

**Professional Indemnity Insurance Policy
for Construction Projects**

Important Notice - Please note that this is a Claims Made policy. Accordingly, **Liberty** will only cover the **Insured** in respect of **Claims** which are first made against the **Insured** during the **Policy Period** and reported to **Liberty** during the **Policy Period**. The **Insured** should carefully read all of the **Policy**, including all definitions and, in particular, the exclusions, to ascertain the precise scope of cover afforded by the **Policy**. The **Insured** is advised to consult its insurance agent or broker to ensure a clear understanding of the **Insured's** rights and obligations under the **Policy**.





Policy Schedule

Policy Number HK-SPC-XX-XXXXXXX

Named Insured

Project <Insert Name of Project>

Policy Period From: <time> on <date> local standard time
To: <time> on <date> local standard time

Professional Services

Principal <Insert Name of Principal>

Limit of Liability \$X,000,000

Sub-Limits of Liability
Extension 2.1 Loss of Documents \$X,000
Optional Extension 3.5 Professional Inquiries \$X,000

The **Sub-Limits of Liability** to Extension 2.1 and Optional Extension 3.5 apply in respect of any one claim and in the aggregate. They form part of, and are not in addition to, the **Limit of Liability**.

Excess \$X,000

Retroactive Date

Jurisdiction

Policy Schedule

Policy Wording

LIU HK PI Construction Projects Policy Wording (09-09)

Optional Extensions

3.1 Principal's Indemnity	Included/ Not Included
3.2 Loss Rectification & Mitigation	Included/ Not Included
3.3 Intellectual Property Rights	Included/ Not Included
3.4 Fraud & Dishonesty	Included/ Not Included
3.5 Professional Inquiries	Included/ Not Included
3.6 Pollution	Included/ Not Included
3.7 Consequential Loss	Included/ Not Included
3.8 Pure Economic Loss	Included/ Not Included

Endorsements

This policy is valid only if this schedule is signed and dated below by an Authorised Representative of **Liberty**.

Issued <day> <month> <year> in <Office Location>

**Authorised Representative
of Liberty**

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Professional Indemnity Insurance

In consideration of payment of the **Premium** by the **Named Insured** and subject to all the terms, conditions and exclusions, including all definitions of the **Policy**, **Liberty** agrees as follows:

1. Insuring Clauses

1.1 Professional Liability

Liberty will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging an act, error or omission of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

1.2 Advancement of Defence Costs

Liberty will pay for **Defence Costs** in respect of a **Claim** covered under Insuring Clause 1.1 or under any applicable extension. **Liberty** will pay for these **Defence Costs** as and when they are incurred prior to final resolution of the **Claim**.

However, each **Insured** shall repay to **Liberty** all payments of **Defence Costs** incurred on that **Insured's** behalf if and to the extent it is established that such **Defence Costs** are not insured under the **Policy**.

Defence Costs are subject to the **Excess** and form part of the **Limit of Liability**.

2. Extensions

Subject to all the terms, conditions and exclusions, including all definitions of the **Policy**, **Liberty** further agrees to extend cover provided under the **Policy** as follows:

2.1 Loss of Documents

Liberty will pay on behalf of the **Insured** the costs the **Insured** incurs with the prior written consent of **Liberty** for replacing or restoring any **Documents** which are destroyed, damaged or after diligent search cannot be found.

Such destruction, damage or loss must result solely from the performance of **Professional Services** in respect of the **Project** by the **Insured** and be discovered for the first time during the **Policy Period** and reported to **Liberty** during the **Policy Period**.

Liberty will not pay for any destruction, damage or loss resulting from:

- (a) wear and tear or gradual deterioration;
- (b) any computer virus; or
- (c) an act, error or omission committed or allegedly committed by any person who is not a director, partner or employee of the **Named Insured** at the time the destruction, damage or loss of such **Documents** is first discovered.

The maximum amount payable by **Liberty** under this extension is the applicable **Sub-Limit of Liability**.

Professional Indemnity Insurance

2.2 Defamation

Liberty will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging any libel, slander, defamation or injurious falsehood by the **Insured** in the performance of **Professional Services** in respect of the **Project**. No cover is provided under this extension for any **Claim** resulting from any intentional libel, slander, defamation or injurious falsehood.

2.3 Vicarious Liability

Liberty will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging an act, error or omission by an **Agent** of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

Liberty will not be liable under this extension for the **Agent's** own liability, nor will **Liberty** be prevented from seeking recovery from any **Agent**.

3. Optional Extensions

The following extensions are subject to all the terms, conditions and exclusions, including all definitions of the **Policy**, and shall apply only if they are specifically included in the **Schedule**.

3.1 Principal's Indemnity

Liberty will pay on behalf of the **Principal** the **Loss** which it is legally liable to pay in respect of a **Claim** made against the **Principal** by any person or entity (other than an **Insured**) which results directly from an act, error or omission of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

For the purposes of this extension, the **Principal** shall be deemed to be an **Insured** in the definition of **Claim**, **Loss** and **Defence Costs**.

3.2 Loss Rectification & Mitigation

Liberty will pay to the **Insured** the reasonable direct costs and expenses incurred by the **Insured** in taking action necessary to rectify, or to mitigate the effects of, any act, error or omission of the **Insured** in the performance of **Professional Services** in respect of the **Project** that would otherwise result in a **Claim** covered under the **Policy**, provided always that:

- (a) the **Insured** first discovers such act, error or omission during the **Policy Period** and notifies **Liberty** of such act, error or omission during the **Policy Period**; and
- (b) the **Insured** notifies **Liberty** during the **Policy Period** of its intention to take such action and obtains **Liberty's** written consent prior to incurring any such direct costs or expenses.

Notification under this extension must be given to **Liberty** in accordance with Claims Condition 5.1(a) and the **Insured** must give **Liberty** such information and cooperation as it may reasonably require in accordance with Claims Condition 5.1(b).

Professional Indemnity Insurance

3.3 Intellectual Property Rights

Notwithstanding Exclusion 4.3 in respect of "Intellectual Property Rights", **Liberty** will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging the **Insured** has infringed **Intellectual Property Rights** in the performance of **Professional Services** in respect of the **Project**.

However, no cover is provided under this extension in respect of a **Claim**:

- (a) resulting from any intentional infringement of **Intellectual Property Rights**; or
- (b) arising out of or in any way connected with:
 - (i) legal or regulatory proceedings brought within the United States of America and/or Canada or any of their territories or protectorates;
 - (ii) the enforcement of any judgment, award or regulatory order obtained within or determined pursuant to the laws of the United States of America and/or Canada or any of their territories or protectorates; or
 - (iii) legal or regulatory proceedings in which the laws of the United States of America and/or Canada or any of their territories or protectorates are applicable even if only to a limited extent.

3.4 Fraud & Dishonesty

Notwithstanding Exclusion 4.4 in respect of "Fraud & Dishonesty", **Liberty** will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging fraudulent or dishonest conduct of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

However, no cover is provided under this extension:

- (a) to any person, company or other entity who has committed or condoned the fraudulent or dishonest conduct; or
- (b) in respect of a **Claim** arising from or in any way connected with loss of **Money**.

3.5 Professional Inquiries

Liberty will pay on behalf of the **Insured** the reasonable and necessary costs and expenses incurred by the **Insured** (but excluding the **Insured's** salaries, wages, fees, commissions, awards, bonuses, travel and accommodation expenses) in preparing for and attending a **Professional Inquiry** provided that:

- (a) such costs and expenses were incurred with the prior written consent of **Liberty** which consent will not be unreasonably withheld; and
- (b) the notice requiring the **Insured** to attend the **Professional Inquiry** is first served upon the **Insured** during the **Policy Period** and reported to **Liberty** during the **Policy Period**.

The **Insured** shall repay to **Liberty** all payments of **Professional Inquiry** representation costs and expenses incurred on the **Insured's** behalf if and to the extent it is established that such **Professional Inquiry** representation costs and expenses are not insured under the **Policy**.

The maximum amount payable by **Liberty** under this extension is the applicable **Sub-Limit of Liability**.

Professional Indemnity Insurance

3.6 Pollution

Notwithstanding Exclusion 4.11 in respect of "Pollution", **Liberty** will pay on behalf of the **Insured** the **Loss** which the **Insured** is legally liable to pay in respect of a **Claim** alleging the presence, discharge, dispersal, release or escape of any **Pollutant** or the cost of removing, nullifying or cleaning up any **Pollutant** in the performance of **Professional Services** in respect of the **Project**.

3.7 Consequential Loss

Notwithstanding Exclusion 4.16 in respect of "Consequential Loss", **Liberty** will pay on behalf of the **Insured** the **Loss** which it is legally liable to pay for consequential losses flowing from property damage in respect of a **Claim** alleging an act, error or omission of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

3.8 Pure Economic Loss

Notwithstanding Exclusion 4.16 in respect of "Consequential Loss", **Liberty** will pay on behalf of the **Insured** the **Loss** which it is legally liable to pay for consequential losses which do not flow from personal injury and/or property damage in respect of a **Claim** alleging an act, error or omission of the **Insured** in the performance of **Professional Services** in respect of the **Project**.

4. Exclusions

Liberty will not pay for any **Loss**, **Defence Costs** or any other amounts insured under the **Policy** for, arising out of, or in any way connected with:

4.1 Contractual Liability & Commercial Risks

- (a) a liability which the **Insured** has assumed under a contract unless such liability would have attached in the absence of such contract;
- (b) the insolvency, receivership, administration, bankruptcy or liquidation of the **Insured** or any party involved in the **Project**;
- (c) the failure to provide, effect, or maintain any bond, surety or insurance.
- (d) any trading debt incurred by the **Insured**;
- (e) the refund of professional fees; or
- (f) any guarantee given by the **Insured** for a debt.

4.2 Employer's Liability

death, bodily or mental injury, sickness or disease, emotional distress or mental anguish of any actual or deemed employee of the **Insured**.

4.3 Intellectual Property Rights

any actual, potential or alleged infringement of **Intellectual Property Rights**.

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4.4 Fraud & Dishonesty

- (a) any fraudulent, criminal, wilfully reckless, malicious or dishonest act, error or omission including any intentional violation or breach of any law or regulation committed or allegedly committed by the **Insured**;
- (b) any actual or alleged payments, commissions, gratuities, bribes, political contributions, benefits or any other favours to or for the benefit of any domestic or foreign governments, government officials or agents; or
- (c) any act, error or omission which is uninsurable under the law.

4.5 Prior Matters

- (a) any written demand or legal proceedings for compensation or **Professional Inquiry** made, threatened, intimated against or involving the **Insured** prior to the commencement of the **Policy Period** that might give rise to a claim under the **Policy**;
- (b) any facts that, before the commencement of the **Policy Period**, the **Insured** was aware, or a reasonable person would have been aware, might give rise to a claim under the **Policy**;
- (c) any facts that might give rise to a claim under the **Policy** which have been reported, or which can be or could have been reported, to an insurer under any insurance policy entered into before the commencement of the **Policy Period**;
- (d) any facts that might give rise to a claim under the **Policy** which have been disclosed to any insurer in any proposal for insurance before the commencement of the **Policy Period**; or
- (e) any facts that might give rise to a claim under the **Policy** which were disclosed to **Liberty** in the **Proposal**.

4.6 Related Parties

any **Claim** made by or on behalf of:

- (a) one or more **Insured**;
- (b) a child, sibling, spouse or partner of an **Insured** or a parent of a spouse or partner of an **Insured**;
- (c) any entity which is owned, controlled or managed by any **Insured**; or
- (d) any parent company or other entity which owns, controls or manages any **Insured**.

4.7 Owners & Occupiers Liability

the ownership, management, control or occupation of real property by the **Insured**.

4.8 Aircraft & Watercraft

the operation, ownership, maintenance or use of aircraft or watercraft.

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4.9 War, Terrorism & Nuclear

- (a) war (whether declared or not), civil disturbance or riot;
- (b) any actual or threatened act of **Terrorism** or any action taken to, or taken in an attempt to, control, prevent or suppress any act of **Terrorism**.
- (c) ionising radiation or contamination by radioactivity from any nuclear fuel or any waste from the combustion of nuclear fuel; or
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear weapon, installation, reactor or other nuclear assembly or nuclear component thereof.

4.10 Asbestos

asbestos, asbestos fibres or derivatives of asbestos.

4.11 Pollution

the actual or alleged presence, discharge, dispersal, release or escape of any **Pollutant** or the cost of removing, nullifying or cleaning up any **Pollutant**.

4.12 Product Defects & Recall

- (a) any defect or alleged defect in any product or good manufactured, supplied, sold, installed, assembled, repaired, erected or maintained by the **Insured**; or
- (b) any cost or expense incurred in withdrawing any product or good from sale or recalling any product or good.

4.13 Licensing Inquiries

any prosecution, inquiry, hearing, commission or other investigation in relation to the **Insured** failing to be properly licensed, registered or accredited to provide **Professional Services** in respect of the **Project** as required by any law or other regulation including industry codes of practice.

4.14 Retroactive Limitation

any act, error or omission committed or allegedly committed prior to the **Retroactive Date**.

4.15 Jurisdiction

- (a) legal or regulatory proceedings brought outside of the **Jurisdiction**;
- (b) the enforcement of any judgment, award or regulatory order obtained within or determined pursuant to the laws of any country or jurisdiction outside of the **Jurisdiction**; or
- (c) legal or regulatory proceedings in which the laws of any country or jurisdiction outside the **Jurisdiction** are applicable even if only to a limited extent.

In addition, the following exclusion applies:

4.16 Consequential Loss

Liberty will not pay for any consequential losses other than consequential losses flowing from personal injury.

5. Claims Conditions

5.1 Notification of Claims & Co-operation

It is a condition precedent to cover under the **Policy** that as soon as the **Insured** becomes aware of a **Claim** or **Professional Inquiry** during the **Policy Period**, the **Insured** must immediately notify **Liberty** in writing of the **Claim** or **Professional Inquiry**.

Where the **Insured** becomes aware of facts that might give rise to a **Claim** against the **Insured** or a **Professional Inquiry** that might involve the **Insured**, during the **Policy Period** then the **Insured** may elect to report those facts in writing to **Liberty** as soon as the **Insured** becomes aware of those facts but before the end of the **Policy Period** in which case any **Claim** or **Professional Inquiry** that subsequently arises out of those facts shall be deemed to have been reported to **Liberty** at the time those facts were reported to **Liberty**.

All notifications must be sent to:

The Claims Department
Liberty International Underwriters
Suite 2401-2404
24/F Cityplaza One
1111 King's Road
Tai Koo Shing
Hong Kong
Tel: +852-3655 2600
Fax: +852-3655 2699

If the **Insured** reports a **Claim** or **Professional Inquiry**, or facts that might give rise to a **Claim** or **Inquiry**, to **Liberty** then the **Insured** must give **Liberty** such information and co-operation as it may reasonably require including but not limited to:

- (a) a description of the **Claim** or **Professional Inquiry**;
- (b) the nature of the alleged act, error or omission;
- (c) the nature of the alleged or potential loss;
- (d) the names of actual or potential claimants; and
- (e) the manner in which the **Insured** first became aware of the **Claim** or **Professional Inquiry**.

If **Loss**, **Defence Costs** or any other amounts insured under the **Policy** are also potentially insured under any other insurance policy or policies, then the **Insured** must advise **Liberty** at the time of making a claim under the **Policy**, and provide **Liberty** with details of the other insurance.

Professional Indemnity Insurance

5.2 Defence & Settlement

Liberty may, in its absolute discretion, take over the conduct of any investigation, settlement or defence of any **Claim**.

It is a condition precedent to cover under the **Policy** that the **Insured** must:

- (a) take all reasonable steps to mitigate loss;
- (b) not agree to any waiver or limitation of or delay as to their legal rights of recovery against any other party;
- (c) not admit liability, negotiate any settlement, enter into any settlement agreement or incur any **Defence Costs** without the prior written consent of **Liberty**; and
- (d) give **Liberty** all the information and assistance that **Liberty** requires for the purpose of investigating:
 - (i) the cause and consequences of any **Claim**;
 - (ii) the **Insured's** liability to any party in respect of any **Claim**; and
 - (iii) whether **Liberty** has any liability to the **Insured** under the **Policy** and, if so, the extent of its liability;and, where applicable, conducting the defence of any **Claim**.

5.3 Other Insurance

If at the time of any claim under the **Policy** there is or would be but for the existence of the **Policy** any other policy of indemnity or insurance in favour of or effected by or on behalf of the **Insured** applicable to such claim, **Liberty** shall not be liable under the **Policy** to indemnify the **Insured** for such claim except insofar as it concerns any excess beyond the amount which would be payable under such indemnity or insurance had the **Policy** not been effected.

5.4 Allocation

In the event the **Insured** is a party to a demand, legal proceedings, inquiry or hearing which is covered only in part by the **Policy**, the **Insured** and **Liberty** will use their best efforts to agree upon a fair and proper allocation of **Loss**, **Defence Costs** or any other amount insured under the **Policy** which relate solely to what is covered under the **Policy**.

In the event that an agreement cannot be reached **Senior Counsel** shall determine, as an expert but not an arbitrator, a fair and proper allocation. Until **Senior Counsel** has made his or her determination **Liberty** may, in its absolute discretion, pay such **Loss**, **Defence Costs** or any other amount insured under the **Policy** as it considers appropriate.

5.5 Requirement to Contest a Claim

Liberty shall not require the **Insured** to contest any **Claim** unless **Senior Counsel** advises that such **Claim** should be contested. In formulating such advice, **Senior Counsel** shall take into consideration the economics of the matter (including potential **Loss** and **Defence Costs**) and the prospects of the **Insured** successfully defending the **Claim**. The cost of such **Senior Counsel's** opinion shall be deemed to be part of **Defence Costs**.

In the event that **Senior Counsel** recommends settlement in respect of a **Claim** and the **Insured** does not agree that such **Claim** should be settled, the **Insured** may elect to contest such **Claim** provided always that the liability of **Liberty** shall not exceed the amount for which the **Claim** could have been settled plus **Defence Costs** incurred with **Liberty's** prior written consent up to the date of such election.

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5.6 Subrogation

If **Liberty** grants indemnity under the **Policy**, then **Liberty** shall be subrogated to the **Insured's** rights of recovery against any person or entity whether or not payment has in fact been made and whether or not the **Insured** has been compensated in full for their loss. Each **Insured** must, at its own cost, provide all reasonable assistance to **Liberty** (including, but not limited to giving information, signing documents and giving evidence) to help enforce those rights.

The **Insured** must not do anything that may prejudice **Liberty's** position or its potential or actual rights of recovery against any party. Any amounts recovered by **Liberty** in excess of **Liberty's** total payment to the **Insured** (including **Defence Costs**) shall be restored to the **Insured** less the cost to **Liberty** of such recovery.

6. General Conditions

6.1 Premium Payment Warranty

The full **Premium** is earned and due to **Liberty** at the commencement of the **Policy Period**. Time is of the essence for payment of the **Premium** and the **Named Insured** warrants that the **Premium** will be paid and actually received in full by **Liberty** no later than 60 days from the commencement of the **Policy Period**.

In the event of breach of the above warranty, **Liberty** will have the right to terminate the **Policy**. Upon termination **Liberty** will be discharged from all further liability under the **Policy**. The **Named Insured's** obligation to pay the **Premium** in full continues after a termination for breach of the above warranty. It is further agreed that **Liberty** will have the right to reject any claim made under the **Policy** prior to payment of the **Premium** in full. **Liberty** agrees to withdraw any rejection made solely on the basis of non-payment of the **Premium** following payment of the **Premium** in full.

6.2 Material Change to Risk

It is a condition precedent to cover under the **Policy** that the **Insured** must, within 30 days of a material change to the risk that is the subject of the **Policy**, notify **Liberty** in writing of that change. In that event, **Liberty** reserves the right to impose additional terms and conditions and to charge an additional premium.

6.3 Limit of Liability

The maximum amount payable by **Liberty** under the **Policy** is the **Limit of Liability**. The **Limit of Liability** is inclusive of **Loss**, **Defence Costs**, **Sub-Limits of Liability** and any other amounts insured under the **Policy**.

6.4 Excess

Liberty will only pay in respect of each **Loss** (or alleged **Loss**) and associated **Defence Costs** and other amounts insured under the **Policy**, the amount which is above the **Excess**. The **Excess** shall be the first amount borne by the **Insured** and shall remain uninsured.

6.5 Assignment

The **Policy** and any rights under or in respect of it cannot be assigned without **Liberty's** prior written consent.

Professional Indemnity Insurance

6.6 Valuation & Foreign Currency

All amounts referred to in the **Policy** are expressed and payable in the currency specified in the **Schedule**. If judgment is rendered, settlement is negotiated or any element of **Loss, Defence Costs** or any other amount insured under the **Policy** is stated in a currency other than the currency specified in the **Schedule**, then payment under the **Policy** shall be made in that currency at the rate of exchange for the purchase of the currency specified in the **Schedule** published in the South China Morning Post on the date, or if not published on that date then immediately thereafter, the final judgment is reached or the settlement is agreed upon.

6.7 Notices

Any notice given to **Liberty** under the **Policy** must be in writing and sent to the address specified in Claims Condition 5.1. A notice served by post, if not received earlier, is taken to have been received on the next day after posting. A notice served by fax is taken to be served only if a complete and correct transmission report is received and it is taken to be received by the addressee (whether it is in fact received or not) on the day of transmission.

6.8 Governing Law

The **Policy** is governed by the law in force in Hong Kong.

6.9 Mediation & Arbitration

In the event there is a dispute arising from or relating to the construction or operation of the provisions of the **Policy**, or any question regarding the existence, validity or termination of the **Policy**, the dispute must first be referred to mediation at the Hong Kong International Arbitration Centre and in accordance with the Centre's Mediation rules. The **Insured** and **Liberty** agree to participate in the mediation in good faith and to be bound by the terms of any settlement.

If the dispute is not resolved at mediation, the dispute must be referred to arbitration at the Hong Kong International Arbitration Centre for final determination in accordance with the Centre's Arbitration rules. The tribunal will consist of one arbitrator to be appointed by the Chairman of the Arbitration Centre and the language of the arbitration will be English.

6.10 Policy Interpretation & Construction

The headings in the **Policy** are for descriptive purposes only and do not form part of the **Policy** for the purpose of its construction or operation. Words used in the singular shall include the plural and vice versa. For the meaning of any words in bold refer to the **Schedule** and Section 7 - Definitions.

7. Definitions

In the **Policy**:

- 7.1 Agent** means a natural person, company or other entity who has or had a written contract with a **Named Insured** under which the **Named Insured** engages the natural person or company or other entity to act for or on behalf of the **Named Insured** in the performance of **Professional Services** in respect of the **Project**.
- 7.2 Claim** means any written demand or legal proceedings for compensation first made against the **Insured** during the **Policy Period**, and reported to **Liberty** during the **Policy Period**, which may result in **Loss, Defence Costs** or any other amounts insured under the **Policy**.
- 7.3 Defence Costs** means:
- (a) reasonable and necessary costs and expenses incurred by **Liberty**, or by the **Insured** but only with **Liberty's** prior written consent (which shall not be unreasonably withheld), solely for the benefit of the **Insured** in the investigation, settlement, defence or appeal of any **Claim** covered under the **Policy**; and
 - (b) the costs of obtaining **Senior Counsel's** advice or determination under the **Policy**.
- Defence Costs** does not include salaries, wages, allowances, fees, commissions, awards, bonuses, travel or accommodation expenses.
- 7.4 Document** means a document of any nature whether written, printed or reproduced by any method, including computer records or electronic data, in the possession or control of the **Insured** or the property of the **Insured** but does not include **Money**.
- 7.5 Insured** means each of the following:
- (a) the **Named Insured**;
 - (b) any past, present or future director, partner or employee of the **Named Insured** but only in relation to **Professional Services** performed in respect of the **Project** for or on behalf of the **Named Insured** whilst they are a director, partner or employee of the **Named Insured**; and
 - (c) in the event of the death or incapacity of any person described in paragraph (b), the estate, heirs, legal representatives or assigns of any such person.
- 7.6 Intellectual Property Rights** means all existing and future intellectual property rights throughout the world in whatever media, whether registered or unregistered and whether or not capable of registration, including but not limited to all copyright, patents, trade marks, trade names, domain names, brand names, slogans, logos, emblems and designs (and all applications or renewals for the protection or registration of these rights) together with all confidential information including trade secrets, know-how, formulae, methods, routines and other proprietary technology.
- 7.7 Liberty** means Liberty Mutual Insurance Europe Limited, a company incorporated in the United Kingdom trading as Liberty International Underwriters.

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7.8 Loss means:

- (a) damages or claimant's costs or both payable by the **Insured** pursuant to an award or judgment entered against the **Insured**;
- (b) settlements negotiated by **Liberty** and consented to by the **Insured**; or
- (c) settlements negotiated by the **Insured** but only with the prior written consent of **Liberty**.

Loss does not include any:

- (i) amounts uninsurable at law;
- (ii) wages, salaries, allowances, fees, commissions, awards, bonuses, travel or accommodation costs incurred by the **Insured** in assessing, investigating, dealing with or assisting others to deal with the claim;
- (iii) fines or penalties; or
- (iv) exemplary, aggravated, multiple or punitive damages.

All **Loss** attributable to one source or originating cause shall be deemed one **Loss**.

7.9 Money means shares, bonds, currency, coins, bank notes, bullion, precious metals, gems, jewellery, coupons, stamps, cheques, travellers' cheques, registered cheques, postal orders and money orders.

7.10 Policy means this policy wording, any endorsements to it, the **Schedule** and the **Proposal**.

7.11 Policy Period means the period of time specified in the **Schedule** unless the **Policy** is cancelled in which event the **Policy Period** will end on the effective date of the cancellation.

7.12 Pollutant means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, noise, acids, alkalis, compounds, chemicals, including derivatives, mould or waste. Waste includes materials to be recycled, reconditioned or reclaimed.

7.13 Premium means the amount payable by the **Named Insured** for the **Policy** including any applicable charges advised by **Liberty**.

7.14 Professional Inquiry means any administrative or regulatory proceeding, official investigation, inquiry or hearing into the performance of **Professional Services** in respect of the **Project** by the **Insured** which an **Insured** is legally required to attend if findings from such proceeding, investigation, inquiry or hearing could lead to a **Claim** being made against the **Insured** which may be covered under the **Policy**.

7.15 Proposal means the proposal form and any other information submitted by the **Insured** in applying for this insurance.

Professional Indemnity Insurance

- 7.16 Senior Counsel** means a Senior Counsel to be mutually agreed upon by **Liberty** and the **Insured** or, in the absence of agreement, to be appointed by the current President of the Law Society of Hong Kong.
- 7.17 Schedule** means the schedule attached to the **Policy** and signed by an Authorised Representative of **Liberty**.
- 7.18 Terrorism** means an act or acts by any person or group of persons or government causing or threatening to cause any harm of any nature for political, religious, ideological, ethnic or similar purpose and/or to intimidate or influence any government or the public or any section of the public.

Specimen