

PROFESSIONAL INDEMNITY INSURANCE

Insurance Product Information Document



Company: UAB „Prokopius“ (Prokopius Underwriting Agency, Lithuania) is an official Lloyd’s Coverholder, authorized to enter into contracts of insurance, collect premiums, handle claims and perform other functions on behalf of Lloyd’s Insurance Company S.A. - insurance company authorised and regulated by the National Bank of Belgium (NBB) and regulated by the Financial Services and Markets Authority (FSMA) (Ref. 3094).

This document provides a user-friendly description of insurance product and its purpose, but it is not a formal part of the insurance contract. Full terms and conditions can be found in documents constituting insurance contract – Policy Schedule and Wording.

What is this type of Insurance?

Professional indemnity insurance is designed for services sector, whose business activities output (product/deliverable) manifests itself as intellectual work, consultancy, advice, design, specification, document, certificate, software, digital, information (as oppose to manual labour or tangible Products).

Professional Indemnity insurance covers **claims** made against You for losses caused to Your Clients or any other persons in the conduct of Your Professional Services, claiming You are liable for such losses.

What Is Insured?

Professional Indemnity insurance covers:

- ✓ **Claims** made against You (Insured)
 - ✓ for losses caused to Your Clients or any other persons in the conduct of Your Professional Business
 - ✓ Claiming You (Insured) are liable for such losses
- ✓ Including:
 - ✓ Loss caused by any Subcontractor
 - ✓ Liability of all Subsidiaries of the Insured
- ✓ Losses covered
 - ✓ Loss to Claimant for which Insured is liable
 - ✓ Legal defence expenses necessary to respond to Claim thoroughly on behalf of Insured

Extensions (optional):

- ✓ Restoration of lost or damaged documents (including electronic data)
- ✓ Loss caused by employee dishonesty or crime
- ✓ Crisis Management and Public Relations Costs following Critical Event to Company:
 - ✓ Claim covered under this Policy or
 - ✓ Criminal Investigation commenced against Company’s activities
 - ✓ Unauthorized access to (or manipulation of) Company’s computer systems
 - ✓ Loss of a major income stream which constitutes 25%+ of Company’s annual revenue
- ✓ Premises (real estate occupant’s) liability

What Is Not Insured?

Following Claims are not covered:

- ✗ Claims made prior to Policy Period
- ✗ Claims emanating from facts or circumstances known prior to Policy Period
- ✗ Claims emanating from acts committed prior to Retroactive Date stated in the Policy
- ✗ Claims made by persons associated with Insured (You, employees, subsidiaries)
- ✗ Excessive Liability assumed/admitted by Insured that exceeds legal liability by law (when Insured would have not been liable without such express agreement or contract clause)
- ✗ Claims arising from insolvency, bankruptcy, administration or liquidation or other financial failure of an Insured
- ✗ Claims arising from fluctuations in any financial stock or commodity or other markets which are outside the influence or control of the Insured

Claims that are supposed to be covered under other types of insurance, e.g.:

- ✗ General liability insurance - claims for bodily injury, damage to tangible property or environment that arises from manual work or tangible Products provided
- ✗ Directors and Officers personal liability

Where Am I Covered?

- ✓ Your cover is **global** unless specifically stated in the Policy otherwise. Cover in USA and Canada is often restricted, so please specify at application stage if cover in these countries is required.



Are There Any Restrictions On Cover?

- ! Insurer does not cover the first amount of each claim (known as the excess/deductible) as shown in the Policy
- ! Maximum amount payable by Insurer is specified in limits section in the Policy. Policy may also note sublimits applicable for a particular cover.
- ! Pay great attention to special conditions noted in Your Policy, these may specify restrictions applicable
- ! Some Extensions are optional – please refer to Your Policy if particular extensions are awarded
- ! Prior written consent from the Insurer may be needed before the Insurer agrees to indemnify particular losses or expenses (e.g. legal defence costs).



What Are My Obligations?

obligations at the start of the contract:

- 1) Provide true and complete info which is requested at application stage (including in proposal form) – it is **material risk details** and has legal weight to Your insurance cover.
- 2) Pay premium by the due date stated in the Policy.

obligations during the term of the contract:

- 1) Notify Prokopius (directly or via Your Broker) of any **material changes to risk details** as soon as practicable.

obligations in the event that a claim is made:

- 1) Notify Insurer about the claim (covered event or known circumstance that may lead to covered event) as soon as practicable, in writing to claims@prokopius.com or via Your Broker.
- 2) Take necessary reasonable measures to mitigate the loss (if such measures exist).
- 3) Provide details about the covered event necessary for the Insurer to evaluate circumstances and consequences of the covered event and amount of the insurance settlement applicable.
- 4) If a claim is made against you, organize legal defence, make proposals to the Insurer about how this claim should be defended in Your opinion, including proposed lawyers and their rates.
- 5) Make sure to respond to claim in applicable timeframe in law (especially in court).
- 6) Do not admit liability (even in part) without Insurer's prior written consent.



When And How Do I Pay?

WHEN The insurance premium must be paid by the due date stated in the Policy.

HOW Via any payment services provider that execute transfer to the bank account specified in the Policy or corresponding Debit Note. While making a transfer please make sure respective Policy Number is specified in the payment details.



When Does The Cover Start And End?

Cover starts and ends on the dates specified in Policy Period section of the Policy. Usual duration of Policy Period is 12 months. Payment of insurance premium on time is a necessary condition for the Cover to come into force. Cover may end prior to date specified in Policy Period section if Policy is terminated in writing.



How Do I Cancel The Contract?

You can terminate the insurance contract by submitting a written request of cancellation to info@prokopius.com or via Your Broker.