

Professional Shield
Professional Indemnity Insurance from Prokopius
POLICY SCHEDULE

- Policy Number:** PI23PR0087 [UMR B1875CMT2300001]
Date of Issue: 2023-07-18
- 1 Policyholder:** Cavitas dental insurance broker OÜ, reg. no. 16501780
Address: Veskiposti 2-1002 Tallinn 10138, Estonia
- 2 Professional Business:** Insurance and reinsurance distribution as a broker
- 3 Policy Period** **From:** 2023-07-17
To: 2024-07-16
Both days inclusive, Local Standard Time at the above address.
- Extended reporting period** **From:** 2024-07-17
To: 2027-07-16
Both days inclusive, Local Standard Time at the above address.
- 4 Limit of Liability:** EUR 1 300 380 each claim and
EUR 1 924 560 in the aggregate for the policy period, including costs & expenses
- 5 Deductible:** EUR 5 000
each and every **CLAIM** including cost and expenses
- 6 Premium:** EUR 1 134
Policy administration fee: EUR 100
Total Payable: **EUR 1 234**, payable in two equal instalments:
EUR 617 by 2023-07-25
EUR 617 by 2024-01-25
- 7 Jurisdiction:** Worldwide excluding USA and Canada
Geographical Limits: Worldwide excluding USA and Canada
- 8 Retroactive Date:** 2023-07-17
- 9 Proposal Form Dated:** 2023-07-18
- 10 Declaration Dated:** N/A
- 11 Claims Notifications to:** claims@prokopius.com
If required by post to: UAB Prokopius
Moniuškos st. 27-5, LT-08115, Vilnius, Lithuania
- 12 Policy Governing Law:** Estonia
Jurisdiction: Estonia
- 13 Insurer:** Lloyd's Insurance Company S.A. (100%) c.c. 0682.594.839 (Belgium)
Address: Lloyd's, Bastion Tower, Place du Champs de Mars 5, Brussels, 1050

Authorised Signatory for and on behalf of INSURER



Professional Shield Insurance Intermediaries 2022.1
Professional Indemnity Insurance from Prokopius
POLICY WORDING

PREAMBLE

“THIS POLICY IS ON A CLAIMS MADE AND CIRCUMSTANCE NOTIFIED BASIS”

This **POLICY** is concluded by the **POLICYHOLDER** accepting the offer of Insurance made to them by the **INSURER**.

This is a “Claims Made” policy which means that the policy will only respond to claims first made against the **INSURED** parties under this policy during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**. This requirement is contained within the definition of a **CLAIM** within this **POLICY** and further stated under “Insured Event” below.

In consideration of the promise to pay the premium shown in the **SCHEDULE** by the **INSURED**, the **INSURER** agrees to provide coverage as detailed in this **POLICY**, subject to the following terms, conditions, exclusions and definitions. The provision of this insurance is based on the material information provided to **INSURERS**.

Notice is hereby given by the **INSURER** that this **POLICY** shall be suspended if the premium has not been received by the **INSURER** within 30 days of the Inception of the **POLICY PERIOD** (or in respect of any instalment premium of the due date for such instalment). The suspension of this **POLICY** shall begin on the 31st day following inception of the **POLICY PERIOD** (or of the due date in respect of instalment premiums) and the **INSURER** shall not be liable for any **CLAIM** made against the **INSURED** during the Suspension period nor for amounts payable under this **POLICY** which are incurred during the Suspension period. The period of Suspension shall last for a period of 30 days. Notice is further hereby given that if premium is received within the period of Suspension, then the **POLICY** shall continue in force as if such Suspension period never applied. If the premium is not received within such Suspension period then the **INSURER** hereby gives notice that the **POLICY** shall be cancelled ab initio. This cancellation ab initio may be revoked by the **INSURER** at their discretion at any time.

1.1 Insuring Clause

INSURANCE OBJECT

The **INSURER** will indemnify **LOSS** of the **INSURED**.

INSURED EVENT

The Insured Event is a **CLAIM** first made against the **INSURED** during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**.

EXTENSIONS

The following extensions are granted as part of this insurance and are subject to observance of the conditions, exclusions and definitions, together with any other endorsed terms: -

2.1 Loss of or Damage to Documents or Data

In the event of physical loss of or damage to **DOCUMENTS** or the loss of or damage to electronic data, discovered to be lost, damaged or destroyed during the **POLICY PERIOD**, the **INSURER** shall indemnify the **INSURED** for any reasonable cost or expense incurred by the **INSURED** (and to which the **INSURER** has consented) in replacing, restoring or reconstituting any **DOCUMENTS** or **DATA**,

This extension is subject to a sub-**LIMIT OF LIABILITY** of EUR75,000 in the aggregate for all losses (which sub-limit shall be part of and not in addition to the **LIMIT OF LIABILITY**).

2.2 Joint Appointments

Where working arrangements have been made with other firms or individuals or where there is a joint appointment held with another professional firm, this insurance is automatically extended to include any

liability arising out of such a relationship but subject to rights of subrogation against all parties being maintained and the turnover/fees of the joint appointment (not just the **INSURED'S** proportion) is to be declared to **INSURERS**.

2.3 Self-employed Persons

The **INSURER** shall indemnify the **INSURED** for the liability devolving upon them, arising out of the use of self-employed or contract hire persons, in connection with the **PROFESSIONAL BUSINESS**. The use of individual persons need not be disclosed to **INSURERS**, but details of payments, to such persons, must be declared to **INSURERS**, at renewal of this insurance. For the purpose of this **POLICY**, such persons are deemed to be **EMPLOYEES**.

2.4 Indemnity to Employees, Former Employees and/or Consultants

The **INSURER** shall indemnify **EMPLOYEES** in respect of any **CLAIM** made against them during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**, which arises out of the exercise and conduct of the **PROFESSIONAL BUSINESS**.

Former **DIRECTORS** or former **EMPLOYEES**, who have continued as consultants to the **INSURED**, and such persons who were formerly consultants to the **INSURED** are indemnified in respect of any **CLAIM** made against them, which arises out of the exercise and conduct of the **PROFESSIONAL BUSINESS**.

2.5 Dishonesty of Employees

The **INSURER** shall indemnify the **INSURED** for any **CLAIM** brought about, or contributed to, by the fraudulent, criminal or malicious act or omission of an **EMPLOYEE** provided that: -

- 2.5.1 no person committing such fraudulent, criminal or malicious act or omission will be entitled to indemnity
- 2.5.2 the **INSURED** will not be entitled to indemnity, where any **CLAIM** or **CIRCUMSTANCE** arising from any fraudulent, criminal or malicious act or omission is committed by any **DIRECTOR** or by any person, after the discovery, in relation to that person of cause for suspicion of fraud or dishonesty
- 2.5.3 any monies, which but for such fraudulent, criminal or malicious act or omission would be due from the **INSURED** to the person committing such act, or any monies held by the **INSURED** and belonging to such person, will be deducted from any amount payable under this **POLICY**.

2.6 Infringement of Intellectual Property

The **INSURER** shall indemnify the **INSURED** for reasonable professional or legal costs and expenses incurred with **INSURERS'** prior written consent (not to be unreasonably withheld), in the defence of any injunction and/or proceedings in respect of infringement or alleged infringement of any intellectual property rights, including but not limited to copyright or patents, including electronic format, vested in or otherwise enjoyed by the **INSURED**.

This extension is subject to a sub-**LIMIT OF LIABILITY** of EUR75,000 in the aggregate for all losses (which sub-limit shall be part of and not in addition to the **LIMIT OF LIABILITY**).

2.7 Defamation, Libel and Slander

The **INSURER** shall indemnify the **INSURED** for all sums which they may become legally liable to pay in respect of **CLAIMS** in direct consequence of any defamation, libel, or slander uttered by the **INSURED** in the exercise and conduct of the **PROFESSIONAL BUSINESS**.

EXCLUSIONS

The **INSURER** shall not pay **LOSS** or any other amount to the extent that any one or more of the following exclusions apply

3.1 Deductible

The **INSURER** shall not be liable for that part of any **LOSS** which constitutes the **DEDUCTIBLE**. The application of the **DEDUCTIBLE** is further detailed in Section 5.2.

3.2 Liability involving Transport or Property owned by the Insured

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising solely and directly out of the ownership, possession or use by or on behalf of the **INSURED** of any: -

- 3.2.1 aircraft, watercraft, hovercraft, motor vehicle or trailer, or
- 3.2.2 buildings, structures, premises or land or that part of any building leased, occupied or rented by the **INSURED**, or
- 3.2.3 other property of the **INSURED**.

3.3 Liability arising out of Employment

The **INSURER** shall not pay **LOSS** or any other amount in respect of

- 3.3.1 injury, disease, illness (including mental stress) or death of any **EMPLOYEE** under a contract of service with the **INSURED**, or
- 3.3.2 any dispute, between the **INSURED** and any present or former **EMPLOYEE** or any person who has been offered employment with the insured, being brought under or relating to the applicable Employment Laws.

3.4 Supply of Goods

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** or loss arising out of the manufacture, construction, alteration, repair, servicing or treating of any goods or products sold, distributed or supplied, including the sale and/or supply of third party hardware and/or software by the **INSURED**, unless such **CLAIM** arises directly out of negligent creation, implementation, advice, design or specification by the **INSURED**, in the course of their **PROFESSIONAL BUSINESS**.

3.5 Contractual liability

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising directly from:

1. failure to perform (non-performance of) contractual obligation (failure to deliver result of contract work)
2. delay of performance of contractual obligation, missing a contract performance deadline (delay in delivering result of contract work), including intermediate deadlines
3. contractual penalties (fine, interest)
4. liability, indemnity, warranty, guarantee, duty or financial obligation assumed by the **INSURED** under contract or express agreement unless civil liability would have attached to the **INSURED** by law notwithstanding such express agreement or contract clause.

For avoidance of doubt, the **INSURER** shall not indemnify the **INSURED** for the following **LOSS**, unless with **INSURERS'** prior written consent (which consent shall not be unreasonably withheld or delayed) per loss mitigation provisions of this **POLICY** (if such are applicable):

1. Fees unpaid to the **INSURED** and/or repayable by the **INSURED** on the basis of failure to perform (non-performance of) contractual obligation and/or defective performance of contractual obligation (defects in the results of the work; improper quality of work)
2. Expenses of the **INSURED** for elimination of defects in the results of the work (improper quality of work) of the **INSURED**

For avoidance of doubt, **INSURED** has obligation to perform contract work at his own risk and deliver the result of contract work of sufficient quality and without defects.

3.6 Fraud, Dishonesty or Criminal Act

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** to the extent it is:

3.6.1 directly or indirectly contributed to, or caused by, any act, error or omission of any partner or director of the **INSURED**, which is found by a court of final appeal to be dishonest, fraudulent, criminal or malicious, or

3.6.2 where any person has committed a dishonest, fraudulent, criminal or malicious act, after discovery by the **INSURED** of reasonable cause for suspicion that such act has been committed.

However, nothing in this exclusion will be construed to mean that indemnity will not be provided to any party, included as the **INSURED**, who was unaware of the act or omission referred to in the preceding paragraph. Furthermore, this exclusion shall not apply to the extent that Cover is provided under Extension 2.5.

3.7 Controlling Interest

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** made against the insured by either:-

3.7.1 an entity in which the insured exercises a controlling interest, or

3.7.2 an entity exercising a controlling interest over the insured, by virtue of their having a financial or executive interest in the operation of the insured

Unless such claim is made against the insured for an indemnity or contribution in respect of a claim made by an independent party against the said entities detailed in 3.7.1 or 3.7.2 and arises out of the exercise and conduct of the business.

3.8 Nuclear War & Terrorism Risks

The **INSURER** shall not pay **LOSS** or any other amount which arises directly or indirectly from:

- 1) ionising radiations or contamination by radioactivity from any nuclear fuel, waste or substance, or
- 2) the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof; or
- 3) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, riot, civil commotion assuming the proportion of or amounting to a popular uprising, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority, or
- 4) any act or acts, or threat thereof, of terrorism, force or violence for political, religious or other ends directed towards the overthrowing or influencing of the government, or for the purpose of putting the public in fear, by any person or persons acting alone or on behalf of or in connection with any organisation.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall continue to be in full force and effect.

3.9 Area of Activities

The **INSURER** shall not pay any **CLAIM** or **LOSS** arising out of work or activities undertaken by the **INSURED**, outside the **GEOGRAPHICAL LIMITS** stated in the **SCHEDULE**.

3.10 Jurisdiction

To the extent that a **CLAIM** is brought outside the Jurisdiction specified in ITEM 7 of the **SCHEDULE**, the **INSURER** shall not pay **LOSS** or any other amount otherwise insured hereunder.

3.11 Fines, Penalties, Punitive, Multiple or Exemplary Damages

The Insurer shall not be liable hereunder for any civil or criminal fines, penalties, forfeitures, taxes, punitive, multiple or exemplary damages (other than in respect of defamation, libel or slander), or other monetary awards deemed uninsurable under applicable law, where such have been identified separately within an award of a court.

3.12 Loss of Documents - Magnetic or Electrical Media

The **INSURER** shall not pay **LOSS** or any other amount arising from loss of or damage to documents which are stored on magnetic or electrical media, unless such documents are duplicated on magnetic or electrical media, with the intention that, in the event of loss or damage, the duplicate can be used as the basis for restoring the documents to their original status.

However this exclusion shall not apply to the extent that cover of loss of Documents is provided under Extension 2.1 of this **POLICY**.

3.13 Pollution

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising directly from **POLLUTION**.

However this exclusion shall not apply to any other **LOSS** where the proximate cause is **POLLUTION** caused by a sudden, unintended and unexpected **POLLUTION** during the **POLICY PERIOD** and to the extent that such **POLLUTION** arises from the **PROFESSIONAL BUSINESS**.

3.14 Asbestos & Toxic Mould

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising directly or indirectly out of or resulting from or in consequence of, or in any way involving:-

- 3.14.1 asbestos, or any materials containing asbestos in whatever form or quantity, or
- 3.14.2 the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, moulds, spores or mycotoxins of any kind, or
- 3.14.3 any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, moulds, spores or mycotoxins of any kind; such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, moulds, spores or mycotoxins, or
- 3.14.4 any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, moulds, spores or mycotoxins of any kind; such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, moulds, spores or mycotoxins.

3.15 Computer Virus

The **INSURER** shall not pay **LOSS** or any other amount arising from any **CLAIM** arising from the transmission of a computer virus. However, this exclusion shall not apply to any **CLAIM** that arises from or related to any actual or alleged liability arising from the **PROFESSIONAL BUSINESS**.

3.16 Directors' and Officers' Liability

The **INSURER** shall not pay **LOSS** or any other amount arising from any **CLAIM** made, from those liabilities:

- a) arising from being a director, officer or trustee of the **INSURED** (as opposed to those duties and functions carried out in furtherance of the business); and/or
- b) arising from the acceptance of any directorship or trusteeship in any other company, not forming part of the **INSURED**, unless the acceptance of such position is for a fee and forms part of the **PROFESSIONAL BUSINESS**.

3.17 Other Insurance

The **INSURER** shall not pay **LOSS** or any other amount arising from any **CLAIM** where the **INSURED** are entitled to indemnity under any other insurance, except in respect of anything beyond the amount which would have been payable under such insurance, had this **POLICY** not been effected.

Furthermore, no **CLAIM** made during the **EXTENDED REPORTING PERIOD** shall be deemed valid to the extent that such **CLAIM** is also covered under any renewal or replacement of this **POLICY** or under any previous policy of which this **POLICY** is a renewal or replacement.

3.18 Bodily Injury and/or Property Damage

The **INSURER** shall not pay **LOSS** or any other amount related to any **CLAIM** arising out of injury, disease, illness (including mental stress) or death of any person(s) or loss of or damage to property (except losses insured under extension 2.1), unless such **CLAIM** arises directly out of negligent act, error or omission by the **INSURED**, in the course of their **PROFESSIONAL BUSINESS**.

3.19 Previous Claims

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** or **CIRCUMSTANCE**, which has been notified and accepted by **INSURERS**, in respect of any other insurance attaching prior to the inception of this **POLICY** or as disclosed in the **PROPOSAL** or any **CLAIM** or **CIRCUMSTANCE** the **INSURED** was or should have been aware of, prior to the inception of this **POLICY**.

3.20 Trading Losses

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising out of any trading losses or trading liabilities incurred by any business managed or carried on by the **INSURED COMPANY**, including loss of any client account or business.

3.21 Failure to Arrange Finance

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** for consequential loss arising from the failure of the insured to arrange and/or maintain finance.

3.22 Computer Records

The **INSURER** shall not pay **LOSS** or any other amount to the extent that a **CLAIM** arises directly from loss, distortion or erasure of computer records:

- (a) whilst mounted in or on any machine for use or processing unless caused by any negligent act or omission on the part of the **INSURED**, or
- (b) resulting from wear, tear, vermin or gradual deterioration, or
- (c) caused by climatic or atmospheric conditions or extremes of temperature, or
- (d) due to the presence of magnetic flux or due to loss of magnetism.

However, this exclusion shall not apply to any **CLAIM** that arises from or related to any actual or alleged liability arising from the **PROFESSIONAL BUSINESS**.

3.23 Pension Trustee Liability

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising from any **INSURED** whilst acting in the capacity of trustee, fiduciary or administrator of any employee-sponsored pension or superannuation scheme or superannuation programme.

3.24 Investment Advice

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** relating to the financial return of any investment or the depreciation or loss of investments, when such depreciation or loss is as a result of normal or abnormal fluctuations in any financial, stock, commodity or other markets, which are outside the influence or control of the **INSURED**.

In addition, no cover will be provided in connection with any investment advice given or services performed, which have not been authorised, where such authorisation is required under any statutory regulation by an appropriate statutory authority.

3.25 Web Sites

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising out of the content of any web site pages, unless as a result of any wrongful act or negligent misinterpretation of the **INSURED** in transcribing information, supplied by a third party.

However this exclusion shall not apply to any **CLAIM** to the extent that it arises from the use of a website, or part thereof, for the transaction of insurance contracts.

3.26 Death, Bankruptcy and Liquidation

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising from circumstances which occur after the date of the death or bankruptcy of a sole proprietor of an **INSURED COMPANY** or liquidation of a limited **INSURED COMPANY**, unless within thirty (30) days of that date, **INSURERS** have agreed in writing to extend this insurance to include such **CLAIMS** and then subject to the terms of such an extension.

3.27 Failure to Account for Monies

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising out of the **INSURED'S** failure to account for monies.

3.28 Suitability of Insurer

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** arising out of the **INSURED'S** duty to advise on the suitability (which expression shall, without prejudice to the generality of such term, including financial standing) of any insurance company with whom insurance or reinsurance is placed.

3.29 Communicable Disease

The **INSURER** shall not pay **LOSS** or any other amount in respect of any **CLAIM** in any way caused by or resulting from:

- a) Coronavirus disease (COVID-19);
 - b) Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
 - c) any mutation or variation of SARS-CoV-2;
- any fear or threat of a), b) or c) above.

CLAIMS CONDITIONS

The following claims conditions apply to this **POLICY**: -

4.1 Conditions Precedent to Liability

All conditions contained in this section are deemed to be conditions precedent to liability.

4.2 Discovery of a Claim or Loss or Circumstance

If, during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**, the **INSURED**:-

- 4.2.1 becomes aware of any **CLAIM**, the **INSURED** will give notice to **INSURERS**, as soon as practicable and in the event that such **CLAIM** is a formal request to attend and/or respond to a court hearing, then the **INSURED** must provide notice to **INSURERS** within 7 days of the receipt of such **CLAIM**;
- 4.2.2 becomes aware of any **CIRCUMSTANCE**, the **INSURED** will give notice to **INSURERS** of such **CIRCUMSTANCE**, as soon as practicable

INSURERS agree that any such circumstance, notified to them during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD** and which subsequently gives rise to a claim after expiry of this insurance, will be deemed to be a **CLAIM** first made during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**.

The **INSURED** should be aware that any intentional or unreasonable delay in providing the notification may prejudice the **INSURER'S** position with regards to the amounts payable under this **POLICY** and that there is a possibility that the **INSURER** shall not be liable in respect of such prejudice.

4.3 Notice

Please notify the **INSURER** by email at the following contact address:

Claims@prokopius.com

We recommend that you also notify your intermediary and hold a copy of any such notifications for your records.

4.4 Obligations and rights of the Policyholder regarding a CLAIM

- 1) The **POLICYHOLDER** shall ensure that notification of any **CLAIM** is made in accordance with the notification provisions of this **POLICY**.
- 2) The **POLICYHOLDER** shall not intentionally do anything that intended to prejudice the position of the **INSURER** with respect to the amount payable under this **POLICY**.
- 3) The **POLICYHOLDER** should take any reasonable measures to mitigate **LOSS**.
- 4) The **POLICYHOLDER** (and by extension all **INSUREDS**) should not admit liability, or agree to any settlement, in respect of any **CLAIM** unless with the prior written consent of the **INSURER** (which consent shall not be unreasonably withheld or delayed). However, any instance of self-reporting made by the **INSURED** to any authority legally empowered to receive such self-reporting shall not constitute an admission of liability.
- 5) The **POLICYHOLDER** has the duty to provide information to the **INSURER** as detailed in the Claims Payment Procedure and Terms section of this **POLICY**.
- 6) The **POLICYHOLDER** has the duty to defend any **CLAIM**. The **POLICYHOLDER** also has the right to request that the **INSURER** assists in the defence of a **CLAIM** and in such cases the **POLICYHOLDER** is obliged to provide any reasonable assistance and co-operation requested by the **INSURER**.
- 7) The **POLICYHOLDER** is obliged the pay the premium when due.
- 8) The **POLICYHOLDER** is entitled to administrate this **POLICY** on behalf of all **INSUREDS**.

4.5 Obligations and rights of the INSURER regarding a CLAIM

- 1) The **INSURER** is obliged to provide indemnification as required by the **POLICY**.
- 2) The **INSURER** has the right to assume any available subrogation rights in accordance with the Subrogation provisions of this **POLICY**.
- 3) The **INSURER** shall comply with all obligations attaching to the **INSURER** under the applicable law governing this **POLICY**.

- 4) Notwithstanding Part 4.4.6), the **INSURER** has the right to effectively associate with the **POLICYHOLDER** in the defence and or settlement of any **CLAIM** or, at the **INSURER'S** discretion, to take over the investigation, defence and/or settlement of any **CLAIM**..

4.6 Claim Assessment

The **INSURER** shall assess damage according to the applicable law and industry norms and the general practice of the competent courts.

In the event that a **CLAIM** is partly attributable to matters covered by the **POLICY** and matters which are not covered by this **POLICY** then the **INSURER**, the **POLICYHOLDER** and the relevant **INSURED** shall use their collective best efforts to determine a fair allocation of coverage for such **CLAIM**.

4.7 LOSS calculation procedure

- 1) In the event that settlement of a **CLAIM** is possible but the **POLICYHOLDER** and/or **INSURED** elects to continue defence of such **CLAIM**, then the **INSURER** shall only pay, in respect of such **CLAIM**, the amount at which earlier settlement could have been made;
- 2) In all other cases the **INSURER** will calculate **LOSS** in accordance with the law applicable to this **POLICY**.

4.8 Claims payment procedure and terms

In the event of a **CLAIM**, the **INSURED** shall provide all information that has been reasonably requested by the **INSURER** in order to allow the **INSURER** to evaluate the validity of the **CLAIM** and to assess the strategy required to handle such **CLAIM** if covered.

From the point at which the **INSURER** has received all the relevant information and has been able to confirm the validity of the **CLAIM**, the **INSURER** has a maximum of 30 days to make payment of any amounts due to the **INSURED** in respect of such **CLAIM**.

The **INSURER** shall pay **LOSS** or any other due amounts as an indemnity to the **INSURED**. However, at the **INSURER'S** sole discretion the Insurer may make payments of **LOSS** or other due amounts on behalf of the **INSURED** to a 3rd party.

4.9 Claims disputes

Notwithstanding the provisions of the preceding paragraphs, if the insured and insurers cannot agree a common course of action with regard to any of the preceding claims conditions, the dispute will be resolved by the operation of condition 5.8. In the event of dispute with respect to allocation in section 4.6 until resolution the **INSURER** will continue to pay amounts under this **POLICY** according to their determination of a fair and proper allocation.

4.10 Claim Settlements

INSURERS may at any time pay to the **INSURED** in connection with any **CLAIMS** (or series of **CLAIMS**) the **LIMIT OF LIABILITY** (less any sums already paid) or any lesser sum for which such **CLAIMS** can be settled and upon such payment the **INSURERS** will not be under any further liability in respect of such **claims** except for costs and expenses incurred prior to such payments and with **INSURERS'** prior written consent.

GENERAL CONDITIONS

The following general conditions apply to this insurance:-

5.1 Limit of Liability

The **LIMIT OF LIABILITY** is the maximum aggregate amount of liability of the **INSURER** under this **POLICY** unless specifically agreed otherwise herein. The **LIMIT OF LIABILITY** shall apply in the aggregate for the **POLICY PERIOD**. The **LIMIT OF LIABILITY** shall be inclusive of all **LOSS** and any other amount payable by the **INSURER** under the terms of this **POLICY** but shall not include the internal costs of the **INSURER** in administering this **POLICY** or any **CLAIM** or other covered event. The **DEDUCTIBLE** shall not form part of the **LIMIT OF LIABILITY**. For the purposes of determining the **LIMIT OF INDEMNITY** (and any applicable sublimits of liability) all **CLAIMS** resulting from one and the same proximate cause or a series of **CLAIMS** arising out of the same proximate cause shall be deemed to be one **CLAIM**.

5.2 Deductible

The cover available under this **POLICY** shall apply only in excess of any applicable **DEDUCTIBLE**. The **DEDUCTIBLE** shall apply to each **CLAIM** separately, however, in the event that multiple, continuous and/or repeated **CLAIMS** derive from the same proximate cause, then only one **DEDUCTIBLE** shall apply and such **DEDUCTIBLE** shall be the largest of the applicable **DEDUCTIBLE** amounts.

5.3 Double insurance, Insufficient insurance

This **POLICY** is intended to provide primary insurance coverage. However, if there are any other insurances affording similar professional indemnity cover, then Exclusion 3.17 ("Other Insurance") may apply. In the event that the quantum of the liability of the **INSURED** for matters covered by this **POLICY** and/or any other amounts payable under this **POLICY** are greater than the **LIMIT OF LIABILITY**, then there shall be no impact on the **LIMIT OF LIABILITY** or any other amount payable under this **POLICY**.

5.4 Retroactive Date

Where a retroactive date is specified in the **SCHEDULE**, the **INSURER** shall not pay **LOSS** or any other amount to the extent that any **PROFESSIONAL BUSINESS** was carried out or failed to have been carried out prior to the **RETROACTIVE DATE**.

5.5 Subrogation

If any payment is made under the terms of this **POLICY**, the **INSURED** grants to **INSURERS** all rights of recovery against any parties from whom a recovery may be made, but the **INSURED** will take all reasonable steps to preserve such rights. However, **INSURERS** agree to waive any rights of recovery against any **EMPLOYEE**, unless liability has resulted in whole or part from any act or omission on the part of such persons, which is criminal or intentionally dishonest, fraudulent, or malicious.

5.6 Consultants

It is an express requirement that:

5.6.1 all professional sub-contractors and/or consultants, appointed by the **INSURED**, acting on the **INSURED'S** behalf or for whom the insured are responsible, carry the Minimum legally prescribed limit and scope of Professional Indemnity insurance, during the period of this insurance, and

5.6.2 the **INSURED** have satisfied themselves of its existence and extent of cover. Any failure to comply with this condition may entitle **INSURERS** to decline to provide indemnity under the terms of the **POLICY**.

5.7 Governing Law & Jurisdiction

This **POLICY** shall be construed and governed by the laws of the country specified in Item 12 of the **SCHEDULE** and any matters regarding the construction or governance of this **POLICY** shall fall within the jurisdiction of court(s) specified in Item 12 of the **SCHEDULE**.

5.8 Insurance Disputes

Any dispute relating this **POLICY** shall be dealt with by submission to the Jurisdiction identified in Item 12 of the **SCHEDULE**.

The cost of such dispute resolution will be allocated by the agreed or appointed party on a fair and equitable basis.

5.9 Cancellation

This policy may be cancelled at any time by **INSURERS** or the **INSURED**, by either party giving the other thirty (30) days notice in writing, to their last known address or registered office (if a company) or by email and the premium will be adjusted on a pro rata basis.

5.10 Sanctions clause

The **INSURER** shall not provide cover nor 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 the **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.

5.11 Assignment of **INSURER's** rights and obligations under the insurance contract

The **INSURER** may transfer their rights and obligations under this **POLICY** to another insurer in accordance with the procedure prescribed by law. The **POLICYHOLDER** shall have a right to submit, in accordance such law, a written objection to such transfer. Such an objection by the **POLICYHOLDER** shall not be binding on the **INSURER**. If **POLICYHOLDER** objects to such transfer then they shall have the right to cancel the **POLICY** in accordance the cancellation provisions of this **POLICY**.

5.12 Several Liability

Insurers' obligations under insurances to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. Insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of their obligations

5.13 Policyholder Complaints

In the event that you are not satisfied with any aspect of this **POLICY** and wish to make a complaint, you must first contact the CEO of the **INSURER** using the contact details specified in Item 7 of the **SCHEDULE** or as per the Communication Provisions section of this **POLICY**.

The **INSURER** shall look to resolve any matter as soon as possible and in any event within 15 days. The **INSURER** shall provide such complaints handling on behalf of the relevant Lloyd's Managing Agent as specified in Item 11 of the **SCHEDULE**.

If you are not satisfied with the response from the **INSURER** or if you have not received a response within the required time frame then you may contact, if you wish, contact the Lloyd's General Representative for your country who shall investigate and assess your complaint and shall aim to provide you with a response within 30 days. If you wish to contact the Lloyd's Representative for your then the contact details may be found at: <https://lloydseurope.com/contact/>

Should you remain dissatisfied with the responses from any or all of the above parties (or if you have not received responses within the specified timeframes) then you may refer your complaint to the relevant regulator for your country. Please contact the **INSURER** for details of the relevant regulator in your country. Nothing in this Complaints Procedure shall in any way affect your rights in law with respect to this **POLICY**.

5.14 Premium calculation

The Premium is calculated according to the following criteria:

- 1) The exposure related to the **PROFESIONAL BUSINESS**
- 2) The **LIMIT OF LIABILITY**
- 3) The **DEDUCTIBLE**
- 4) The overall and specific income values of the **INSUREDS**
- 5) The operational exposure of the **INSUREDS**
- 6) The insurance history of the **INSURED**
- 7) Territorial exposure
- 8) Number of **EMPLOYEES**

- 9) Any other relevant information specifically requested by the **INSURER** or otherwise available to the **INSURER**.

5.15 POLICY termination / renewal

This **POLICY** shall terminate at the **POLICY PERIOD** and shall not tacitly renew.

In the event that the **POLICYHOLDER** is acquired by a third party or merges with another party so that it is not the surviving entity, then this **POLICY** shall not terminate, however in such event the cover available under this **POLICY** is restricted to **PROFESSIONAL BUSINESS** committed or not committed prior to the date of such acquisition or merger.

5.16 Communication provisions

In respect of the notification of any **CLAIM** or **CIRCUMSTANCE** or other matter where cover under this **POLICY** is required, please refer to the Claim Notification section of this **POLICY**.

With respect to any complaint, request for information, other communication, the **POLICYHOLDER** should (via their intermediary if applicable) communicate with the **INSURER** using the contact details specified in Item 11 of the **SCHEDULE** or as detailed below:

Company Name: PROKOPIUS UAB
Address: S. Moniuškos 27, LT08115, Vilnius, LT
Email: info@prokopius.com

5.17 Other Obligations and rights of the POLICYHOLDER

1. The **POLICYHOLDER** has the obligation to comply with the terms and conditions of this **POLICY** including the payment of premium and administration of the **POLICY** on behalf of the **INSUREDS**.
2. The **POLICYHOLDER** has the right to cancel this **POLICY** in accordance with the Cancellation Provisions that apply to this **POLICY**.
3. The **POLICYHOLDER** may not assign any rights under this **POLICY** without the prior written agreement of the **INSURER** which may only be given at the sole discretion of the **INSURER**

5.18 Other Obligations and rights of the INSURER

1. The **INSURER** has the obligation to provide payments under this **POLICY** when due.
2. The **INSURER** retains the right to cancel this **POLICY** in accordance with the Cancellation Provisions that apply to this **POLICY**

DEFINITIONS AND INTERPRETATIONS

Various words and phrases have a standard meaning within this insurance and such definitions and interpretations are set out below. Headings and notes are for information purposes only and are not to be construed as part of this insurance. The following words and phrases are used in this insurance. In certain instances, the words may be used in the plural or singular form. Wherever they appear, they are deemed to have the meaning set out below:-

6.1 **INSURED**

Will mean:-

6.1.1 the **INSURED COMPANY**

6.1.2 the **DIRECTORS** of the **INSURED COMPANY**

6.1.3 the estate, heirs and executors of those parties mentioned in 6.1.1 - 6.1.2.

6.2 **POLICYHOLDER**

Will mean the entity, Specified in Item 1 of the **SCHEDULE**, including any predecessors in business.

6.3 **INSURED COMPANY**

Will mean the **POLICYHOLDER** and any practice or business for which the **POLICYHOLDER** is legally liable in consequence of the acquisition of such practice or business, prior to inception of this insurance, provided **insurers** have been notified in writing of the existence of such other practice or business and have agreed to insure such entities.

Any location of the practice is included within the definition, unless expressly stated otherwise.

6.4 **DIRECTOR**

Will mean any natural person who was, is or shall be any one or more of the following:

- 1) any de jure director of an **INSURED COMPANY** (including executive, non-executive and supervisory positions);
- 2) any de facto director of an **INSURED COMPANY** including shadow directors;
- 3) any **EMPLOYEE** in a managerial or supervisory position

6.5 **EMPLOYEE**

Will mean any natural person who was, is or shall be under a contract of employment with an **INSURED** in respect of the **PROFESSIONAL BUSINESS** to the extent that they are not acting in the role of a **DIRECTOR**

6.6 **PROFESSIONAL BUSINESS**

Will mean business activities detailed in either Item 2 of the **SCHEDULE** and/or the **PROPOSAL** any related activities carried out by the **INSURED** and which activities are actually or allegedly carried out or which actually or allegedly have failed to have been carried out after the **RETROACTIVE DATE** and prior to the **EXPIRY** of the **POLICY PERIOD** within the **GEOGRAPHICAL LIMITS**.

Where the insured is liable for a sub-consultant, the definition of business is extended to include other professional activities of the sub-consultant, for which the insured is liable.

6.7 **LIMIT OF LIABILITY**

Will mean the sum specified in Item 4 of the **SCHEDULE**, which is the maximum amount that the **INSURER** is liable for to indemnify the **INSURED** in respect of this **POLICY**,

For the avoidance of doubt, it should be noted that the indemnity afforded under the terms of this **POLICY** is provided jointly to all parties constituting the **INSURED** and for all purposes this **POLICY** shall be considered as a joint policy with one **LIMIT OF INDEMNITY**

6.8 **Defence Costs**

Will mean all costs and expenses incurred in the investigation, negotiation, administration, mitigation, defence or settlement of any **CLAIM** or **CIRCUMSTANCE** and/or the cost of representation at any enquiry or

other proceedings, which have a direct or indirect relevance to the investigation, defence or settlement of any matter notified under the terms of this insurance which have been agreed as such in writing by the **INSURER**.

For the sake of clarity, **DEFENCE COSTS** do not include the salaries, wages, rent or other overheads of the **INSURED** or **INSURER**.

6.9 Pollution

Will mean any one or a combination of a release, emission, discharge, dispersal, disposal or escape of any process of substances, which are capable of causing material **HARM** to any person, living organism and/or the environment (including land, waters and atmosphere).

6.10 Harm

Will mean injury or impairment to the health of any living organism or interference with ecological systems of which they form part and, in the case of a person, includes offence caused to any of their senses.

6.11 Geographical Limits

Will mean the territorial limit specified in ITEM 7 of the SCHEDULE

6.12 Policy Period

Will mean the period of insurance specified in ITEM 3 **SCHEDULE**, plus any extensions to the period, which may be granted by **INSURERS**.

6.13 Documents

Will mean project models or displays, deeds, wills, agreements, maps, plans, records, photographs or negatives, written or printed books, letters, certificates or written or printed documents and/or forms of any nature whatsoever and will include computer software and systems records (electronic data will be deemed to be physical property for the purposes of this insurance). The definition excludes bearer bonds, coupons, bank or currency notes and other negotiable paper for which the **INSURED** is held legally liable and/or which are in the care, custody or control of the **INSURED**.

6.14 Data

Will mean information (including without limitation text, numbers, sounds and images) recorded in a form which can be processed by equipment operating automatically, in response to instruction given for that purpose which is held on a **COMPUTER SYSTEM** for which the **INSURED** is held legally liable and/or which are in the care, custody or control of the **INSURED**.

6.15 Defamation, Libel and Slander

Will mean any defamation, libel, slander uttered, malicious falsehood, negligent misstatement or misrepresentation or product disparagement, by the **INSURED** in the exercise and conduct of the **PROFESSIONAL BUSINESS**.

6.16 Circumstance

Will mean any matters of which the **INSURED** first becomes aware during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**, which may give rise to a **CLAIM** against the **INSURED**.

6.17 Computer System

Will mean any computer, data processing equipment, media or any of their parts, or system of data storage and retrieval, or communications system, network, protocol or any of their parts, or storage device, microchip, integrated circuit, real-time clock system or similar device, or any computer software (including but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode.

6.18 Claim

Will mean any written demand:

- 1) made by or on behalf of a **CLIENT** or other third party; and

- 2) which demand is received by the **INSURED** during the **POLICY PERIOD** and/or **EXTENDED REPORTING PERIOD**; and
- 3) which asserts a civil liability of the **INSURED**; and
- 4) which civil liability has its proximate cause in **PROFESSIONAL BUSINESS** provided in relation to a **CLIENT**.

6.19 Insurers

Will mean insurance carrier specified in Item 13 of the **SCHEDULE**.

6.20 Schedule

Will mean the page of this insurance wording entitled Schedule (before the addition of any endorsements or memoranda), which will provide details relative to the current policy period.

6.21 Retroactive Date

Will mean the date specified in Item 8 of the **SCHEDULE**

6.22 Proposal

Will mean the signed proposal and/or acceptance form provided to the **POLICYHOLDER** by the **INSURER** and subsequently submitted to the **INSURER** by (or on behalf of) the **POLICYHOLDER**

6.23 Policy

Will mean this wording and the **SCHEDULE** and the **PROPOSAL**

6.24 Client

Will mean any legal or natural person to the extent that they have been provided with or have failed to have been provided with **PROFESSIONAL BUSINESS**.

6.25 Loss

Will mean **DEFENCE COSTS**, settlements, damages, compensation, court awards, "peace agreement" amounts and arbitration costs and any other amount which is agreed to in writing by the **INSURER** incurred by or on behalf of an **INSURED** in respect of a **CLAIM**. **LOSS** shall NOT include any taxes unpaid by the **INSURED**, any fines, penalties or punitive damages or the multiple portion of any **MULTIPLE DAMAGES AWARD**.

6.26 Multiple Damages Award

Will mean an additional award made by a competent court in any jurisdiction which imposes a duty on the defendant to pay an amount which is a multiple of the original amount of damages calculated by the court and which constitutes an additional punishment on the defendant.

ENDORSEMENT - **CYBER LOSS EXTENSION**

Subject to all terms, exclusions and conditions of this **POLICY** and subject to the Limit of Liability stated in this Extension, the **INSURER** agrees to indemnify the **INSURED** all sums which the **INSURED** shall become legally obligated to pay as **LOSS**, provided any **CLAIM** made to recover therefore is first made against the **INSURED** within the **POLICY PERIOD** due to a **CYBER LOSS**, and is notified by the **INSURED** to the **INSURER** during or within sixty (60) days after the expiration of the **POLICY PERIOD**.

With respect to coverage under this Extension only:

Additional Definitions

- a. **CYBER LOSS** means any loss, damage, liability, expense, fines or penalties or any other amount directly caused by:
 - (i) the use or operation of any **COMPUTER SYSTEM** or **COMPUTER NETWORK**;
 - (ii) the reduction in or loss of ability to use or operate any **COMPUTER SYSTEM**, **COMPUTER NETWORK** or **DATA**;
 - (iii) access to, processing, transmission, storage or use of any **DATA**;
 - (iv) inability to access, process, transmit, store or use any **DATA**;
 - (v) any error or omission or accident in respect of any **COMPUTER SYSTEM**, **COMPUTER NETWORK** or **DATA**.
- b. Computer Network means a group of **COMPUTER SYSTEMS** and other electronic devices or network facilities connected via a form of communications technology, including the internet, intranet and virtual private networks (VPN), allowing the networked computing devices to exchange **DATA**.

Additional Exclusions

The **INSURER** shall not be liable to make any payment for damages for the following types of loss, damage, or injury, whether caused or contributed to, in whole or in part, directly or indirectly, by risks otherwise insured under this **POLICY**:

- a. any criminal investigations or proceedings or any civil investigations or proceedings initiated by a government agency or authority;
- b. any expense to investigate or correct a deficiency in the **INSURED'S** systems, employee management, vendor management, internal systems, procedures, computer network or system firewalls, computer network or system antivirus or any other physical or procedural security which may have contributed to the **CYBER LOSS**;
- c. reimbursement, compensation, benefits, fees or expenses incurred by the Insured or any of the **INSURED'S** employees;
- d. any other expenses or costs not included within **LOSS**;
- e. any consequential loss;
- f. any threat, extortion or blackmail, including, but not limited to, ransom payments and private security assistance;
- g. any expenses or costs incurred by a third party;
- h. any alleged or actual **CYBER LOSS** arising from lost **DATA** where any Personally Identifiable Information stored was not encrypted.

Limit of Liability

EUR 50,000 each and every **CLAIM** and in the aggregate

The aggregate limit specified above is the total limit of the **INSURERS'** liability for all Damages and Claims Expenses covered under this Extension and occurring during the **POLICY PERIOD**, and is part of and not in addition to the Aggregate **LIMIT OF LIABILITY** of this **POLICY**.

All other terms and conditions of this Insurance remain unchanged.