



ProGLUE
(Umbrella PI)
POLICY WORDING

Wording number
EDGE-*ProGLUE*-20170830

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Part 1: Preamble

- 1.1 Subject to the terms, conditions and exclusions of the **UNDERLYING INSURANCE** and the terms and conditions of this **POLICY**, **WE** will provide cover in excess of the cover described in the **UNDERLYING INSURANCE**.
- 1.2 For Part 3 - Additional Benefits, **WE** will provide cover in excess of the **SELF INSURED RETENTION**.
- 1.3 Unless stated otherwise, the intention is that the Policy should be interpreted consistently with the operation of the Underlying Insurance.
- 1.4 Where the terms, conditions or exclusions of the Underlying Insurance are incorporated into the Policy and where those terms, conditions or exclusions contain the words "We, us, our" or refer specifically to the name of the Underlying Insurer it is intended that in the context of interpreting the incorporated terms, conditions or exclusions the words "We, us, our" or specific reference to the Underlying Insurer means the insurance company named in the Schedule.

Part 2: Insurance Clause

- 2.1 Other than for Part 3 - Additional Benefits, subject to Parts 2.2 and 2.3, **WE** agree to indemnify **YOU** against all civil liability in excess of the amounts paid by the **UNDERLYING INSURER** of the **UNDERLYING INSURANCE** arising from any **CLAIM** that is first made against **YOU** during the **PERIOD OF INSURANCE**, in respect of any breach of professional duty by **YOU** owed in the conduct of the **PROFESSIONAL BUSINESS**.
- 2.2 Other than for Part 3 - Additional Benefits or for where Part 7.7 applies, **WE** will only indemnify **YOU** if the **UNDERLYING INSURER** has paid or has admitted liability or has been held liable to pay, the full amount of their indemnity inclusive of costs and expenses.
- 2.3 If by reason of the payment of any **CLAIM** or legal costs and expenses by the **UNDERLYING INSURER** during the **PERIOD OF INSURANCE**, the amount of indemnity provided by your **UNDERLYING INSURANCE** is:

- a. partially reduced, then this **POLICY** shall apply in excess of the reduced amount of the **UNDERLYING INSURANCE** for the remainder of the **PERIOD OF INSURANCE** of the **UNDERLYING INSURANCE**;
- b. totally exhausted, then this **POLICY** shall come into force as the **UNDERLYING INSURANCE** for the remainder of the **PERIOD OF INSURANCE** of this **POLICY**.

Part 3: Additional Benefits

3.1 **Liability Assumed under Contract (blanket basis):**

Where **YOU** have assumed the liability of others under a written contract or agreement **WE** agree to cover the assumed liability but only to the extent required by the written contract or agreement and only up to the **LIMIT OF LIABILITY** and subject always to all other terms and conditions of the **POLICY**.

3.2 **Principals As Additional Insureds, Waiver Of Subrogation, Severability, Primary:**

Where required under a written contract or agreement and then only to the extent required by the written contract or agreement, **WE** agree:

- A. to include principals, their employees agents and superintendents (the "Said Parties") as additional insureds;
- B. to waive all rights of subrogation against the Said Parties;
- C. except with respect to the **LIMITS OF LIABILITY**, this **POLICY** applies to each insured and additional insureds as though a separate policy were issued to each and that any non-disclosure, misrepresentation or a breach of condition by any insured party will not adversely affect the cover provided under the **POLICY** to any other innocent insured party;
- D. this **POLICY** is primary and non-contributory with respect to any other insurance of the Said Parties.

Provided always that for the Said Parties to be entitled to cover, the Said Parties must observe and fulfil the terms and conditions of this **POLICY**.

3.3 **Asbestos – PROFESSIONAL BUSINESS Write-back**

It is hereby agreed that any Asbestos exclusion contained in the **UNDERLYING INSURANCE** is deleted in its entirety and replaced with the following:

Asbestos

WE will not cover you, including for **DEFENCE COSTS** or other loss in respect of any **CLAIM** arising directly or indirectly from or in respect of asbestos, asbestos fibres or derivatives of asbestos.

However, this exclusion shall not apply to any **CLAIM** for financial loss arising out the breach of **YOUR PROFESSIONAL BUSINESS** where the cause of the breach does not relate to any asbestos exposure.

Part 4: Limit of Liability

4.1: Subject to part 4.2, in each **PERIOD OF INSURANCE OUR** liability for any one **CLAIM**, or in the aggregate in respect for all **CLAIMS** under this **POLICY**, shall not exceed the **LIMIT OF LIABILITY**.

4.2 To the extent an **APPROVED SUB-LIMIT OF LIABILITY** applies our liability shall not exceed the **APPROVED SUB-LIMIT OF LIABILITY**.

Part 5: Defence Costs in Addition

5.1 **WE** will pay **DEFENCE COSTS** in addition to the **LIMIT OF LIABILITY**, in an amount not exceeding the **LIMIT OF LIABILITY**. To the extent an **APPROVED SUB-LIMIT OF LIABILITY** applies we will pay **DEFENCE COSTS** in an amount not exceeding the **APPROVED SUB-LIMIT OF LIABILITY**.

5.2 **WE** will only pay **DEFENCE COSTS** if:

- a. **WE** incur them; or
- b. **YOU** incur them after first obtaining **OUR** agreement in writing and the **DEFENCE COSTS** are in **OUR** view reasonable and necessary, and
- c. they relate directly to a **CLAIM** which forms or could form the subject of indemnity by this **POLICY**.

5.3 **WE** will not be obliged to defend, or to continue to defend, any **CLAIM** or pay, or continue to pay, any **DEFENCE COSTS** associated with such defence, once the **LIMIT OF LIABILITY** has been exhausted or if applicable an amount exceeding the **APPROVED SUB-LIMIT OF LIABILITY**.

Part 6: Exclusions

6.1 In addition to any **UNDERLYING INSURANCE** exclusions, **WE** will not cover you, including for **DEFENCE COSTS** or other loss if the **CLAIM** relates to a sub-limit of liability in the **UNDERLYING INSURANCE** which is not an **APPROVED SUB-LIMIT OF LIABILITY**.

Part 7: Terms and Conditions

In addition to any terms and conditions of the **UNDERLYING INSURANCE**, the following terms and conditions apply:

7.1 Adjustment of Premium

It is a condition precedent to this **POLICY** that within 30 days of the expiry of the **PERIOD OF INSURANCE**, you declare your actual income for the **PERIOD OF INSURANCE**. The declaration must be declared to **US** with 30 days of the end of the **PERIOD OF INSURANCE**, and settled within 30 days thereafter.

7.2 Australian Currency Clause

Unless stated otherwise, all **LIMITS OF LIABILITY**, premiums and other amounts as expressed in this **POLICY** are in Australian currency.

7.3 Australian Litigation Dispute Resolution Endorsement

WE hereon agree that;

a. In the event of a dispute arising under this Insurance, at **YOUR** request, **WE** will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.

b. Any summons notice or process to be served upon **US** may be served upon:

Lloyd's General Representative
Lloyds Australia Ltd
Level 9,
1 O'Connell Street
SYDNEY NSW 2000

who has the authority to accept service and to enter an appearance on **OUR** behalf, and who is directed at **YOUR** request to give a written undertaking to **YOU** that it will enter an appearance on **OUR** behalf.

- c. If a suit is instituted against **US**, **WE** will abide by the decision of such court or any competent Appellate Court.

7.4 **Cancellation of Insurance by You**

You may cancel the cover under this **POLICY** by giving written notice to

Edge Underwriting Pty Ltd.
PO Box 1141
West Perth WA 6005

A pro-rata portion of premium in respect of the unexpired period of the **POLICY** less a short-term-policy fee determined by **US** will be refunded. No refund will be given if there has been a **CLAIM** under this **POLICY** or where the premium is a minimum and deposit premium.

7.5 **Changes**

Except as otherwise provided, this **POLICY** is subject to the same terms, exclusions, conditions and definitions as provided by the **UNDERLYING INSURANCE**. No amendment to the **UNDERLYING INSURANCE** during the **PERIOD OF INSURANCE** of this **POLICY**, in respect of which the **UNDERLYING INSURER** requires an additional premium or deductible, shall be effective in extending the scope of this **POLICY** until agreed in writing by **US**.

7.6 **Claims**

- a. **YOU** must give **US** written notice as soon as practicable, and during the **PERIOD OF INSURANCE**, of any **CLAIM** made against **YOU**;
- b. In the event of a **CLAIM** arising to which **WE** may be liable to contribute, no costs shall be incurred on **OUR** behalf without **OUR** written consent being first obtained (such consent not to be unreasonably withheld). No settlement of a **CLAIM** shall be effected by you for such a sum as will involve this Policy without **OUR** consent.

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- c. All recoveries or payments recovered or received subsequent to a loss or settlement under this **POLICY** shall be applied as if recovered or received prior to such settlement and all necessary adjustments shall then be made between **YOU** and **US** provided always that nothing in this **POLICY** shall be construed to mean that loss or settlements under this **POLICY** are not payable until **YOUR** ultimate net loss has been finally ascertained.

7.7 **Sanction Limitation and Exclusion Clause**

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.

7.8 **UNDERLYING INSURANCE to be maintained**

- a. The **UNDERLYING INSURANCE** listed in the **SCHEDULE** must remain in full effect throughout the **PERIOD OF INSURANCE** except for reduction of any aggregate limits due to payment of **CLAIMS**, settlements, or judgments.
- b. Failure to maintain the **UNDERLYING INSURANCE** will not invalidate this **POLICY**. In those circumstances, this **POLICY** will apply as if the **UNDERLYING INSURANCE** was in full effect. However **WE** will determine the extent to which the **UNDERLYING INSURER** would have been liable to indemnify **YOU** under the **UNDERLYING INSURANCE** and **WE** will only indemnify **YOU** under the **POLICY** in excess of the limit of indemnity and defence costs under the **UNDERLYING INSURANCE**.
- c. **YOU** must notify **US** immediately when any **UNDERLYING INSURANCE** is no longer in effect.

7.9 **Conduct of Proceedings**

- a. **WE** may elect at any time to take over and conduct in **YOUR** name any proceedings in relation to which **WE**:
 - i. Have advanced **DEFENCE COSTS** to **YOU**; or
 - ii. Are liable to indemnify **YOU** under this **POLICY**.

7.10 What to do if you have a complaint?

About Lloyd's

Lloyd's is the world's specialist insurance and reinsurance market, bringing together an outstanding concentration of underwriting expertise and talent. Over 80 syndicates underwrite insurance at Lloyd's, covering all classes of business. Together they interact with thousands of brokers daily to create insurance solutions for businesses in over 200 countries and territories around the world.

In Australia, Lloyd's is proud to be a member of the Insurance Council of Australia. Lloyd's has adopted the General Insurance Code of Practice subject to certain specific qualifications. You can obtain a copy of the code at www.codeofpractice.com.au

Our aim is to provide the highest service to our Australian policyholders and, to this end, we have developed the following procedures for the fair handling of complaints from Lloyd's policyholders.

How can we help you?

There are established procedures for dealing with complaints and disputes regarding your policy or claim. All policyholders can take advantage of the complaints service, as can third-party motor vehicle claimants who are uninsured and where the amount in dispute is less than \$5,000.

Stage 1

Any enquiry or complaint relating to a Lloyd's policy or claim should be addressed to either your Lloyd's insurance intermediary ("the coverholder") or to the administrator handling your claim in the first instance – in most cases this will resolve your grievance.

They will respond to your complaint within 15 business days provided they have all necessary information and have completed any investigation required. Where further information, assessment or investigation is required, they will agree to reasonable alternative timeframes with you. You will also be kept informed of the progress of your complaint.

Stage 2

In the unlikely event that this does not resolve the matter or you are not satisfied with the way your complaint has been dealt with, you should contact:

Lloyd's Australia Limited Level 9, 1

O'Connel St

Sydney NSW 2000

Telephone: (02) 8298 0783

Email: ldraustralia@lloyds.com

When you lodge your dispute with us, we will usually require the following information:

- Name, address and telephone number of the policyholder
- The type of insurance policy involved
- Details of the policy concerned (policy and/or claim reference numbers, etc)
- Name and address of the insurance intermediary through whom the policy was obtained
- Details of the reasons for lodging the complaint
- Copies of any supporting documentation you believe may assist us in addressing your dispute appropriately.

Following receipt of your complaint, you will be advised whether your dispute will be handled by either Lloyd's Australia or the Policyholder & Market Assistance Department at Lloyd's in London:

- Where your complaint is eligible for referral to the Australian Financial Ombudsman Service (FOS), your complaint will be reviewed by a person at Lloyd's Australia with appropriate authority to deal with your dispute.
- Where your complaint is not eligible for referral to the Australian FOS, Lloyd's Australia will refer your complaint to the Policyholder & Market Assistance Department at Lloyd's, who will then liaise directly with you.

How long will the Stage 2 process take?

Your complaint will be acknowledged in writing within 5 business days of receipt, and you will be kept informed of the progress of our review of your complaint at least every 10 business days.

The length of time required to resolve a particular dispute will depend on the individual issues raised, however in most cases you will receive a full written response to your complaint within 15 business days of receipt, provided we have received all necessary information and have completed any investigation required.

External Dispute Resolution

If your complaint is not resolved in a manner satisfactory to you or we do not resolve your complaint within 45 calendar days of receiving it at Stage 1, you may refer the matter to the Financial Ombudsman Service (FOS). FOS can be contacted by post GPO Box 3, Melbourne Vic 3001 or phone 1300 780 808, www.fos.org.au

FOS is an independent body that operates nationally in Australia and aims to resolve disputes between you and your insurer. Your dispute must be referred to the FOS within 2 years of the date of our final decision. Determinations made by FOS are binding upon us.

Clients not eligible for referral to the Australian FOS, may be eligible for referral to the Financial Ombudsman Service (UK). Such referral must occur within 6 months of the final decision by the

Policyholder & Market Assistance Department at Lloyd's. Further details will be provided by the Policyholder & Market Assistance Department with their final decision to you.

How much will this procedure cost you?

This service is free of charge to policyholders.

Part 8: Definitions

In addition to the definitions of the **UNDERLYING INSURANCE**, the following definitions apply to this **POLICY**. They are shown in uppercase, bold font and their meaning can be in the singular or plural. If there is a conflict between a definition of the **UNDERLYING INSURANCE** and a definition of this **POLICY**, the definition of this **POLICY** shall prevail.

- 8.1 **APPROVED SUB-LIMIT OF LIABILITY** means a sub-limit of liability specified in the **UNDERLYING INSURANCE** which has been declared to **US** in writing and which has been agreed to by **US** in writing. For the avoidance of doubt, the only **APPROVED SUB-LIMIT OF LIABILITY WE** have agreed to insure are those specified in the **SCHEDULE**.
- 8.2 **CLAIM** has the same meaning as the definition of that term in the **UNDERLYING INSURANCE**.
- 8.3 **DEFENCE COSTS** means the costs incurred by **US** or the reasonable costs incurred by **YOU** with **OUR** prior written consent, in the investigation, defence, reporting or negotiation for settlement of any **CLAIM**. It shall not include any costs of the party that is claiming against **YOU**. **DEFENCE COSTS** do not include your internal or overhead expenses or the cost of your time.
- 8.4 **LIMIT OF LIABILITY** means the maximum payable by **US** in respect of any one **CLAIM** under the **POLICY** and if more than one **CLAIM** the total amount payable by **US** in respect of all **CLAIMS** under the **POLICY**.
- 8.5 **PERIOD OF INSURANCE** means the period specified in the **SCHEDULE**.

- 8.6 **POLICY** means:
- a. the insuring clauses, extensions, exclusions, conditions, definitions, **SCHEDULE** and other terms contained herein;
 - b. any endorsement to this Policy whether issued at inception of the Policy or during the **PERIOD OF INSURANCE**; and
 - c. the information provided by **YOU** in the **PROPOSAL**.
- 8.7 **PROFESSIONAL BUSINESS** means the business or profession specified in the **SCHEDULE** and conducted by **YOU**.
- 8.8 **PROPOSAL** means the written proposal by **YOU** made to **US** containing information and statements which together with any other information or documents are the basis of this **POLICY** and considered incorporated in it.
- 8.9 **SCHEDULE** means the schedule to this **POLICY**.
- 8.10 **SELF-INSURED RETENTION** means the dollar amount listed in the **SCHEDULE** that will be paid by you for each **CLAIM** or series of **CLAIMS**, arising out of any one loss before the insurance becomes applicable. The applicable **LIMIT OF LIABILITY** will not be reduced by the amount of any **SELF-INSURED RETENTION** payable by **YOU**.
- 8.11 **UNDERLYING INSURANCE** means the insurance policies issued by the **UNDERLYING INSURER** that are listed in the **SCHEDULE**.
- 8.12 **UNDERLYING INSURER** means the insurer(s) of the **UNDERLYING INSURANCE**.
- 8.13 **YOU** means the person, partnership, company or other entity specified as the Insured in the **SCHEDULE** and where applicable the person, partnership, company or other entity referred to Part 3.2A of the **POLICY**
- 8.14 **WE, US, OUR** means the insurance company named in the **SCHEDULE**.