

Professional Liability

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This agreement corresponds to - unless parties explicitly agreed upon otherwise - the requirement of uncertainty as stated in article 7:925 CC, if and as far as the *damage* suffered by a *third party* claims towards an *insured*, is the consequence of *acting or refrain from acting* for which at time of entering into the insurance for parties it was unsure that *damage* had occurred for the *third party* and / or could occur under regular circumstances.

ARTICLE 1

TERM DESCRIPTIONS

These General Terms and Conditions mean the following with:

1.1 Policyholder

The person with whom the insurance contract is entered into.

1.2 Insured

1.2.1 The policy in his capacity as described in the policy.

1.2.2 Natural or legal persons, different than described in the policy as insured, in the capacity as described in the policy.

1.2.3 The partners, commissioners and managers of the insured as stated in the articles 1.2.1 and 1.2.2, acting as such.

1.2.4 The staff associations, pension funds, and other funds, institutions and foundations established in the framework of the employment relations between the insured as stated in the articles 1.2.1 and 1.2.2 and their subordinates, as well as the managers of those, acting as such.

1.2.5 The subordinates, apprentices, volunteers, family members and house mates of the insured as stated in the articles 1.2.1 up to and including 1.2.4, as far as they perform activities within the scope of the insured capacity.

1.2.6 This insurance does not apply to an establishment abroad or a subordinate of that, unless explicitly agreed upon otherwise.

1.3 Insurers

Those who bear the insured risk together, all for their own part in the insured amount.

1.4 Third part(y)ies

Everyone, except the liable insured.

1.5 Damage

With this is meant in the framework of this insurance:

Financial loss, with the exception of personal injury and property damage.

1.5.1 Financial loss

Every monetary damage of the capital that is not caused by personal injury or property damage.

1.5.2 Personal Injury:

Injury or damage to the health of persons, with death as a consequence or not, including the damage originating from that.

1.5.3 Property Damage

1.5.3.1 Damage, destruction or loss of matters of third parties, including the monetary consequences of that.

1.5.3.2 Property damage also includes the pollution or filthening of matters or matters on or in that.

1.6 Environmental Degradation

The emission, discharge, seeping, release or escape of liquid, fixed or gas substances, as far as this has a tingling, polluting or decay causing effect on the soil, the air, the waster surface or any water(course) that is underground or not.

1.6 Salvage Costs

Cost of measures:

- During the period of validity of the insurance or by behalf of the insured are affected and
- Reasonable and necessary for the imminent danger of damage to prevent or reduce.

Under salvage also covers damage occurs to matters in taking the above measures are employed.

1.8 Claim

A claim against insured for compensation of damage, originating from act or neglect. Claims, against more insured or not, are considered as one claim when they are related to each other or originate from each other, or when they act or neglect from the same or originate from the same consecutive act or neglect and are considered to be reported at the insurer at the time the first claim is reported.

1.9 Circumstances

One or more facts from which a realistic threat for a claim can be derived. As such are considered facts with regard to which insured can concretely report from what act or neglect the claim can originate and from whom the claim can be expected.

1.10 Act or Neglect

A behaviour of insured from which a claim originates. With a behaviour from insured is equated a loss event that is exclusively at the account of insured capacity by law or common views.

1.11 Error

An act, error, omission, negligence made during activities by the insured(s) from which a claim arises.

1.12 Validity

The period from commencing date of the insurance to the termination date of the insurance.

1.13 Insurance Year

A period of twelve (12) months from the premium due date and every following equal period. If the period from the commencing date of the insurance up to the Premium due date or from the Premium due date up to the termination date is shorter than twelve (12) months, such period is also considered an insurance year.

At validity shorter than twelve (12) months, the insurance year is the same as the validity.

ARTICLE 2

EXTENT OF THE COVER

2.1 Liability

2.1.1 Insured is the liability of the insured for an error made during activities in the insured capacity for claims of third parties:

- The insured is held liable for the first time during the period of validity of the insurance and
- The written notification is received by the insurer during the period of validity of the insurance and
- The claim or circumstance was, at the inception date of this insurance, not known by the policyholder.

2.1.2 If a circumstance is reported during the validity of the insurance for the first time at the insurer in writing, notwithstanding the stated in article 4, the claim originating from that - regardless at what time - is deemed to be set and reported at the date of report of this circumstance.

The date of this first written report to insurer of the claim or circumstance is qualifying for the insurance year that the relevant claim or circumstance is ascribed to.

2.1.3 Other insured than policyholder can only derive rights from this insurance by means of a written statement to that effect, made by policyholder towards insurer.

2.2 Insured Amount

Insurer compensates respectively the maximum of the insured amounts exceeding the own risk as stated in the policy for all insured together per claim, respectively per policy year.

2.3 Accumulation

If in case of damage the liability of insured is insured under more than one of the sections that are declared applicable, the insured amounts of these sections will not accumulate. The highest applicable insured amount, respectively per insurance year, will never be applicable more than once per claim.

If in case of damage more own risks are applicable, the own risks will not accumulate. The highest applicable own risk will never be valid more than once.

2.4 Extra Compensations

If necessary, insurer compensates per claim or per insurance year the costs mentioned hereafter exceeding the insured amount:

2.4.1 The salvage costs.

These will only be paid if the insured person (s) is liable for the damage and if this insurance covers the claim.

2.4.2 The costs of defence, under which is meant all or with authorization of insurer made costs for defence and legal aid, also when it concerns unfounded claims or prosecution.

2.4.2 The legal interest on the part covered by insurance of the capital sum.

2.4.4 Security Deposit

If the policy schedule states an amount per security and in case of damage, for which insured is held liable - and this insurance offers coverage - on the instructions of the authorized government, respectively judge, has to be given security, insurer will give this security and will bear the costs related to that, up to the amount as stated on the policy schedule per security.

2.4.5 The own risk does not apply to these extra compensations. These extra compensations together are maximized to an amount that equals the insured amount for the relevant claim as the very highest.

2.5 Policy Territory

The policy territory of this insurance is the Netherlands. If coverage abroad is explicitly agreed upon and taken up in the policy schedule, only coverage is offered for claims that originate from act or neglect by establishments that are located in the Netherlands.

However, not covered are claims originating from matters delivered and / or performed and / or invoiced activities respectively for clients in the USA and / or Canada, if these claims are against insured on the basis of the US law and / or Canada law, or if these are based on legal statements by any legal institution in the USA and / or Canada.

2.6 Pre-existing Risk

2.6.1 Excluded are claims or circumstances arising from:

- Mistakes made before the effective date of the insurance;
- Errors that an insured has made before his liability was insured.

If the claims or circumstances arising from the same error, constant error, or successive failures with the same cause, the date when the first error is made or the continual error has begun, decisive for the application of this exclusion.

2.6.2 If explicitly agreed upon and taken up on the policy schedule, insured agreements or circumstances that originate from act or neglect that has taken place before commencement date of the insurance, but after the "retro-active" date as stated on the policy schedule, provided that the policyholder or insured that is held liable was not familiar with the claim, respectively the circumstance, when entering into the insurance.

2.7 Subsequent Notification

2.7.1 At an entire or partial switching of a part accepted by insurer or at termination of this insurance, the insured has to be familiar with the circumstances before the switch / termination, as well as agreements for compensation that have been made before switch / termination against insured but that not have been reported to insurer yet, with due regard of the stated in article 4, are considered to be reported to insurer at the moment directly before switch / termination, provided that the written report to insurer has taken place within three (3) months after switch / termination.

2.7.2 If the insurance terminates due to completion of the company or termination of the profession of insured, as stated in article 8.3, the policyholder is entitled to extend the duration of registration before date of termination up to five (5) years for claims that originate from act or neglect, that has taken place before date of termination. Insurer is entitled to demand a supplementary premium and / or adjustment of these conditions for this extension.

2.8 Concurrence

In deviation of the stated in article 7:961 CC, the following is applicable:

2.8.1 If turns out that a claim covered by this insurance is also covered by another insurance, present insurance is surplus of the other insurance(s), respectively as coverage for the difference in conditions.

2.8.2 If the other insurance(s) contains the same stipulation as stated in previous subsection or a stipulation with the same tenor, or if the loss adjustment causes problems under that insurance(s), the insurer will handle the loss. Insurer compensates up to an amount equal to the compensation that would have been offered if the other insurance(s) would not have existed. Insured is committed to assign his claim to insurer(s) of the other insurance(s) of insurer. The assignment only relates to that part of the paid compensation by the insurer that exceeds the amount that insurer would have been indebted if only present policy would have come up. The own risk that is present by virtue of the other insurance(s) remains excluded of the coverage.

ARTICLE 3

EXCLUSIONS

3.1 Personal Injury and Property Damage

Not insured are claims originating from or related to personal injury and / or property damage, unless this is directly related to advice, specifications or calculations provided by the insured.

3.2 Performed Activities

3.2.1 Not covered are the fee, salary, disbursements and expenses of an insured if the insured, as a result of his error which he has made, cannot charge the client for this or if the client is entitled to recover this from him.

3.2.2 There is no cover provided for the liability of an insured for damages and costs which consist wholly or partly redo, improve or still performing by the insured is not properly carried out or not including delay damages resulting there from and any by whom the damage was suffered or costs incurred, unless such costs are to be regarded as salvage.

3.3 Liability Increasing Stipulations

Not covered are claims arising from, related to:

- The promise, guarantee results, yields rentabiliteiten, etc.;
- Exceeding of deadlines, prices or costs;
- A fine, compensation, guarantee, safeguard, or any term of similar import, unless and for if the liability also would have prevailed without these terms.

3.4 Software and Hardware

Excluded is the liability for damage caused by development of Software.

3.5 Intent

In deviation of the stated in article 7:952 CC, claims for compensation of damage, if this damage for the insured that is held liable was the intent or the consequence of his act or neglect. The liability of insured for his subordinate(s) for deliberate damage is covered, provided that insured cannot be blamed for this at the time of the deliberately caused damage. At the application of this exclusion to legal persons, only intent of the operator in the sense of book 2 Civil Code will be considered as intent of the legal person; in case of general partnerships or limited partnerships only the intent of the general partner.

3.6 Molestation

Not covered are claims for compensation of damage caused by or originating from molestation.

With molestation is meant:

Armed conflict: every case in which States or other organized parties challenge one another, while using military weapons.

With armed conflict is also meant the armed acting of a Peace Force of the United Nations.

Civil War: a more or less organized violent battle between inhabitants of one State, at which an important part of the inhabitants of that State is involved.

Uprising: organized violent resistance within a State towards the public authority.

Inland Riots: more or less organized violent acts on different places within a State.

Revolt: a more or less organized local, violent movement towards public authority.

Mutiny: a more or less organized violent movement of members of any armed power towards the authority they are under.

These descriptions are part of the text that the Dutch Association of Insurers deposited at the court registry of the District Court of The Hague at November 2 1981.

3.7 Nuclear Reaction

Not covered are claims for compensation of damage caused by, occurred by or originating from nuclear reactions, irrespective of how the reaction has occurred. Covered are claims for compensation of damage caused by radioactive nuclides that are located outside a nuclear system and are used or made for being used for industrial, commercial, agricultural, medical, scientific, educational or (non-military) safety goals, provided that a governmental licence is effective (as far as required) for the manufacture, usage, storage and the release of radioactive substances.

With nuclear systems is meant a nuclear system in the sense of the Nuclear Incidents Act (Bulletin of Acts and Decrees 1979 - 225), as well as a nuclear system on board of a ship.

3.8 Non-observance Salvage Commitment

Not covered are claims for compensation of damage if the policyholder or the insured has refrained from taking measures to prevent or decrease damage as stated in article 7:957 CC, as far as the merits of insurer are damaged by that.

3.9 Asbestos

Not covered is the liability of insured for damage third parties suffered by, originating from or related to asbestos or matters containing asbestos.

3.10 Money and Monetary Papers

The loss of money and monetary papers is excluded from this insurance.

3.11 Environmental Degradation

Not covered is the liability for damage related to environmental degradation.

3.12 Documents under Supervision

The stated in article 3.1 with regard to property damage does not apply to documents that are entrusted to an insured in the framework of the activities that are to be performed.

With documents as stated above is meant:

contracts, manuals, books, statistics, forms, graphic designs or files, films and such.

Money and monetary papers remain excluded from this insurance.

The insured amount for damage to documents as described before amounts a maximum of € 10,000 per claim. An own risk of € 1,000 at the account of the policyholder is applicable to every claim.

3.13 Fraud

The stated in article 3.5 with regard to intent does not apply to damage caused by fraudulent, unfair, criminal or harmful actions of a subordinate of the insured. Not covered is the liability for damage related to such actions of a subordinate if insured could have been informed of the possible risk related to the behaviour of the relevant subordinate in all fairness. Not covered is the liability of the natural or legal person that is responsible for fraudulent, unfair, criminal or harmful actions.

3.14 Ownership Rights

Not insured is the liability related to or originating from intentional violation of intellectual or industrial ownership rights.

3.15 Defamation and Libel

The stated in article 3.1 with regard to property damage does not apply to liability related to or originating from defamation, libel, insult or harm of honour and good name.

ARTICLE 4

DAMAGE

4.1 Commitments in Case of Damage

4.1.1 As soon as insured is informed or should be informed with a claim or circumstances that can or could lead to commitment for payment for insurer, he is committed to report this claim or circumstance to insurer as soon as possible in all fairness.

4.1.2 Insured is committed to provide insurer with all information and documents, such as claims for liability, summons and other documents related to the relevant prosecution that are important to assess the liability and their commitment for payment within a fair term.

4.1.3 Insured is committed to render his full cooperation and to refrain from everything that could damage the merits of insurer. He is committed to refrain from acknowledging liability.

4.2 Consequences Non-observance of the Commitments Stated in Article 4.1 in Case of Damage

4.2.1 No rights can be derived from this insurance if insured has not observed one or more of the commitments as stated in article 4.1, as far as the merits have been damaged by that.

4.2.2 Every right to payment will become void if insured has not observed one or more commitments as stated in article 4.1.1 or 4.1.2 to deliberately mislead the insurer, unless this deception does not justify the becoming void.

4.3 Loss Adjustment

Insurer is responsible for arrangement and determination of damage. She is entitled to directly reimburse disadvantaged third parties and to make arrangements with them. If the compensation consists of damage from periodical payments and the value of this is higher than the insured amount, with due regard of other payments, the duration of the extent of these payments, at the insured's choice, will be proportionally decreased.

Claims of disadvantaged third parties for compensation of personal injury will be handled and finished with due regard of the stated in article 7:954 CC.

4.4 Prescription

- 4.4.1 A claim against the insurer for benefits do expire after twelve (12) months after the due thereof upon the insured became known.
- 4.4.2 The Insured or his representative receives a notice if the insurer has taken a final position on the request for reimbursement. A final position involves:
- Rejection of the request for reimbursement or
 - (A selection of) allowance as final settlement.
- The insured person may contest this position. he must do so within a period of twelve (12) months. This period starts on the date that the beneficiary or his representative of this position was aware.
After this period barred the claim against the insurer.

ARTICLE 5

PREMIUM CONTRIBUTION

5.1 Supplementary description of terms

- 5.1.1 For the application of this article, with "premium" is also meant the other indebted amounts related to the insurance.
- 5.1.2 For the application of this article, with insured is also meant policyholder, as well as every other that is indebted the premium.

5.2 Premium Contribution

- 5.2.1 The policyholder must pay the premium in advance, within thirty (30) days after it is due. If there is a payment in installments shall be the period specified for each term.
- 5.2.2 If the total amount due:
- Not fully paid and / or
 - Not paid on time,
- there is no coverage provided for events occurring after the period of thirty (30) days mentioned in Article 5.2.1. The amount due must still be paid. Coverage begins again in one (1) day after all sums received and accepted.

5.3 Retroactive Settlement

- 5.3.1 If the premium is based on changing data (such as annual pay or annual turnover), the policyholder is committed to provide insurer with the data - that is necessary to determine the final premium - within six (6) months after the end of every policy year.
- 5.3.2 If policyholder does not or not timely provide the requested data, insurer is entitled to determine the final premium with a 50% increase.
- 5.3.3 According to a higher or lower final premium than the deposit premium, the policyholder will still be indebted the excess, respectively the amount less will be recovered, of course with due regard of a possible minimum premium.

ARTICLE 6

CHANGE OF PREMIUM AND / OR GENERAL TERMS AND CONDITIONS

6.1 Insurer is entitled to change the premium and / or general terms and conditions for determined groups of insured. Does this Insurance belong to this group, than insurer is entitled to adjust this Insurance as of the next premium due date. It is also a condition that insurer informs the policyholder of this change in writing at the very latest at two (2) months before the premium due date.

6.2 Policyholder is considered to agree with the change, unless policyholder has informed of the contrary before the premium due date in writing.

Should the latter be the case, the insurance ends at the next premium due date as stated in the written notice.

6.3 Policyholder does not have the right to reject, if the change:

- 6.3.1 of the premium and / or general terms and conditions originates from legal regulations or stipulations;
- 6.3.2 means a decrease of the premium at equal coverage;
- 6.3.3 Means an expansion of the coverage with a premium that is not higher.

ARTICLE 7

CHANGE OF THE RISK

7.1 The premium and general terms and conditions are valid for the activities of insured within the capacity as described in the policy.

7.2 If these activities are changed to important extent, insurer is authorized to change premium and / or general terms and conditions.

7.3 Policyholder has to inform insurer about the change within a fair term; but the coverage remains effective in full force.

7.4 If after this change an increase of the risk, the consequence is that the insurer does not want to continue this insurance against the changed premium and / or general terms and conditions, insurer will inform policyholder of such within thirty (30) days after receipt of the notice as stated in article 7.3, with the proviso that:

- 7.4.1 If the premium and / or the general terms and conditions are changed, policyholder is entitled to reject this change within thirty (30) days after this change. In that case, the coverage for the new activities will expire as of the day that insurer has received the notice of this rejection.
- 7.4.2 If insurer informs the policyholder about her not wanting the new activities to be covered by the insurance any more, policyholder has the right to terminate the insurance within thirty (30) days after notice of that. In that case, the insurance expires as of the day that insurer has received the notice of that.

7.5 If one refrained from informing the insurer as stated in article 7.3., insurer is only committed to compensate that damage, which the insurer would also be indebted when the activities of insured would not have changed within the capacity as described in the policy.

ARTICLE 8

DURATION AND END OF THE INSURANCE

8.1 The insurance is effective as of the commencement date and ends at the contract termination date at 00:00 hours. However, the insurance is tacitly extended with the duration as stated in the policy, unless one of the parties has terminated the insurance in writing towards the other party at least two (2) months before start of that term in writing.

A done termination is only effective if it is maintained until the contract termination date of the insurance and will, if it is revoked before that date, considered to never have taken place.

8.2 Termination by Policyholder

The insurance terminates if policyholder rejects the revision of the premium or general terms and conditions in correspondence with the stated in article 6.2 and 7.4.

8.3 Discontinuance or Termination of Profession

The insurance ends for the company or profession at the moment that this company is discontinued or the profession is terminated.

8.4. Termination after damage

Insurer and policyholder may, in compliance a notice period of two (2) months written notice to the policyholder if a claim has been reported, but no later than two (2) months after termination of the claims handling.

ARTICLE 9

APPLICABLE LAW

Dutch law is applicable to this agreement.

ARTICLE 10

DISPUTES

All disputes concerning this agreement are subject to verdict of the competent judge in Utrecht, the Netherlands.

ARTICLE 11

NOTICES

11.1 Insurer and insured can make legal announcements for each other to the intermediary.

11.2 All notices by the intermediary to insured can legally take place to the last known address of the insured as stated on the policy schedule.

ARTICLE 12

PRIVACY PROTECTION

The personal data as provided at the request of this insurance and the possibly to be provided personal data can be taken up in a used registration of personal data.

A privacy regulation is applicable to this registration.

ARTICLE 13

FILING

In case of a difference in text of these general terms and conditions in comparison with the general terms and conditions companies (BAV092) that are filed at the Chamber of Commerce in Enschede, the Netherlands, only the stipulations of the latter will be effective.