

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

Organisational (Entity) and Professional Liability Extension

It is hereby understood and agreed that the policy is amended to include the following.

Section 2 **INSURING CLAUSES** is deleted and replaced as follows

2.1 The **Insurer** will pay on behalf of:

- (a) the **Insured** all **Loss** that the **Insured** is legally liable to pay;
- (b) the **Organisation** any such **Loss** that the **Organisation** is legally required or permitted to pay the **Insured** as advancement or indemnity under any applicable company law or agreement;

for a **Claim** against the **Insured** for a **Wrongful Act** or an **Employment Practices Wrongful Act** or a **Professional Indemnity Wrongful Act** provided that the **Claim** is first made against the **Insured** during the **Period of Insurance** or **Discovery Period** if applicable.

Section 3 **DEFINITIONS** is amended as follows:

3.8 Is deleted and replaced as follows:

"Insured" means:

- (a) any natural person who is a past, present or future trustee, committee member, director or officer of the **Organisation**, or holds any equivalent position in any jurisdiction;
- (b) any past, present or future **Employee** of the **Organisation**:
 - (i) acting at the specific prior written request of the **Organisation** in the capacity of **Outside Trustee, Director or Committee Member**; or
 - (ii) acting in any managerial or supervisory capacity; or
 - (iii) named as co-defendant with any director or officer.
 - (iv) named as a defendant or co defendant in respect of an **Employment Practices Wrongful Act** or a **Professional Indemnity Wrongful Act**.
- (c) any trustee's, committee member's, director or officer's lawful spouse or civil partner (as defined in the Civil Partnership Act 2004) where in receipt of a **Claim** because of the **Wrongful Act** of the director or officer.
- (d) the director or officer's estate, heirs, legal representatives or assigns.
- (e) the **Organisation** and its predecessors

Insured does not include any person, firm or company acting in their capacity as, liquidator, external auditor, receiver or administrative receiver.

For the avoidance of doubt, all references to trustees, committee members, directors or officers apply equally to non-executive and executive positions.

3.21 "**Wrongful Act**" is deleted and replaced as follows:

- (i) any actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by an **Insured** acting in his or her capacity as a trustee, committee member, director, officer or **Employee** of the **Organisation** or any allegation made against the **Insured** by reason of his or her capacity as a trustee, committee member, director, officer or **Employee** of the **Organisation**; or
- (ii) any actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by the **Organisation**

3.22 "**Professional Indemnity Wrongful Act**" means

Loss that the **Insured** is legally liable (directly or vicariously) to pay for **Claims** arising out of professional advice given or services performed on behalf of the **Insured** by reason of:

- (a) a **Wrongful Act** committed by the **Insured** or by any **Employee**, or by any other person, firm or company directly appointed by and acting for or on behalf of the **Insured**;
- (b) any dishonest or fraudulent act or omission on the part of any **Employee**;
- (c) libel or slander committed unintentionally by the **Insured** or by any **Employee**;
- (d) any unintentional breach of confidentiality committed by the **Insured** or by any **Employee**, or by any other person, firm or company directly appointed by and acting for or on behalf of the **Insured**.

Section 6 **EXTENSIONS** is amended to include:

6.11 **Additional Limit for Unindemnifiable Loss**

In the event the total limit of indemnity becomes exhausted, **Insurers** shall pay on behalf of the **Insured** an additional limit of indemnity for **Loss** resulting from any **Claim** provided that:

- (a) the **Claim** is brought against one or more of the **Insured(s)** defined in section 3.8 (a), (b), (c) or (d) of the policy;
- (b) the **Claim** is payable under section 2.1 (a) of the policy;
- (c) the amount payable is in excess of all other applicable insurance, whether or not it actually responds;
- (d) the maximum aggregate limit of indemnity in respect of this extension shall not exceed £250,000 each **Insured** subject to an total aggregate limit of indemnity of 50% of the limit of indemnity shown in part 3 of the **Schedule**.

6.12 **Defence Costs and Expenses for Breach of Contract**

The **Insurer** shall pay on behalf of the **Insured**, **Defence Costs and Expenses** resulting from any **Claim** arising from alleged breach by the **Organisation** of a written contract or agreement, other than any **Employment** contract, up to an aggregate sub limit of £50,000 which shall be part of the aggregate limit of indemnity stated in part 3 of the **Schedule** and in excess of:

- (a) any other potentially applicable cover, whether or not it actually responds; and
- (b) a deductible which shall be double the deductible figure specified in part 4 of the **Schedule** as amended by this endorsement.

Section 7 **EXCLUSIONS** is amended to include:

The following additional exclusions apply in respect of **Claims** against the **Organisation** and **Professional Indemnity Wrongful Acts** only;

The **Insurer** shall not have any liability under this policy for, or directly or indirectly arising out of, or in any way connected with:

7.15 Breach of Contract or Agreement

Any actual or alleged breach of contract or agreement, either oral or written, except to the extent as provided by extension 6.12 **Defence Costs and Expenses for Breach of Contract** above.

7.16 Breach of Copyright

Any actual or alleged plagiarism or breach of copyright or trademark, patents, database rights, registered design or design rights except to the extent as provided by extension 6.12 **Defence Costs and Expenses for Breach of Contract** above

7.17 Price Fixing

Any breach of regulatory, statutory or common law aimed at preventing monopolies, price discrimination, fixing of prices or other unfair trade practices.

7.18 Asbestos

The manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos

7.19 Trading Loss

Any trading losses or trading liabilities incurred by the **Insured** or any business managed by or carried on by or on behalf the **Insured**. Trading loss and trading liabilities shall include, but not limited to, accounting error, non payment of loans, loss of interest and loss of profit.

7.20 Fraud and Dishonesty

Exclusion 7.3 **Dishonest, Fraudulent and Criminal Acts** is deleted and replaced as follows;

Any **Claim** or circumstance arising from the dishonest or fraudulent act or omission of any former or present trustee, committee member, director, officer, consultant or sub-contractor of the **Insured**:

- (a) in respect of any person committing or condoning such dishonest or fraudulent act or omission, or
- (b) in the amounts recoverable from the dishonest or fraudulent person or persons or their estates or legal representatives, or
- (c) arising after the discovery of reasonable cause for suspicion of dishonesty or fraud by the dishonest or fraudulent person or persons, or
- (d) in the amount equivalent to,
 - (i) any monies owed by the **Insured** to any person committing, condoning or contributing to the dishonest or fraudulent act or omission, and
 - (ii) any monies held by the **Insured** and belonging to such person,
 - (iii) any monies recovered in accordance with (a), (b), (c), (d) below

except as provided by extension 6.9 **Fidelity**

Where a **Claim** or circumstance against the **Insured** involves the dishonest or fraudulent act or omission of any **Employee** of the **Insured**:

- (a) the **Insured** shall at the request and expense of the **Insurer** take all reasonable steps to obtain reimbursement from such person;
- (b) any monies which but for the dishonest or fraudulent act or omission would be due to such persons from the **Insured** or any monies of such persons held by the **Insured** shall not be repaid;
- (c) nothing in this policy shall preclude the **Insurer** from exercising any right of subrogation against any person committing or condoning such dishonest or fraudulent act or omission;
- (d) no payment shall be made by the **Insurer** under this policy until after the final ascertainment of the amount of any recovery from the dishonest or fraudulent person or persons or their estates or legal representatives.

The following additional exclusion applies in respect of Definition 3.8 (e) only;

7.21 **Employment Practices**

an **Employment Practices Wrongful Act**.

It is further understood and agreed that item 4) of the **Schedule** is amended to read as follows:

- 4) Deductible: Nil in respect of all **Claims**, but;
 - £500 shall apply to each **Claim** made against the **Organisation** and **Professional Indemnity Wrongful Act** and;
 - £2,500 shall apply to each **Claim** made against the **Organisation** following an **Employment Practices Wrongful Act**

Subject otherwise to all other terms, conditions, exclusions and limitations of this insurance.

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