cancellation stated in the notice shall become the expiration date of the policy. Delivery of such written notice by the Named Assured, or Underwriters shall be equivalent to mailing. If cancelled by Underwriters, earned Premium shall be computed pro rata.

Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. The cheque of Underwriters or any of its representatives, mailed or delivered, shall be sufficient tender of any refund due to the Named Assured.

9. SERVICE OF SUIT:

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Assured, will submit to the jurisdiction of a

Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the designee named in the Schedule and that in any suit instituted against any one of them upon this Contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorised and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this Contract of Insurance, and hereby designates the above-named as the person to whom said officer is authorised to mail such process or a true copy thereof.

20/08/12

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