



**Policy** Wording

# Professional Indemnity



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## Operative Clauses

1. In consideration of the payment of the premium, in reliance on the written Proposal, declaration and any other underwriting information provided (which will be deemed to be the basis of this Policy), Vero Liability Insurance Limited ("the Company") will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability subject to the terms, conditions, exclusions, warranties and endorsements of this Policy.
2. The Company will pay Costs and Expenses incurred with its prior written consent in the defence or settlement of any Valid Claim, provided that the payment of such Costs and Expenses will form part of and not be in addition to the Limit of Indemnity specified in the Schedule.

## Limit of Indemnity and Excess

### 1. Limit of Indemnity

The Company's liability under this Policy for any one Valid Claim and for all Valid Claims during the Period of Insurance will not exceed the Limit of Indemnity specified in the Schedule.

### 2. Excess

- (a) In respect of each Valid Claim made against the Insured the Excess specified in the Schedule will be borne by the Insured at their own risk and the Company will only be liable to indemnify the Insured in excess of such amount.
- (b) Should any Valid Claim made against the Insured involve more than one act, error or omission by the Insured then the Excess specified in the Schedule will apply to each such act, error or omission separately.
- (c) When the Excess specified in the Schedule is shown as including Costs and Expenses, then all Costs and Expenses in respect of each such act, error or omission up to that amount will be borne by the Insured.

## Automatic Extensions

### 1. Automatic Reinstatement

If a Valid Claim exhausts the Limit of Indemnity under this Policy, then this Policy will be deemed to be reinstated for such amount, if any, as may ultimately be paid by the Company in respect of such Valid Claim, provided that such reinstatement will always be subject to all the terms, conditions, exclusions warranties and endorsements of this Policy and to the following provisions:

- (a) in the event that the Insured has additional coverage in excess of this Policy, then this extension will only operate when such coverage is exhausted;
- (b) the Policy will only be reinstated, and to the extent provided for, for the purposes of giving indemnity in respect of Valid Claims relating to acts, errors or omissions which are not the same or substantially the same acts, errors or omissions in relation to Valid Claims previously notified;
- (c) the liability of the Company under this Policy will not in any event exceed twice the Limit of Indemnity specified in the Schedule;
- (d) this Policy will not be deemed to be reinstated in relation to Valid Claims involving or connected in any way with any Employee whose acts, errors or omissions are referred to in Valid Claims notified under the Extension 6 - Dishonesty of Employees or if included, Optional Extension - Fidelity;
- (e) the Company will pay the Costs and Expenses incurred in the defence or settlement of any Valid Claim in the terms of this Policy, up to the Limit of Indemnity specified in the Schedule as reinstated from time to time, provided that the payment of

such Costs and Expenses will form part of and not be in addition to the Limit of Indemnity specified in the Schedule.

### 2. Consultants and Sub-Contractors

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising out of the actions of any consultants, contractors, sub-contractors or agents for which the Insured is legally liable. Provided that this indemnity will not extend to any such consultant, contractor, sub-contractor or agent.

### 3. Continuous Cover

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising out of any Claim, fact, matter or circumstance that was not notified, but that could or should have been notified, to the Company under the terms of any previous insurance provided that:

- (a) the failure by the Insured to notify was innocent; and
- (b) the previous insurance, under which the Claim, fact, matter or circumstance could or should have been notified was issued by the Company; and
- (c) cover under this Extension will be subject to the terms of this insurance or to the terms of the Company's previous insurance, whichever the Company at its sole discretion decides; and
- (d) the amount payable under this Extension will be reduced by the amount that fairly represents the extent to which the Company's interests were prejudiced by the Insured's failure to notify.

### 4. Costs of Representation

The Company will pay all reasonable Costs and Expenses incurred in the investigation and defence of the Insured arising from a complaint (which may result in Valid Claim against the Insured which is covered by this Policy) lodged against the Insured with a statutory registration board or similar regulatory authority, insofar as any statutory or professional body claims jurisdiction to enquire into or adjudicate any such matter.

Provided always that:

- (a) any Costs and Expenses incurred must be with the prior written consent of the Company; and
- (b) the Company will be entitled to appoint a solicitor or counsel to represent the Insured.
- (c) the Company's liability under this Extension will not exceed the sub-limit specified in the Schedule for any one Valid Claim and all Valid Claims during the Period of Insurance, such amount shall form part of and not be in addition to the Limit of Indemnity specified in the Schedule

### 5. Defamation

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising from unintentional defamation by reason of words written or spoken by the Insured or Employees of the Insured in undertaking the Professional Business.

### 6. Dishonesty of Employees

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability caused or contributed to by any dishonest, fraudulent, criminal or malicious act or omission of an Employee of the Insured. Provided that:

- (a) the Company's liability under this Extension will not exceed the sub-limit specified in the Schedule for any one Valid Claim and all Valid Claims during the Period of Insurance, such amount shall form part of and not be in addition to the Limit of Indemnity specified in the Schedule;

(b) If the Valid Claim against the Insured is in respect of loss of money or any other property whatsoever, for which the Insured is legally liable:

- (i) As a condition precedent to the Company's liability to indemnify the Insured, the Insured must notify the police, and a criminal action must be successfully concluded by conviction registered against the person or persons responsible for any indemnifiable loss sustained under this extension;
- (ii) All costs incurred by the Insured to substantiate its loss are to be borne by the Insured;
- (iii) The Excess specified in the Schedule will apply to each and every individual act of dishonesty.

#### 7. Fair Trading Act

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising out of misleading or deceptive conduct or conduct by the Insured which is likely to mislead or deceive, which is contrary to or alleged to be contrary to Sections 9 to 14 of the Fair Trading Act 1986, but excluding any Claims arising from deliberate or dishonest or fraudulent or criminal conduct.

#### 8. Fiduciary Duty

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising out of a breach of fiduciary duty by the Insured.

#### 9. Intellectual Property

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising out of any unintentional infringement of copyright, trademark, registered design or patent or any unintended breach of confidentiality. Provided that the Company's liability under this Extension will not exceed the sub-limit specified in the Schedule for any one Valid Claim and all Valid Claims during the Period of Insurance, such amount shall form part of and not be in addition to the Limit of Indemnity specified in the Schedule.

#### 10. Joint Venture Liability

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability as a result of the Insured's participation in any joint venture or partnership arrangement. Provided that the Company will not indemnify the Insured in respect of any Claim brought against them by any other joint venture party or partner.

#### 11. Loss of Documents

The Company will indemnify the Insured for Valid Claims in respect of the Insured's Civil Liability arising from loss or deprivation of or damage to Documents entrusted to the Insured and the Company will also indemnify the Insured for:

- (a) any consequent legal liability of whatsoever nature; and
- (b) all costs, charges and expenses of whatsoever nature incurred by the Insured in replacing and/or restoring such Documents.

Provided always that:

1. The amount of any such costs, charges and expenses as above will be supported by bills and/or accounts which will be subject to approval by a competent person to be nominated by the Company with the approval of the Insured;
2. No liability will attach for any loss brought about or contributed to by the dishonesty of any of the Insured's partners, principals, persons or Employees;

3. No liability will attach for any loss brought about by wear or tear, or any other gradually operating cause;

4. On payment of any loss under this Extension, the Insured will subrogate to the Company all its rights of recovery;

#### 12. Newly Created or Acquired Subsidiaries

The Company will indemnify any Subsidiary(ies) created or acquired after the commencement of the Period of Insurance which would have been included within the definition of Insured. Such Subsidiary(ies) shall be included provided that:

- (a) within 14 days of acquisition or creation written notice is given to the Company together with any underwriting information the Company may require and payment is made of any additional premium required; and
- (b) in respect of acquisitions there is no cover for any Claim or circumstances known by any Insured at the date of such acquisitions; and
- (c) the Professional Business of the Subsidiary(ies) falls within the normal activities of the Professional Business specified in the Schedule,

subject to the provisions of Condition 12 - Alteration to Risk.

#### 13. Outgoing Principals, Partners and Employees

The Company will indemnify the Insured for any Valid Claim in respect of the Insured's Civil Liability made against any former principal, partner or Employee of the Insured for legal liability incurred on the part of such person whilst they were an Insured.

#### 14. Previous Subsidiaries

The definition of "Insured" will include any entity that ceased to be a Subsidiary before or during the Period of Insurance, but the Company will not indemnify the Insured in respect of any Claim arising out of activities occurring after it ceased to be a Subsidiary, nor will the Company indemnify the Insured in respect of any Claim arising out of activities occurring before it became a Subsidiary.

#### 15. Run Off Cover

The Company will indemnify, until expiry of the Period of Insurance, any Insured entity which is sold, ceased trading, merged or wound up during the Period of Insurance, but only in respect of those activities of the Insured entity prior to the sale, cessation of trade, merger or winding up.

### Optional Extension

#### 1. Fidelity (Insured's own money/property)

If this Extension is specified in the Schedule as INCLUDED, the Company will indemnify the Insured for loss of money or other property belonging to the Insured, which the Insured discovers, during the Period of Insurance specified in the Schedule, that they have sustained in consequence of any dishonest or fraudulent act or omission amounting to a criminal offence of any Employee of the Insured.

Provided that:

- (a) As a condition precedent to the Company's liability to indemnify the Insured, the Insured must notify the police, and a criminal action must be successfully concluded by conviction registered against the person or persons responsible for any indemnifiable loss sustained under this extension;
- (b) All costs incurred by the Insured to substantiate its loss are to be borne by the Insured;
- (c) The Company's liability under this Extension will not exceed the sub-limit specified in the Schedule for any one Valid Claim and all Valid Claims during the Period of Insurance, such amount shall form part of

and not be in addition to the Limit of Indemnity specified in the Schedule;

- (d) The Excess specified in the Schedule will apply to each and every individual act of dishonesty.

### General Exclusions

The Company will not indemnify the Insured in respect of any Claim:

#### (a) Prior Claims/Circumstances

- (i) made or threatened or in any way intimated prior to the inception of the Period of Insurance;
- (ii) arising out of any act, error, omission or conduct that occurred prior to the Retroactive Date;
- (iii) arising from any circumstance or circumstances of which the Insured had become aware prior to the inception of the Period of Insurance and which a reasonable practitioner of the Insured's profession would at any time prior to such inception have considered may give rise to a Claim or Claims against the Insured in respect of a liability covered under this Policy;

#### (b) Prior Litigation

or any litigation in existence at the commencement of the Period of Insurance;

#### (c) Bodily Injury

alleging or in respect of death, bodily or mental injury or illness;

#### (d) Property Damage

for property damage, except to the extent to which cover is provided under Extension 11 – Loss of Documents;

#### (e) Obligation as Employer

arising out of or alleging breach of any obligation owed by the Insured as an employer;

#### (f) Harassment

arising out of or alleging sexual harassment or sexual or racial discrimination;

#### (g) Other Business

arising from the conduct of any business not conducted for the benefit of or on behalf of the Insured specified in the Schedule;

#### (h) Aircraft, Watercraft

in respect of the ownership, occupation, possession or use by or on behalf of the Insured of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle;

#### (i) Insolvency etc

as a result of the insolvency, bankruptcy, receivership, statutory management or liquidation (as the case may be) of the Insured;

#### (j) Trading Debt

in respect of a trading debt or a trading liability incurred, or financial or other guarantee granted by the Insured;

#### (k) Punitive and Exemplary Damages

for or liability to pay punitive, aggravated, multiple, liquidated, or exemplary damages, fines or penalties imposed by law;

#### (l) Contractual Liability

arising out of or connected with any contractual liability assumed or warranty or guarantee provided by the Insured except if the Insured would have been liable in the absence of the contractual liability or warranty or guarantee;

#### (m) Waiver of Rights

in respect of which the Insured has, without the written consent of the Company, surrendered or waived any right of contribution or indemnity to which the Insured might otherwise have been entitled;

#### (n) Insured vs Insured

brought or maintained by or on behalf of any person, firm, company or entity:

- (i) who is an Insured, entitled to benefit under this Policy, or any Subsidiary of the Insured; or
- (ii) who, at the time of the act, error, omission or conduct giving rise to the Claim, is a Family Member; or
- (iii) operated or controlled by any Insured; or
- (iv) operated or controlled by any Employee, partner, nominee or trustee of any Insured; or
- (v) in which any Insured has a direct or indirect financial interest (a shareholding of less than 5% in a publicly listed company will not constitute a financial interest); or
- (vi) who is a shareholder for loss arising out of the shareholder's interest as a shareholder; or
- (vii) advised or induced by the Insured to invest in or lend money to any person, firm, company or entity referred to in any of (i) – (vi) above or to the Insured.

For the purposes of this exclusion, the term Insured will include Family Member.

#### (o) Professional Fees

for a refund, by way of damages or otherwise, of professional fees or any Claim that the Insured is not entitled to professional fees;

#### (p) Sale or Supply of Goods

arising from the sale, supply, installation or manufacture of goods by or on behalf of the Insured;

#### (q) Territory

arising from an act, error, omission or conduct which occurred outside the Territory specified in the Schedule;

#### (r) Jurisdiction

brought against the Insured in a court of law outside the Jurisdiction specified in the Schedule;

#### (s) Reciprocal Agreement

in respect of any legal action or litigation brought in a court within the Jurisdiction specified in the Schedule to enforce a judgment handed down in a court outside the Jurisdiction specified in the Schedule whether by way of a reciprocal agreement or otherwise;

#### (t) Directors and Officers Liability

arising solely from the duties of the Insured or principal acting as a director or legal officer of any company;

#### (u) Dishonesty

arising out of or connected with any actual or alleged dishonest, fraudulent, criminal or malicious act or omission of any Insured or their consultants, sub-contractors, or agents, except to the extent to which cover is provided under Extension 6 – Dishonesty of Employees or if included, Optional Extension 1 – Fidelity;

#### (v) Deliberate Breach

arising out of or connected with a wilful breach of any statute, contract or duty, or any act or omission committed or omitted or alleged to have been committed or omitted with a reckless disregard for the consequences by the Insured or their consultants, contractors, sub-contractors or agents;

**(w) Radioactivity**

directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

**(x) Pollution/Asbestos**

for any actual or alleged liability whatsoever for loss or losses directly or indirectly arising out of, resulting from or in consequence of

- (i) seepage, pollution or contamination howsoever occurring;
- (ii) asbestos in whatever form or quantity;

**(y) War, Terrorism**

alleging, involving, or arising from (directly or indirectly) death, injury, illness, loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, insurrection, riot, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property under the order of any government or public or local authority; or
- (ii) any Act of Terrorism.

This exclusion also excludes death, injury, illness, 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 (i) and/or (ii) above.

**(z) "Leaky Buildings" – Moisture or Water Penetration, Building Defects**

or any liability for, or to fulfil any obligation in respect of any Claim or Costs and Expenses, which are directly or indirectly caused by or contributed to, or arises directly or indirectly out of:

- (i) the action or effects of mould, fungi, mildew, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa or any similar or like forms, in any building or structure; or
- (ii) any cost or expense arising out to the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralising, remediating or disposal of, or in anyway responding to or assessing the effects of mould, fungi, mildew, rot, decay, gradual deterioration, micro-organisms, bacteria, protozoa or similar or like forms, in any building or structure; or
- (iii) the failure of any building or structure to meet or perform to the requirements of the New Zealand Building Code contained in the first schedule to the Building Regulations 1992 (or any amendment or substitution thereof) in relation to:
  - 1. external water or moisture; or
  - 2. either durability or protection from external water or moisture entering that building or structure, or the effects thereof.

**General Conditions****1. Claims**

The Insured will not admit liability for or settle any Claim, or incur any Costs or Expenses, without the prior written consent of the Company which will be entitled to take over and to conduct in the name of the Insured (which will be a condition precedent to the Insured's right to be covered under this Policy) the defence or settlement of any Claim, including to compromise any counterclaim. Nevertheless neither the Insured nor the Company will be required to contest any legal proceedings unless a Queen's Counsel or Senior Counsel (to be mutually agreed upon by the Insured and the Company) advises that such proceedings should be contested.

If the Insured refuses to consent to any settlement recommended by the Company, and elects to contest or continue any legal proceedings, the Company's liability for the Claim will not exceed the amount for which the Claim could have been so settled (less the Excess specified in the Schedule), plus the Costs and Expenses incurred up to the date of such refusal.

**2. Reporting and Notice**

The Insured will as a condition precedent to its right to be covered under this Policy give to the Company immediate notice in writing of:

- (a) any Claim made against the Insured;
- (b) the receipt of notice or information as to any intention by any party to claim against the Insured;
- (c) any circumstance which the Insured becomes aware of which may give rise to a Claim or Claims under this Policy;

irrespective of whether the Claim is considered justified and/or the quantum is likely to be within the Excess specified in the Schedule.

**3. Termination of Policy**

The insurance provided by this Policy ceases absolutely at the time and date specified in the Schedule. However, provided that notice referred to in Condition 2 above has been given to the Company prior to the expiration of the Period of Insurance, any Claim or loss arising from the circumstances thus notified which is subsequently made after the expiration of the Period of Insurance will be deemed to have been made during the subsistence of this Policy.

**4. Due Diligence**

The Insured will use due diligence, and do and concur in doing all things reasonably practicable, to avoid or diminish any Claim and, on request, give to the Company or its authorised representatives all such information, documents and assistance as they may reasonably require.

**5. Policy Jurisdiction**

This Policy will be governed by the law of New Zealand, the courts of which will have exclusive jurisdiction over any dispute between the Company and the Insured.

**6. Fraud**

If any Claim under this Policy is in any respect fraudulent, or if any fraudulent means or devices are used by the Insured or anyone acting on the Insured's behalf to obtain any benefit under this Policy, all benefits under the Policy will be forfeited.

**7. Subrogation**

If any payment is made under this Policy in respect of a Valid Claim, the Company is subrogated to all the Insured's rights of recovery. The Company will not exercise any such rights against any Employee of the Insured, unless the Claim has been brought about or contributed to

by the dishonest, fraudulent, criminal or malicious act or omission of the Employee. The Insured will give all such assistance in the exercise of rights of recovery as the Company may reasonably require.

#### 8. Cancellation

This Policy, or any extension specified in the Schedule as included, may be cancelled by the Company at any time by sending written notice to the last known address of the Insured. Such cancellation will be effective from 4 pm on the 14th day after posting of such written notice. After such cancellation the Company will refund a pro rata premium for the unexpired Period of Insurance.

The Insured may cancel this Policy, or any extension specified in the Schedule as included, at any time by notice to the Company, and the Company will refund premium for the unexpired Period of Insurance calculated pro rata from the date of receipt of such notice less 10%, subject always to the Company's minimum premium.

Notwithstanding the cancellation of the Policy, or any extension, the Insured will furnish to the Company such particulars as the Company may require for the adjustment of the premium.

#### 9. Authorisation

To be valid this Policy must have the Schedule attached and signed by an authorised officer of the Company.

#### 10. Waiver of Privilege

If the Company instructs any lawyer to investigate or defend any Claim against the Insured, the Insured authorises the lawyer to provide to the Company any documents, information or advice in respect of the Claim, including in relation to indemnity; and the Insured waives any privilege to the extent necessary to give full effect to the Company's entitlement in this respect.

#### 11. Other Insurance

If, at the time of a Claim under this Policy, there is, or would be but for the existence of this Policy, any other policy applicable to such Claim and effected in favour of the Insured, this Policy will be insurance in excess of the amount of liability covered under such other policy and the Limit of Indemnity under this Policy will be reduced by the amount of the limit of indemnity afforded under such other policy. This condition applies, even if the other policy has a condition to similar effect.

#### 12. Alteration to Risk

The Insured must give notice in writing to the Company as soon as practicable of any material change to the risk. A material change to the risk includes without limitation:

- (a) activities that are materially different from those declared in the Proposal or that are outside the normal activities of the Professional Business specified in the Schedule; or
- (b) a material change to the Professional Business specified in the Schedule; or
- (c) the cancellation, suspension or termination of an insured person's statutory registration,

whereupon the Company may elect to terminate this Policy or to offer the Insured a continuation of cover on such revised terms and conditions as the Company may require.

#### 13. GST

Where the Insured is liable to pay tax under section 5 (13) of the Goods and Services Tax Act 1985 (or any statutory amendment or re-enactment of the section or Act) upon receiving any indemnity payment under this Policy, the Company will indemnify the Insured for the costs of that tax. The indemnity under this clause is payable by the Company in addition to the limit of indemnity.

## Definitions

#### 1. Act of Terrorism

means an act, including but not limited to the use of force or violence and/or 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 governments(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic, or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

#### 2. Claim

means

- (a) legal proceedings instituted and served upon the Insured; or
- (b) any threat or intimation that legal proceedings will be issued against the Insured.

#### 3. Civil Liability

means legal liability arising from any Claim for compensation arising out of the Professional Business.

#### 4. Company

means Vero Liability Insurance Limited.

#### 5. Costs and Expenses

means:

- (a) any legal costs, disbursements, witnesses' costs, assessors' costs or experts' costs incurred by the Company in investigating, defending or settling any Claim made against the Insured in respect of which the Insured is entitled to be indemnified by the Company in terms of the indemnity granted by the Policy;
- (b) all reasonable expenses (other than loss of earnings or profits) that are incurred by the Insured with the prior written consent of the Company in assisting the Company or its solicitors in the investigation, defence or settlement of any Claim;
- (c) any interest accruing after the date of entry of judgment against the Insured and until the date the Company pays, tenders or deposits in court the judgment sum or such part of that judgment sum as is required to satisfy the Company's liability to the Insured in terms of the Limit of Liability.

#### 6. Documents

means deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature whatsoever, whether written, printed or reproduced by any method including computer records and electronic data material but shall not include bearer bonds or coupons, stamps, bank currency notes or any other negotiable instrument.

#### 7. Employee

means any person employed under a contract of employment during or prior to the commencement of the Period of Insurance.

#### 8. Excess

means the Excess specified in the Schedule.

#### 9. Family Member

means:

- (a) any spouse or de facto partner;
- (b) any parent, or parent of the spouse or de facto partner;
- (c) any sibling or child; of the Insured.

**10. Insured**

means:

- (a) the person, persons, partnership, company, corporation or other entity specified as the Insured in the Schedule including their predecessors in business and any Subsidiary; and
- (b) any person who is or becomes, during the Period of Insurance, a principal, partner, director or Employee of the Insured; and
- (c) any former principal, partner, director or Employee of the Insured; and
- (d) the estate, heirs, legal representatives or assigns of any Insured in the event of the death or incapacity of that Insured but only if such persons observe and are subject to the terms and conditions of this Policy.

**11. Limit of Indemnity**

means the Limit of Indemnity specified in the Schedule.

**12. Period of Insurance**

means the period specified in the Schedule, unless terminated earlier, in accordance with Condition 8.

**13. Policy**

means this Policy wording including the Schedule, any additional endorsements and the Proposal and underwriting information provided to the Company prior to the Period of Insurance.

**14. Professional Business**

means the business conducted by the Insured as specified in the Schedule.

**15. Proposal**

means the written proposal form made by the Insured to the Company and any other underwriting information provided to the Company prior to the Period of Insurance.

**16. Retroactive Date**

means the date specified in the Schedule.

**17. Schedule**

means the current Schedule.

**18. Subsidiary**

means any organisation controlled by any insured entity through ownership of more than 50% of the issued voting stock.

**19. Valid Claim**

means any Claim that:

- (a) is first made against the Insured during the Period of Insurance; and
- (b) is notified in writing to the Company by the Insured during the Period of Insurance; and
- (c) arises out of any act, error or omission or conduct on the part of the Insured in connection with the Insured's Professional Business that occurred subsequent to the Retroactive Date.

Claims that do not accord with all of (a), (b) and (c) of this definition are not covered under this Policy.