



POLICY WORDING

EXCESS PROFESSIONAL INDEMNITY POLICY



CONTENTS

| | |
|------------------------------------|----|
| 1. About Your Policy | 01 |
| – Duty Of Fair Presentation | 01 |
| – Complaints | 01 |
| – Compensation Scheme | 01 |
| – How To Make A Claim | 02 |
| – The Law That Governs This Policy | 02 |
| – Data Protection | 02 |
| 2. Definitions | 03 |
| 3. The Cover | 04 |
| 4. Provisions | 05 |
| 5. Conditions | 06 |

1. ABOUT YOUR POLICY

This Policy has been produced by Pen Underwriting Limited a Managing General Agent of the Insurer). The Insurer have delegated authority to Pen Underwriting Limited to underwrite Insurance for You on their behalf.

Your Policy is made up of Sections prepared from a proposal form or declaration or statement of fact provided by You or from Your instructions or any information in connection with this insurance provided to Pen Underwriting or the Insurer or Your insurance adviser.

This policy wording explains the insurance provided under this contract.

Each Section may include terms Definitions Conditions and Exclusions unique to the Section which should to be read in conjunction with the Policy Definitions, Conditions and Exclusions.

An Endorsement forms an addition to the Section and varies the insurance provided by the Section.

The Schedule or Appendix and any Endorsement should be read together for precise details of Your insurance protection.

Please take care to review all documentation carefully to ensure that the information provided accurately reflects Your circumstances and that the cover provided suits Your requirements.

You should pay particular attention to any terms conditions limits and exclusions including endorsements which may require You to take action.

Duty of Fair Presentation

This Policy is a contract between You and the Insurer.

Please read the whole document carefully. It is arranged in different sections. It is important that

- You are clear which sections You have requested and want to be included;
- You understand what each section covers and does not cover;
- You understand Your own duties under each section and under the insurance as a whole.

Please contact Your broker immediately if this Document is not correct or if You would like to ask any questions.

Important Notice: The Insured is required to make a fair presentation of the risk to Insurers.

If the Insured breaches its duty to provide a fair presentation and any such breach was deliberate or reckless, Insurers may regard the Policy as void and are not required to return any paid Premium to the Insured.

If the breach was not deliberate or reckless, Insurers' remedy shall depend upon what Insurers would have done if the Insured had complied with the duty of fair presentation:

- 1) Insurers may regard the Policy as void if Insurers would not have entered into the Policy on any terms in the absence of the breach. In this case, the Insurers must return the premium paid.
- 2) If the Insurers would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the Insurer so requires.
- 3) If the Insurers would have entered into the Policy but would have charged a higher premium the Insurers may reduce proportionately the amount to be paid on a Claim (and, if applicable, the amount already paid on prior claims).

Where: (i) there has been a failure to comply with a term (express or implied) of this Policy, other than a term which defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if You show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

If You breach any warranty in this Policy, the Insurer's liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to You for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

Authorised Signatory
Jonathan Turner



Complaints

At Pen Underwriting, it is always our intention to provide a first class standard of service. However, it is appreciated that occasionally things go wrong. In a majority of cases the agent who arranged the insurance will be able to resolve any concerns and You should contact them directly in the first instance.

Alternatively You can complain by contacting Pen Underwriting Limited (as per the contact details below) quoting Your Policy and/or Claim number. We will investigate Your concerns and provide a response as soon as possible.

Address: Pen Underwriting Limited Complaints
7th Floor Spectrum Building
55 Blythswood Street
Glasgow
G2 7AT

Telephone: 0141 285 3539
Email: pencomplaints@penunderwriting.com

You can also contact Your Insurer, contact details can be found in the Schedule.

Should You remain dissatisfied having received a Final Response to Your complaint and You fit the definition of an 'eligible complainant', You may then be able to refer Your complaint to the Financial Ombudsman Service (FOS). Please note that the FOS allow 6 months from the date of the Final Response to escalate Your complaint to them. Further details on eligibility and the referral process can be found on the FOS Website.

Address:
The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 0234567 (for landline users)
Telephone: 0300 1239123 (for mobile users)
Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Compensation Scheme

The providers of this insurance as defined in this Policy are covered by the Financial Services Compensation Scheme (FSCS). If they cannot meet their obligations You may be entitled to compensation under this scheme depending on the type of insurance and the circumstances of the Claim

You are covered for 90 per cent of the Claim without any upper limit. However, for compulsory classes of insurance You are covered for 100 per cent of the Claim without any upper limit.

How To Make A Claim

At Pen Underwriting, we understand that claims form a critical component of our offering the moment the Policy becomes tangible and we are relied upon to deliver upon our commitment to You.

Pen Underwriting have assembled an experienced team who embody our three key principles of:

- 1) **Partnership** – working together to achieve the optimum outcome to the Claim
- 2) **Expertise** – we employ staff and engage service providers who are experts in their field
- 3) **No-nonsense** – we apply a flexible and proactive approach to the claims process

For details on how to notify Your Claim, please refer to Your Schedule.

The Law That Governs This Policy

Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of this Policy shall be governed and construed in accordance with English law and shall be resolved within the exclusive jurisdiction of the courts of England and Wales.

Data Protection

Pen Underwriting Limited are the data controller of any personal information you provide to us or personal information that has been provided to us by a third party. We collect and process information about you in order to arrange insurance policies and to process claims. Your information is also used for business purposes such as fraud prevention and detection and financial management. This may involve sharing your information with third parties such as insurers, brokers, reinsurers, claims handlers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators, police and government agencies or fraud prevention agencies.

We may record telephone calls to help us monitor and improve the service we provide. For further information on how your information is used and your rights in relation to your information please see our Privacy Policy - <https://www.penunderwriting.co.uk/Privacy-and-Cookies>. If you are providing personal data of another individual to us, you must tell them you are providing their information to us and show them a copy of this notice.

2. DEFINITIONS

Certain words in this policy have special meanings. These meanings are given below and apply where the words appear in bold.

Primary Policy

The policy which provides the initial indemnity and which specifies the nature and extent of cover being granted to **you** and which runs concurrently with this policy.

Underlying Policies

The **Primary Policy** and all policies providing indemnity in excess of the **Primary Policy** up to the Underlying Limits of Indemnity stated in the schedule.

Underlying Insurers

The **Primary Policy** insurer and all insurers providing indemnity in excess of the **Primary Policy** insurers up to the **Underlying Limits of Indemnity** stated in the schedule.

Underlying Limits of Indemnity

The total limits of indemnity provided by the **Primary Policy** insurer and all insurers providing indemnity in excess of the **Primary Policy** insurers as stated in the schedule.

We, Us, Our or Ours

The participating insurance company shown in the schedule.

You, Your, Yours or Yourselves

The person, people (either acting in partnership or on behalf of an unincorporated organisation) or the company stated in the schedule as the insured including your predecessors.

3. THE COVER

We agree subject to the terms of this policy and to the limit(s) of indemnity stated in the schedule to indemnify **you** in accordance with the terms of the **Primary Policy** which are incorporated herein other than in respect of premium, limit(s) of indemnity and any endorsements herein.

Provided always that:

- a) no liability will attach to **us** unless and until the **Underlying Insurer(s)** have admitted liability or have paid or agreed to pay the full amount of the **Underlying Limit(s) of Indemnity**
- b) all **Underlying Policies** will be maintained in full effect during the currency of this policy except for any reduction(s) of the aggregate limit(s) contained therein solely by payment of a claim during the period of insurance.

4. PROVISIONS

1. Contracts (Rights of Third Parties Act 1999)

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this policy is not enforceable by any third party.

2. Costs and Expenses

If the **Underlying Policies** provide for costs and expenses to be payable in addition to the limit(s) of indemnity **our** liability for costs and expenses will be limited to that proportion which the amount payable under this policy excluding such costs and expenses bears to the total sum payable under all contributing policies excluding such costs and expenses.

If the **Underlying Insurers** have invoked a right under their policies to pay the limit(s) of indemnity thereunder and only be liable for costs and expenses for which they are responsible up to the time of such payment then **we** will be liable for costs and expenses for which the **Underlying Insurers** would have been liable had they not invoked the right.

Provided always that the payment of such costs and expenses will only be made with our prior written consent.

3. Joint Liabilities

If you comprise more than one party **we** will indemnify each party as though a separate policy had been issued to each of them. Provided always that the total amount of indemnity to all such parties will not exceed the amount payable if **you** comprised only one party and in any event will not exceed the limit of indemnity stated in the schedule.

4. Limit of Indemnity

Where the limit(s) of indemnity provided by the **Underlying Policies** is in respect of any one claim then the indemnity provided by this policy will not exceed the limit of indemnity in respect of any one claim in excess of the **Underlying Limits of Indemnity** stated in the schedule.

Where the limit(s) of indemnity provided by the **Underlying Policies** is in respect of any one claim including costs and expenses then the indemnity provided by this policy will not exceed the limit of indemnity in respect of any one claim including costs and expenses in excess of the **Underlying Limits of Indemnity** stated in the schedule.

Where the limit(s) of indemnity provided by the **Underlying Policies** is in the aggregate in any one period of insurance then the limit of indemnity provided by this policy will be in the aggregate in respect of all claims during any one period of insurance in excess of the **Underlying Limits of Indemnity** stated in the schedule.

Where the limit(s) of indemnity provided by the **Underlying Policies** is in the aggregate including costs and expenses in any one period of insurance then the limit of indemnity provided by this policy will be in the aggregate including costs and expenses in respect of all claims during any one period of insurance in excess of the **Underlying Limits of Indemnity** stated in the schedule.

5. Sanctions

Pen Underwriting Limited (Pen) is committed to complying with financial and trade sanctions legislation and export controls (Sanctions) in the United Kingdom, the European Union, United Nations and United States of America as well as the applicable Sanctions laws and regulations in the jurisdictions in which we operate. This requirement is also extended to any brokers and coverholders who undertake any insurance intermediation activity in relation to this policy.

To comply with Sanctions, Pen cannot place, provide insurance cover or make any payment in circumstances where it would be a considered a breach of Sanctions. We may be required to take actions such as freezing the funds of parties subject to Sanctions, not performing claims handling activities, and making licence applications or notifications to relevant regulators.

Other third parties Pen deals with, such as financial institutions, may also apply their own policies or restrictions. Pen reserves the right to take steps to comply with Sanctions and we will not be liable to you for this or for similar steps taken by third parties.

6. Step Down

If the aggregate limit(s) of the **Underlying Policies** is exhausted by reason of claims paid by **Underlying Insurers** or which they have been held liable to pay **we** will:

in the event of partial exhaustion pay the excess of the reduced **Underlying Limits of Indemnity**

in the event of total exhaustion continue this policy in force as the underlying insurance subject to the terms limitations conditions and exclusions of the **Primary Policy** for the remainder of the period of insurance.

It is agreed that in the event of partial or total exhaustion of the **Underlying Policies** aggregate limit of indemnity(s) by reason of a claim or claims outside the scope of the indemnity provided by this policy then such claim or claims will not be deemed to have exhausted the aggregate limit of indemnity of the **Underlying Policies** for the purpose of this policy.

Subject always to the limit(s) of indemnity and terms contained herein or endorsed hereon.

5. CONDITIONS

1. Alteration

No alteration to the terms and conditions of the **Underlying Policies** will apply to this policy unless agreed by us.

2. Arbitration

Provided always that liability for a claim has been admitted any dispute as to the amount to be paid will be referred to an arbitrator who will be appointed by the parties in accordance with the statutory provisions in force at the time and the making of an award will be a condition precedent to any right of action against us.

3. Claims Notification

When a claim is likely to exceed an amount greater than 50% of the Underlying Limits of Indemnity **you** will give **us** written notice with details thereof.

4. Contractual Right of Renewal (Tacit)

If **you** pay the premium to **us** using **our** direct debit instalment scheme **we** will have the right which **we** may choose not to exercise to renew the policy each year and continue to collect premiums using this method. **We** may vary the terms of the policy including the premium at renewal. If **you** do not wish to renew this policy **you** or **your** insurance intermediary must notify **us** prior to the next renewal date.

5. Failure of Underlying Insurers

We will not be liable for the failure of the **Underlying Insurers** to meet their commitments under the **Underlying Policies** due to their inability or refusal to pay any claim in the event of their insolvency or entering into liquidation or their affairs being subject to any scheme of administration or receivership approved by the court.

6. Payment by Instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method the policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 if applicable the credit agreement and the policy will be cancelled immediately.



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