



## Accountants Professional Indemnity Wording

**Trust International Insurance Company (Cyprus) Ltd** will provide insurance against loss or damage occurring during the Period of Insurance subject to the Definitions, the General Conditions and the General Exceptions applicable and subject to the Definitions the Terms, Special Conditions and Exceptions which are specified in the Schedule of this Policy.

The Period of Insurance includes any subsequent period for which the Insurers shall confirm in writing the renewal of this Policy.

The Proposal Form and the Declaration made by the Insured are the basis of and form part of this Policy.

Signed for and on behalf of

A handwritten signature in black ink, appearing to be 'H. H. H.', with a long horizontal stroke extending to the right.

**Trust International Insurance Company (Cyprus) Ltd**

**PLEASE READ THIS POLICY AND MAKE CERTAIN THAT IT IS IN ACCORDANCE WITH YOUR REQUIREMENTS.**

## **Basis of Insurance**

On payment of the premium stated in the Schedule by the Insured to the Insurer the Insurer will subject to the provisions of this Policy indemnify the Insured as provided for within Section 1 The Policy Cover of this Policy.

The Proposal shall form the basis of this insurance contract and is incorporated herein.

### **Choice of Law**

The law which apply to this policy is the law of Cyprus.

### **Definitions and Interpretations**

Various words and phrases have a standard meaning within this Policy and such meanings are defined in this section.

Any word or phrase which has a definition set out below is printed throughout this Policy in bold type. Where a more general meaning applies this will be apparent from the way it is used in this Policy.

### **Business**

Advice given or services performed by or on behalf of the Insured provided that any fees or other remuneration in respect of such advice or services is taken into account in ascertaining the income of the Firm.

### **Circumstance**

Any Circumstance of which the Insured first becomes aware during the Policy Period which is likely to give rise to a claim against them and is subject to the indemnity provided under this Policy.

### **Defence Costs**

All costs and expenses incurred with the prior written consent of the Insurer in the investigation, defence or negotiation of the settlement of any claim or Circumstance.

The Excess does apply to the Defence Costs.

### **Documents**

All forms of Documents of whatsoever nature including computer system records (provided the Insured maintains duplicates of computer system records).

**Employee**

Any person currently or previously employed under a contract of service with the Insured including partners, executive and non executive directors, consultants and temporary employees employed by the Insured.

**Excess**

The first amount of each claim which is payable by the Insured and for which no insurance is provided by this Policy.

The amount of the Excess is stated in the Schedule.

**Firm**

- (a) The Firm(s) identified as the Insured in the Schedule and named in the Proposal being either a partnership comprised solely of the partners and former partners, sole practitioner or corporate body
- (b) Any firm(s) or business(es) or any subsidiary firm(s) or subsidiary business(es) for which the Insured is legally liable in consequence of their acquisition (whether partial or otherwise) either prior to the inception of this Policy or during the Policy Period provided the Insurer has been notified in writing of their existence and has agreed to insure such firm(s) or business(es).

**Geographical Limits**

Stated in the Schedule.

**Insured**

- (a) The Firm
- (b) any partner, director or principal of the Firm including any person appointed to such position during the Policy Period
- (c) any former partner, director or principal of the Firm
- (d) the estate, personal representatives or trustee or assignee in bankruptcy of (a), (b) and/or (c).

**Insurer**

The Underwriters participating on this Policy.

**Limit of Indemnity**

The sum stated in the Schedule which applies in respect of all claims, inclusive of all costs and expenses including Defence Costs, for which indemnity is provided under this Policy. The Insurer's total aggregate liability shall not exceed the Limit of Indemnity during the Policy Period.



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.

For the purposes of determining the Limit of Indemnity and the Excess, and the application of the Excess, all claims resulting from one and the same act, error or omission or a series of acts, errors or omissions arising out of the same cause or the acts, errors or omissions of one person or persons acting together or in which such person or persons is/are concerned or implicated shall be deemed to be one claim.

**Policy Period**

The period specified in the Schedule.

**Policy**

The contents of this document together with the Schedule incorporating all Endorsements issued from time to time by the Insurer to attach to this insurance together with the Proposal which shall all be read together as evidencing the contract of insurance.

**Proposal**

The proposal for the insurance cover provided by this Policy including the Proposal Form identified in the Schedule together with any other documentation or information submitted to the Insurer for this purpose.

**Schedule**

The Schedule attaching to this Policy, incorporating all Endorsements.

## Section 1 - The Policy Cover

The Insurer will indemnify the Insured in respect of:

**1. Legal Liability**

Claims made against the Insured and notified to the Insurer during the Policy Period incurred in the conduct of the Insured's Business which give rise to a legal liability as a result of breach of professional duty arising out of negligence on the part of:

- (i) the Insured
- (ii) any Employee.

**2. Loss of Documents**

Any reasonable cost or expense incurred by the Insured (and to which the Insurer has consented) in replacing and restoring Documents either owned by or the responsibility of the Insured in the conduct of the Insured's Business which are discovered lost or damaged and notified to the Insurer during the Policy Period.

For the purpose of this Clause only, the Excess payable by the Insured is shown on the policy schedule, and the Limit of Indemnity shall be limited to the amount shown on the policy schedule, in all during the Policy Period. The equivalent currency exchange rate will be fixed at the time of any first payment applicable under this Clause.

PROVIDED THAT:

- (A) the liability of the Insurer in respect of all Policy Cover Clauses, including any Extensions, shall not exceed the Limit of Indemnity
- (B) in respect of any claim, costs or expenses, arising under Policy Cover Clause 1 and any Extensions, the Excess is payable by the Insured and the Insurer shall thereafter be liable to indemnify the Insured only in excess of such amount.

## Section 2 | Conditions

**1. Duties of the Insured**

It is a condition of this Policy that:

- (a) the Insured must pay to the Insurer all premiums due to the Insurer together with all taxes due on the premiums
- (b) the Insured must not notify any claim knowing it to be false or fraudulent as regards amount or otherwise
- (c) beginning with the Insured's Proposal and continuing to the end of the Policy Period the Insured is under a continuing duty to disclose to the Insurer as soon as is reasonably practicable all material changes.

Any breach of Condition 1(a), (b) or (c) by the Insured will entitle the Insurer at their discretion to terminate the Policy from the date of inception and all claims shall be forfeited.

**2. Claims Conditions Precedent to Liability**

The following Conditions are Conditions precedent to the Insurer's liability. No claim will be paid unless full and complete adherence to these Conditions is maintained by the Insured.

(a) Notification

The Insured shall give notice to the Insurer, as soon as practicable, of:

- (i) any claim made against the Insured, or
- (ii) any Circumstance.

Provided that such notice as required in 2(a)(ii) of this Condition has been given during the Policy Period, any resultant claim arising from such matters notified, shall be deemed to have been given during the Policy Period, provided however that this deeming provision shall only have effect if the Insured complies within a reasonable time and at their own expense with:

- (1) the Insurer's standard requirement that the notification should state precisely why a claim is likely and if so, from whom, and
- (2) any reasonable request by the Insurer for further information in relation to the matters notified, and
- (3) any request by the Insurer for steps to be taken to reduce or avert the said risk

For the avoidance of doubt, no other Condition of this Policy shall have the effect of limiting the Insurer's right to refuse to give effect to this deeming provision in the event of a failure by the Insured to comply with a request under 2(a)(1), (2) and (3) above.

(b) Co-operation

Following notification of a claim or Circumstance, the Insured shall at their own expense:

- (i) give all information and assistance within timescales reasonably required by the Insurer, and
- (ii) make no admission of liability, arrangement, compromise, offer, promise or payment without the consent of the Insurer.

**3. Insurer's Rights**

Notification

Following the notification of a claim or a Circumstance the Insurer will be entitled:

- (i) at their discretion, to take over and conduct in the name of the Insured the investigation, defence or settlement of any such matter
- (ii) at any time, to pay to the Insured the amount of the Limit of Indemnity (less the Excess and any sum already paid or expended during the Policy Period) or any lesser amount for which, in the Insurer's opinion, any claim or claims can be settled and shall then cease to have conduct and control of the claim or proceedings and be under no further liability in respect of such costs, claim or claims. The Insurer shall not be responsible for any loss which the Insured may claim to have sustained by reason of the Insurer having so acted
- (iii) to be subrogated to all rights of recovery the Insured may have against any party and the Insured shall do nothing to prejudice such rights. It is agreed however that the Insurer shall not exercise such rights against any Employee.

#### **4. Administrative Conditions**

##### **(a) Policy Disputes**

If any difference arises as to the amount of any loss or damage, such difference shall independently of all other questions be referred to the decision of an Arbitrator to be appointed in writing by the parties or if they cannot agree upon a single Arbitrator, to the decision of two Arbitrators, each one to be appointed in writing. In case the Arbitrators do not agree, an Umpire shall be appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award of the amount of loss or damage if disputed, shall be a condition precedent to any right of action against the Insurers.

##### **(b) Cancellation**

The Insurer may terminate this Policy by giving thirty days notice to the Insured with any appropriate refund of premium.

### **Section 3 | Exclusions**

This Policy shall not indemnify the Insured in respect of any claim, loss, liability or expense arising directly or indirectly out of:

#### **1. Activities as Agent**

Any claim or loss by any insurer or underwriter by reason of any negligent act, error or omission committed in the course of the Insured's activities as agent of such insurer or as claims adjusters.

#### **2. Asbestos and Toxic Mould**

or in any manner related to, asbestos and Fungi.

For the purposes of this clause, Fungi shall mean any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota, but not limited to mould, mildew, mycotoxins, spores or any biogenic aerosols.

In any claim and in any action, suit or other proceedings to enforce a claim under this Policy, the burden of proving that such claim does not fall within this Exclusion shall be upon the Insured.

- 3. Bodily Injury and Property Damage**
  - (a) any bodily, mental or emotional injury, sickness, disease or death, or
  - (b) any loss of or damage to property, other than covered under Policy Cover Clause 2of any third party unless such claim, loss, liability or expense arises from negligent advice, design or specification.
- 4. Breach of Contract of Employment**

any contract of service or obligation owed by the Insured as employer including any claim for wrongful or unfair dismissal.
- 5. Claims and Circumstances Known at Inception**

any claim or Circumstance

  - (a) known to the Insured prior to the inception of this Policy or which in the reasonable opinion of the Insurer ought to have been known, or
  - (b) notified to the Insurer or another insurer, by the Insured under any other insurance prior to the inception of this Policy.
- 6. Computer Network and Data Corruption**
  - (a) the corruption, erasure, theft, alteration of, or
  - (b) the access or lack of access to, or
  - (c) the interference withelectronically held data of or by the Insured wholly or partly caused by any computer virus or by any person not a partner, director or employee currently employed by the Insured.
- 7. Computer Records**

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.



- 8. Controlling Interest/Associated Companies any claim by**
  - (a) any parent or subsidiary company of the Insured or any company having the same parent company as the Insured, or
  - (b) any other company in which the Insured has a majority shareholding in excess of 50%, or
  - (c) any other company in common ownership with the Insured unless such claim emanates from an independent third party.
  
- 9. Dishonesty**

the dishonesty of the Insured or Employee.
  
- 10. Employers' Liability**

bodily injury, sickness, disease or death sustained by any person arising out of and in the course of their employment by the Insured in any capacity.
  
- 11. Financial Returns**

the giving of any express or implied warranty or guarantee relating to the financial return of any investment or portfolio of investments.
  
- 12. Geographical and Jurisdiction Limits**
  - (a) work in connection with any contract performed outside the Geographical Limits, or
  - (b) any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada, or
  
  - (c) any order made anywhere in the World to enforce any judgement, award, payment or settlement either in whole or in part, made in the courts of or under the laws of the United States of America or Canada.
  
- 13. Insolvency**

any claim, loss, liability or expense, directly or indirectly, arising from the insolvency, receivership, bankruptcy, liquidation or financial inability to pay, of the Insured or any insurance company, reinsurance company, underwriter, syndicate, agent, broker or intermediary, benefit plan, self insurance plan, insurance pool or risk retention group, financial institution or other risk bearing entity with whom, or through whom, coverage has been placed or obtained.
  
- 14. Libel and Slander**

libel and slander committed or allegedly committed by any person.
  
- 15. Market Fluctuation**

any claim, loss, liability or expense arising out of the depreciation or loss of investments when such depreciation or loss is a result of normal or abnormal fluctuations in any financial stock or commodity or other markets which are outside the influence or control of the Insured.

- 16. Nuclear Risks and War/Terrorist Risks or caused by, or contributed to by:**
- (a) ionising radiations or contamination by radioactivity from any nuclear fuel, waste or substance
  - (b) the radioactive, toxic, explosive or other hazardous properties of any explosive, nuclear assembly or nuclear component thereof
  - (c) 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
  - (d) 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 any claim and in any action, suit or other proceedings to enforce a claim under this Policy, the burden of proving that such claim does not fall within this Exclusion shall be upon the Insured.
- 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.
- 17. Other Insurance**  
a situation where the Insured is entitled to indemnity under any other insurance except in respect of any sum beyond the amount which would have been payable under such other insurance had this Policy not been effected.
- 18. Outside Directorship Duties**  
the Insured acting as a director or officer of any company or corporation except insofar as liability arises from the Business of the Insured and provided that fees from such appointment are for the benefit of the Insured.
- 19. Pollution**  
pollution, seepage or contamination, howsoever caused.
- 20. Property Liability**  
any physical loss of, or damage to property unless such claim is covered under Policy Cover Clause 2.
- 21. Punitive or Exemplary Damages**  
any fines, penalties, punitive or exemplary damages.

- 22. Retroactive Date**  
any act, error or omission committed or alleged to have been committed prior to the Retroactive Date (if any) specified in the Schedule.
- 23. Trading Losses**  
or in connection with, any trading losses or trading liabilities incurred by any business managed by or carried on by the Insured, but this Exclusion shall not apply to claims made against the Insured for negligence in the normal course of their conduct of any receivership activities.
- 24. Warranty or Guarantee**  
the giving by the Insured of any warranty, indemnity or guarantee or financial obligation assumed by the Insured under contract unless such liability would have attached to the Insured notwithstanding such express agreement.



## COMPLAINTS HANDLING PROCEDURE

In the event that you may have a complaint against TRUST INTERNATIONAL INSURANCE COMPANY (CYPRUS) LTD, you should write to:

292 Strovolos Avenue  
2th floor  
2048 Strovolos  
Nicosia

Alternatively your complaint can be made:  
by phone on +357 22 020400, or  
by fax +357 22 020406,  
by e-mail to  
[enquiries@trustcyprusinsurance.com](mailto:enquiries@trustcyprusinsurance.com)

All customers will receive an acknowledgement within a maximum of 5 working days.

We will do our best to resolve any difficulty directly with you, but if we are unable to do this to your satisfaction you may refer any dispute to the Financial Ombudsman Service of the Republic of Cyprus who will review your case.

In any case you always maintain your right to have recourse to justice.