



# Combined Liability Policy Wording

## Allied World

Allied World Assurance Company (Europe) dac is a private company registered in Ireland with its registered office at 3rd Floor Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and its UK branch office at Floor 19, 20 Fenchurch Street, London EC3M 3BY. The company is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority. Details of the extent of regulation by the Financial Conduct Authority are available on request.

## Other Insurers

Where insurance under this policy is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's company registration, authorisation and regulation will be stated in the **Schedule**.

## Notices

Any notices to the **Insurer** or the **Insured** must be sent in writing to the relevant address shown in the **Schedule**.

## Interpretation

This document, the **Schedule** and any **Endorsements**, memoranda or specifications are to be read together as one contract. Any word with a defined meaning appears in **bold print** and its definition can be found either within the Section or **Endorsements** containing that word or in the General Definitions.

References to the singular include the plural and vice versa. The masculine includes the feminine and vice versa. A statute, statutory instrument, regulation or order includes any amendment or re-enactment of that statute, statutory instrument, regulation or order.

## Observance

The **Insured** and any other persons indemnified by the **Insurer** under this **Policy** must observe the terms of the **Policy** and, to the extent that they relate to anything to be done or complied with, such observance is a condition precedent to the **Insurer's** liability to indemnify under the relevant Section of the **Policy**.

## Complaints Procedure

Allied World Assurance Company (Europe) dac is dedicated to providing every **Insured** with excellent service and is committed to handling any enquiry or complaint fairly and promptly. If an **Insured** is dissatisfied in any way with this **Policy** or wishes to make an enquiry, the **Insured** should contact either the intermediary that arranged this **Policy** or the Allied World Assurance Company (Europe) dac Complaints Team at the address shown on the **Schedule**.

If the Complaints Team is unable to resolve this within 24 hours from receipt of the complaint, the issue will be forwarded to the relevant insurers who will deal with the complaint in accordance with the FCA guidelines. The **Insured** will be immediately informed who will be handling its complaint and their contact details.

Where insurance under this policy is provided by an insurer other than Allied World Assurance Company (Europe) dac the details of that insurer's contact details for complaints will be stated in the **Schedule**.

## Financial Ombudsman Services

If in the opinion of the **Insured** the complaint has not been satisfactorily handled, in certain circumstances it may be possible to refer the complaint to the Financial Ombudsman Service. Contact details for the Financial Ombudsman Service are set out below:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR  
Telephone: 0800 023 4567  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## Financial Services Compensation Scheme

Allied World Assurance Company (Europe) dac is covered by the Financial Services Compensation Scheme. This means that in the unlikely event that the company cannot meet its obligations under this **Policy**, the **Insured** may be entitled, depending on the type of insurance, size of the **Insured's** business and the circumstances of the claim against this **Policy**, to compensation under the scheme.

## Data Protection

Allied World Assurance Company (Europe) dac is committed to compliance with the E.U. General Data Protection Regulation and any applicable implementing or supplementing laws, rules or regulations, and as each may be updated, amended or superseded from time to time. The **Insurer** may collect, use, store, disclose and otherwise process personal data for purposes such as assessing risk and providing insurance, administering a policy and assessing and managing claims. Personal data may be obtained by the **Insurer** directly from the **Insured** or via a third party such as an insurance intermediary. If such personal data is not provided, the **Insurer** may not be able to provide insurance, administer the policy, process a claim or make payments.

The **Insurer's** personal data privacy policy statement contains information on the types of personal data the **Insurer** collects; from where it collects such personal data; the purposes and lawful bases for why it collects such personal data; to whom it discloses or transfers such personal data, such as to related parties or third parties (including outside of the European Economic Area) to, among other things, provide services associated with this **Policy** or to verify information or prevent or detect fraud; and the retention of such personal data. It also contains information on how the **Insured** can exercise its rights, including, under certain circumstances, a right to access the personal data the **Insurer** holds about the **Insured**, to seek rectification or erasure of such data, to restrict or object to the processing of such data, to data portability, to lodge a complaint, or, where processing is based on consent, the right to withdraw consent.

Please see the **Insurer's** personal data privacy policy statement for further information in accordance with applicable laws at <https://www.alliedworldinsurance.com/europe-uk>

A copy may also be requested from, or any personal data privacy queries directed to, [dataprotection@awac.com](mailto:dataprotection@awac.com)

# Combined Liability Policy

This **Policy** is designed to provide liability covers for businesses and commercial enterprises. Please read this **Policy** together with the **Schedule** to ensure that it meets with the **Insured's** requirements.

This **Policy** only provides insurance in respect of the Sections shown as operative in the **Schedule**.

## Contents

Important Information.....	5
General Definitions.....	6
General Conditions.....	11
General Exclusions.....	16
Personal Accident Section.....	18
General Liability Insurance	
Extensions, Conditions and Exclusions.....	22
Employers Liability Section.....	26
Public Liability Section.....	28
Products Liability Section.....	32
Cyber Section.....	34
Professional and Corporate Liability Insurance	
Definitions and Conditions .....	49
Directors and Officers Liability Section.....	56
Corporate Legal Liability Section.....	62
Employment Practices Liability Section.....	68
Professional Indemnity Section.....	71
Commercial Legal Protection Section.....	86

# Important Information

## Commercial Legal Protection Section

Where operative, the insurance provided under the Commercial Legal Protection Section is underwritten by the **Insurer** named in the **Schedule**. Please refer to the Claims Information section of the **Schedule** for relevant contact details and other important information.

# General Definitions

## Applicable to all Sections other than the **COMMERCIAL LEGAL PROTECTION SECTION**

The words defined below will have the same meaning wherever they appear in bold letters within the **Policy**, the **Schedule** and **Endorsements**

**Buildings** means the buildings at the **Premises** and including:

1. landlords' fixtures and fittings
2. outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture
3. walls, gates and fences
4. drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains but only to the extent of the **Insured's** responsibility
5. yards, car-parks, roads, pavements, forecourts all constructed of solid materials
6. windows, fanlights, rooflights, skylights and glazing

**Business** means as described in the **Schedule** and will include:

1. the ownership repair and maintenance of the **Insured's** own property
2. the provision and management of canteen, social sports and welfare activities for the benefit of the **Insured** or **Employees**
3. the provision and management of first aid, fire, security and ambulance services
4. the performance of private duties carried out by **Employees** with the written consent of the **Insured** for any director, partner or senior official of the **Insured**

**Contents** means the contents at the **Premises**, the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible including so far as they are not otherwise insured **Employees'**, directors' and visitors' personal effects of every description (other than motor vehicles) for an amount not exceeding £500 in respect of any one person but excluding:

1. **Buildings, Stock, Target Stock, Office Computer Equipment, and Portable Power Tools**
2. **Money**
3. Documents, manuscripts and business books except for the cost of the materials and of clerical labour expended in reproducing such records
4. computer systems records except for an amount not exceeding £10,000 in respect of the cost of the materials and of clerical labour and computer time expended in reproducing such records
5. any expense in connection with the production of the information to be recorded in documents, manuscripts, business books or computer systems records
6. vehicles licensed for road use including accessories thereon

**Damage** means sudden, accidental and direct physical loss, destruction or damage.

**Data** means data of any sort whatever, including but without limitation tangible or intangible data, and any programmes or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

**Denial of Service Attack** means any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or computer or other equipment or system which processes, stores, transmits or receives **Data** and includes but is not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks, and the procurement of such actions or instructions by other computers, equipment or system.

**Employee** means:

1. any person under a contract of service or apprenticeship with the **Insured**
2. whilst working for the **Insured** in the course of the **Business**
  - a. any labour master or labour only sub-contractor or person supplied by any of them
  - b. any self-employed person
  - c. any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the **Insured**
  - d. a prospective employee who is undergoing practical work experience or any person participating in any Government or otherwise authorised work experience, training study exchange or similar scheme
  - e. any person who is an outworker or home worker
  - f. any person who is a voluntary helper

**Endorsement** means an additional contractual term of this **Policy** agreed in writing between the **Insurer** and the **Insured** and incorporated by reference in the **Schedule**

**Excess** means the first amount for which the **Insured** is responsible as specified in the **Schedule**

**Goods** means goods belonging to the **Insured** or for which the **Insured** is responsible all pertaining to the **Business**

**Hacking** means unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits or retrieves data

**Injury** means accidental: death; bodily injury, illness or disease; any psychiatric injury that results from accidental bodily injury, illness or disease

**In Transit** means being carried from the time the **Goods** are lifted to the time they are unloaded at their destination including:

1. loading and unloading
2. the use of recognised 'roll-on roll-off' vehicle ferries provided no unloading or re-loading of the **Vehicle** is involved
3. whilst temporarily housed on or off the **Vehicle** in the course of the said carriage but excluding any dismantling, installation, erection or testing

**Insured** means the person or persons or corporate body named in the **Schedule**

**Insurer** means the entity named as "Insurer" in the **Schedule**. Where any Section of this **Policy** is provided by more than one insurer as listed in the **Schedule**, use of "the **Insurer**" in the singular refers to all subscribing insurers of that Section

**Limit of Indemnity** means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document

**Limit of Liability** means the applicable limit, including any sub-limit or inner-limit, of the **Insurer's** maximum liability for any relevant claim under the **Policy**, as shown in the **Schedule** or stated in this document

**Machinery Breakdown** means unforeseen, sudden, accidental and direct physical loss or destruction of, or physical damage to, any machinery or plant belonging to the **Insured** or held in trust and for which the **Insured** is responsible at the **Premises**, while in ordinary use caused by:

1. actual failure, breaking, distortion or burning out of any part of the machinery or plant arising from:
  - a. mechanical or electrical defects in the machinery or plant; or
  - b. failure or fluctuation of power supply; or
  - c. operator error or omission other than failure to maintain; or,
2. fracturing of any part of the machinery or plant by frost which renders the item inoperative

**Machinery Breakdown** also includes the resultant loss of coolant, lubricant, insulant, refrigerant or brine

**Money** means coin, bank and currency notes, postal and money orders, bankers' drafts, cheques, giro cheques, crossed warrants, bills of exchange, securities for money, postage revenue, national insurance and holiday with pay stamps, stamped national insurance and holiday with pay cards, national savings stamps or certificates, war bonds, premium savings bonds, franking machine impressions other than unused units in postage stamp franking machines, credit company sales vouchers, luncheon vouchers, trading stamps and VAT invoices, phone cards, which is the property of the **Insured** or for which the **Insured** is responsible in the course of the **Business**

**Office Computer Equipment** means office computer equipment at the **Premises** the property of the **Insured** or held by the **Insured** on trust for which the **Insured** is responsible including media and peripherals used in connection with such equipment

**Offshore** means from the moment in time that an **Employee** embarks onto any conveyance at the point of final departure on land to any offshore installation until the moment in time that an **Employee** disembarks from any conveyance onto land upon their return from any offshore installation

**Perils** means the operative perils specified in the **Schedule**, as more fully detailed within the Property Insurance part of this **Policy**.

**Period of Insurance** means the period stated in the **Schedule**

**Personal Effects** means personal belongings of the **Insured's** drivers or attendants, excluding **Money**, credit cards, car audio equipment, televisions or jewellery

**Phishing** means any access or attempted access to **Data** or information made by means of misrepresentation or deception

**Policy** means this insurance policy wording document, the **Schedule** and any **Endorsements**, memoranda or specifications relating to this policy

**Pollution or Contamination** means:

1. all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
2. all loss or damage or injury directly or indirectly caused by such pollution or contamination

**Portable Power Tools** means portable power tools at the **Premises** for use solely by the **Insured**, the property of the **Insured** or held by the **Insured** in trust, for which the **Insured** is responsible



**Premises** means the premises declared to and accepted by the **Insurer** that are used by the **Insured** for the purpose of the **Business** and stated in the **Schedule**

**Premium** means the amount stated in the **Schedule**, payable by the **Insured** to the **Insurer**

**Professional Business** means the professional business specified in the **Schedule**

**Property Insured** means the relevant property described in the **Schedule**

**Rent** means **Rent Payable** or **Rent Receivable**

**Rent Payable** means periodic payments made by the **Insured** for the lease of **Premises** not belonging to the **Insured**

**Rent Receivable** shall mean the amount of rent received or receivable from, and payments for services provided in respect of, the letting of the **Premises**

**Schedule** means the schedule attached to this document that forms part of this **Policy**

**Stock** means stock and materials in trade excluding **Target Stock** and **Stock In The Open** at the **Premises** described in the **Schedule** the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible

**Stock In The Open** means stock and materials in trade stored in the open at the **Premises** described in the **Schedule** excluding **Target Stock** the property of the **Insured** or held by the **Insured** in trust for which the **Insured** is responsible

**Sum Insured** means the relevant sum as specified in the **Schedule**

**Target Stock** means stock and materials in trade at the **Premises** described in the **Schedule** comprising cigarettes, cigars and tobacco, audio visual equipment, computer equipment, computer games, mobile phones and radios, photographic equipment and binoculars, non-ferrous metals, jewellery (including precious metals and stones), wines, fortified wines and spirits

**Tenants Improvements** means tenants improvements and alterations to the **Premises**

**Territorial Limits** means anywhere in Great Britain, Northern Ireland, the Channel Islands and the Isle of Man

**Terrorism** means any action, threat of action, or attempt at action, by any individual or group of individuals or body or organisation, whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, any government or international governmental organisation or the population or any section of the population, or any community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause

**Unoccupied** means empty, disused, unfurnished or no longer in active use by the **Insured** or any of the **Insured's** tenants

**Vehicle** means a mechanically driven conveyance including trailers whether attached or temporarily detached from such vehicle whilst **In Transit**

**Virus or Similar Mechanism** means programme code programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, or otherwise adversely affect, infiltrate or monitor, computer programmes, **Data** files or operations whether involving self-replication or not, including but not limited to Trojan horses, worms and logic bombs, and the exploitation of bugs or

vulnerabilities in a computer programme to damage, interfere with, adversely affect, infiltrate or monitor as above.

# General Conditions

Applicable to all Sections unless otherwise stated

## Alteration in Material Facts (not applicable to Property Insurance)

After commencement of the **Policy** the **Insured** must give immediate notice to the **Insurer** of any alteration of fact or circumstance that materially alters the risk insured under this **Policy** including but not limited to any material change in the nature of or cessation of the **Business** or **Professional Business**; until the **Insurer** is advised of that alteration or circumstance and has expressly agreed in writing to accept liability for that altered risk, and the **Insured** has paid or agreed to pay the additional **Premium** (if any), the **Insurer** will not be liable to indemnify the **Insured** in respect of any loss due wholly or partially to that alteration or circumstance.

## Arbitration

In the event of a dispute arising out of:

1. the interpretation of the **Policy**, including any question regarding compliance with its terms, its existence, validity or termination; or
2. the quantification of any amount payable under the **Policy**;

the dispute will be referred to an arbitrator, who will be appointed by the parties in accordance with the LCIA Arbitration Rules and the making of an award will be a condition precedent to any right of action against the **Insurer**.

## Assignment

This **Policy** and any rights under it cannot be assigned without the prior written consent of the **Insurer**.

## Authorisation

The **Insured** will act on behalf of any person forming part of the **Insured** for:

1. Notification of any claim, loss, or circumstance;
2. Any other notifications required under this **Policy**;
3. Payment of **Premium**, including additional premium, or the receipt of returned **Premium**;
4. Negotiation and agreement of any **Endorsement** to this **Policy**;
5. Requests, and any subsequent agreement, of any extended notification period.

## Cancellation

The **Insurer** may cancel this **Policy** during the **Period of Insurance** by giving 14 days' notice in writing. On cancellation by the **Insurer** the **Insured** will be entitled, subject to the application of the Premium Payment Condition and the Premium Adjustment and Audit Condition, to a pro rata return of **Premium** equal to the number of days unexpired of the **Period of Insurance** but subject to a minimum retention of 15% of the **Premium**, provided

that no claim under the **Policy** has been paid or is outstanding (including the notification of any claim, circumstance or loss).

Notwithstanding this, subject to the Premium Payment Condition and the Premium Adjustment and Audit Condition, where the Directors and Officers Liability Section is stated in the Schedule as operative, the **Insurer** will continue to provide cover under the Directors and Officers Liability Section until the end of this **Period of Insurance**.

## Coinsurance

Where this **Policy** is provided by the **Insurer** and co-insurers, as named in the **Schedule** (and notwithstanding the use of 'the **Insurer**' in this **Policy**), the legal obligations of each insurer are several and not joint and are limited solely to the extent of that insurer's proportion of risk as shown in the **Schedule**.

## Excess (not applicable to Employers' Liability Section or Professional Indemnity Section)

The cover provided under each Section of the **Policy** will be subject to the **Excess** for which the **Insured**, and not the **Insurer**, is liable. The **Insurer** may pay all or part of the **Excess** in respect of the settlement of any claim under this **Policy** and seek reimbursement from the **Insured**. If it does so, the amount of **Excess** paid by the **Insurer** must be reimbursed by the **Insured** at the **Insurer's** request.

## Fraudulent Claims

If under this **Policy** an **Insured** or anyone acting for an **Insured**:

1. knowingly makes a fraudulent or an exaggerated claim under this **Policy**; or
2. knowingly makes a false statement in support of a claim under this **Policy** or submits false or forged document in support of such claim; or
3. makes a claim under this **Policy** caused by or in connection with the **Insured's** wilful misconduct or caused or in connection with the **Insured's** agreement, knowledge or collusion; or
4. otherwise knowingly provides untrue or misleading information to the **Insurer** or those acting for the **Insurer**, whether or not such information is material to the **Insured's** right to recover under this **Policy**;

the **Insurer** will refuse to pay such claim or any other claim under this **Policy** thereafter and will terminate this **Policy** without any refund of **Premium**.

If any of the acts or omissions set out in clauses 1 to 4 of this condition are committed by or on behalf of an **Insured Person** and not by or on behalf of any other **Insured**, this condition should be read as applying only to that **Insured Person's** claim and references to "this **Policy**" should be read as references to the cover effected for that **Insured Person** alone and not to the **Policy** as a whole.

## Law and Jurisdiction

Any dispute concerning the interpretation or application of the **Policy** is to be subject to, and will be construed in accordance with, the law of England and Wales; the parties further agree, subject first to the Arbitration condition, to submit to the exclusive jurisdiction of any competent court within England and Wales and to comply with all requirements necessary to give that court jurisdiction.

## Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** estate, heirs or legal personal representatives in respect of liability previously incurred by that **Insured** that they would otherwise have been entitled to an indemnity under the **Policy**, provided that the estate, heirs or legal personal representatives observe, fulfil and be subject to the terms, conditions and limitations of the **Policy** in so far as they can apply.

## Other Insurance

If any:

1. **Damage to Property Insured**, or
2. business interruption or interference, increased costs of working or loss of rent; or
3. legal costs and expenses or liabilities to third parties

covered by this **Policy** is also covered in whole or in part by any other insurance (or would be so covered save for the existence of this **Policy**) then:

- a. In respect of **Damage to Property Insured**, the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of that **Damage**. If that other insurance is subject to any condition of Average, this **Policy** if not already subject to any such condition of Average, will be subject to Average in like manner. If that other insurance is subject to any provision that prevents it from ranking concurrently with this **Policy**, either in whole or in part, or from contributing a rateable proportion, the liability of the **Insurer** under this **Policy** will be limited to that proportion of the **Damage** which the **Sum Insured** under this **Policy** bears to the value of the **Property Insured**
- b. In respect of business interruption or interference, increased costs of working or loss of rent the liability of the **Insurer** under this **Policy** will be limited to their rateable proportion of such loss;
- c. In respect of legal costs and expenses or liabilities to third parties, the **Insurer's** liability will apply in excess of and not in contribution with that other insurance.

## Notification

Sections of the **Policy** contain terms relating to the **Insured's** obligation to notify the **Insurer** of matters for which the **Insured** may wish to seek an indemnity for under that Section. The **Insured** is required to carefully read and comply with such terms as appropriate; some of these have the force and effect of conditions precedent which means that any failure to comply with them may affect the **Insured's** entitlement to indemnity under the **Policy**.

## Premium Adjustment and Audit

Where any part of the **Premium** is based on estimates furnished by the **Insured**, the **Insured** must:

1. keep an accurate record containing all relevant particulars,
2. allow the **Insurer** to inspect those records,
3. supply those records as the **Insurer** may require within 30 days from the expiry of the **Period of Insurance**;
4. supply an auditor's certificate in support of those records if so requested by the **Insurer**

Based on those records, the **Premium** will be adjusted by the **Insurer**, subject to any minimum that may apply. If the **Insured** fails to supply the records within the period stated above, the **Insurer** reserves the right to make an estimate of the records and adjust the **Premium** accordingly.

## Premium Payment

The **Insurer** must receive the **Premium** due under this **Policy** on or prior to the commencement of the **Period of Insurance** and in default of such payment this **Policy** is voidable.

## Reasonable Precautions

The **Insurer's** liability to indemnify will only arise if the **Insured**:

1. takes all reasonable precautions to avoid or diminish any liability or loss which may give rise to or has given rise to a claim under this **Policy**
2. takes all reasonable precautions to prevent accidents or any activity that might give rise to a liability to a third party
3. takes all reasonable steps to comply with all applicable national or local laws, requirements and regulations
4. exercises due care in the selection and supervision of **Employees**

## Renewal

This **Policy** or any Section of it will not automatically renew and unless an offer to renew is accepted, this **Policy** or any relevant Section will expire at the end of the **Period of Insurance** without notice.

## Rights of Third Parties

Other than where expressly provided for within the **Policy**, a person or company who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any subsequent legislation or amendment to enforce any term of this **Policy** but this does not affect any right or remedy of a third party which exists apart from that Act.

## Severability

In the event that any portion or Section of the **Policy** is found to be invalid or unenforceable, the remainder will remain in full force and effect.

## Statutory Regulations

The **Insurer's** liability to pay any claim under this **Policy** relating to any pressure vessel or other machinery or apparatus (or its contents) belonging to or under the control of the **Insured**, which requires inspection or test under any statute or order or regulation, will not accrue unless that pressure vessel or other machinery or apparatus vessel, has been appropriately and satisfactorily inspected or tested and the **Insured** can demonstrate that it has implemented any actions thereby required.

## Subrogation

Any claimant under this **Policy** must at the request and at the expense of the **Insurer** do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the **Insurer** for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the **Insurer** is, or would become, entitled or subrogated upon its paying for or making good any loss under this **Policy** whether such acts and things are or become necessary or required before or after his indemnification by the **Insurer**.

# General Exclusions

## Not applicable to Terrorism Section

## Applicable to all other Sections unless stated otherwise

### Asbestos Exposures

## Not applicable to Employers' Liability Section

This **Policy** does not cover any loss, cost or expense or liability directly or indirectly arising out of, resulting as a consequence of, or related to the manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss.

### Fines and Penalties

This **Policy** excludes any liability for taxes, fines or penalties, punitive, aggravated, multiple, liquidated, exemplary or other non-compensatory damages or the consequences of non-payment or any additional damages under Section 97(2) of the Copyright, Design and Patents Act 1988 or any statutory successor to that section or any claim for indemnity deemed uninsurable by law.

### Northern Ireland Civil Commotion

This **Policy** excludes, in respect of Northern Ireland:

1. **Damage** occasioned by or happening through or in consequence directly or indirectly of riot or civil commotion;
2. **Damage** occasioned by or happening through or in consequence directly or indirectly of strikers, locked out workers or persons taking part in labour disturbances or malicious persons save for **Damage** by fire or explosion.

### Radioactive and Nuclear Hazards

## Not applicable to Healthcare Section

This **Policy** does not cover

1. **Damage** to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss; or
2. Any liability of whatsoever nature;

in either case, directly or indirectly caused by or contributed to by or arising from:

- a. ionising radiations or contamination by radioactivity from nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel; or



- b. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

but as far as concerns **Injury** to any **Employee** which arises out of and in the course of his employment or engagement by the **Insured** this exception will apply only in respect of

1. liability of any principal
2. liability assumed by the **Insured** by agreement and which would not have attached in the absence of such agreement.

## Sanctions

The **Insurer** shall not be deemed to provide cover nor be liable to pay any claim or provide any benefit under this **Policy** 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.

## Terrorism

### Not applicable to Employers' Liability Section

This **Policy** excludes **Damage**, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with

1. **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss
2. any action taken in controlling preventing suppressing or in any way relating to **Terrorism**

If the **Insurer** alleges that by reason of this exclusion any **Damage** cost or expense is not covered by this **Policy** the burden of proving the contrary will be upon the **Insured**. In the event that any portion of this exclusion is found to be invalid or unenforceable the remainder will remain in full force and effect.

## War and Civil War

This **Policy** does not cover **Damage** or legal liability directly or indirectly occasioned by happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or **Damage** to property by or under the order of any government or public or local authority.

# Personal Accident Section

## PERSONAL ACCIDENT – INSURING AGREEMENT

In the event that an **Insured Person** sustains **Bodily Injury** during the **Period of Insurance** and **Operative Time of Cover** the **Insurer** will pay the **Insured** the amounts specified in the **Schedule** in respect of the following Events

### Events

1. Death
2. Loss of Limb
  - a. In the case of a leg, permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg
  - b. In the case of an arm, permanent physical severance at or above the wrist or permanent and total loss of use of a complete hand or arm
3. Loss of Sight
  - a. The permanent and irrecoverable loss of sight
    - i. in both eyes
    - ii. in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen Scale (which means seeing at 3 feet what an **Insured Person** should see at 60 feet)
4. Loss of Speech or Hearing
  - a. The permanent, total and irrecoverable loss of speech or hearing
5. Permanent Total Disablement
  - a. The total and absolute disablement caused other than by (1) to (4) above which will entirely prevent the **Insured Person** from engaging in their usual occupation for the remainder of their life
6. Permanent Partial Disablement
  - a. The amount payable for Permanent Partial Disablement will be a percentage equivalent to the degree of disability as follows

ONE BIG TOE	10%
ANY OTHER TOE	5%
ONE THUMB	25%
ONE FOREFINGER	20%
ANY OTHER FINGER	10%
SHOULDER OR ELBOW	25%
WRIST	20%
HIP, ANKLE OR KNEE	20%
REMOVAL OF JAW	30%

- b. The appropriate percentage will be applied to the amount payable for Event (5) or to the Maximum Limit Any Person under Event (5) whichever is the lesser

Provided that

- a. for forms of permanent disablement not specified the degree of disability will be assessed by comparison with the percentages shown in (6) (a) above without taking into account the **Insured Person's** occupation

- b. the total amount payable for more than one of the separate parts of a single body member will not exceed the amount which would have been payable in respect of that entire body member
  - c. if the amount becomes payable in respect of an entire body member then the amount payable for parts of that body member cannot also be claimed
  - d. the amount payable for **Bodily Injury** in respect of any part of the **Insured Person's** body already affected by a permanent disability will be reduced by the percentage amount that would have been payable if such pre-existing permanent disability had qualified for payment hereunder
- 7. Temporary Total Disablement
  - a. Disablement which temporarily prevents the **Insured Person** from attending to any part of the **Insured Person's** usual occupation

The **Insurer's** liability will not exceed

- 1. the Accumulation Limit in respect of all **Insured Persons** for all claims arising from one event source or original cause
- 2. the Maximum Limit Any One Person in respect of an **Insured Person** for all claims arising from one event, source or original cause
- 3. in respect of any one **Insured Person** for all periods of disablement arising from one event, source or original cause the **Benefit Period**

as stated in the **Schedule**

## PERSONAL ACCIDENT – EXTENSIONS

### Disappearance

If during the **Period of Insurance** and **Operative Time of Cover** the **Insured Person** disappears and after twelve months it is reasonable to believe such **Insured Person** has died as a direct result of injury caused by an accident then the amount under Event (1) will become payable subject to a signed undertaking that if the **Insured Person** is subsequently found to be alive the amount paid will be refunded to the **Insurer**

### Exposure

If during the **Period of Insurance** and **Operative Time of Cover** the **Insured Person** suffers death or disablement as a result of exposure to the elements the **Insurer** will consider that as being **Bodily Injury**

## PERSONAL ACCIDENT – DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this Personal Accident Section

**Annual Salary** means for an **Insured Person** who is

- 1. an **Employee** (excluding a self-employed worker), the total annual remuneration, excluding payments for overtime, commission or bonus payable to the **Insured Person**
- 2. self-employed, the annual taxable earnings after the deduction of relevant business expenses of the **Insured Person**

at the date of occurrence of the **Bodily Injury**

**Benefit Period** means the maximum period as stated in the **Schedule** for which amounts are payable for an Event such period commencing at the date the **Insured Person** first became disabled and ending no later than the stated number of weeks thereafter allowing for any **Excess Period** applied

**Bodily Injury** means injury which is caused by accident and which within twenty-four months from the date of such accident will result in the death or disablement of the **Insured Person**

**Excess Period** means the period at the commencement of each and every period of disablement for which amounts will be payable as stated in the **Schedule**

**Insured Person** shall mean any person or Category of person shown in the **Schedule** under 65 years of age at the commencement of the **Period of Insurance**

**Operative Time of Cover** means the operative time of cover as stated in the **Schedule**

**Weekly Wage** means for an **Insured Person** who is

1. an **Employee** (excluding a self-employed worker), the total weekly remuneration excluding payments for overtime, commission or bonus payable to the **Insured Person** at the date of occurrence of the **Bodily Injury**
2. self-employed, the average taxable earnings after the deduction of relevant business expenses of the **Insured Person** for the preceding 13 weeks prior to the date of occurrence of the **Bodily Injury**

## PERSONAL ACCIDENT – CONDITIONS

The **Insurer's** liability under this Personal Accident Section will be limited to

1. only one of Events (1) to (6) above in respect of all **Bodily Injury** sustained by an **Insured Person** arising from any one event source or original cause
2. in respect of Events (1) to (6) other than in respect of Directors of the **Insured** the equivalent of up to 5 times the **Insured Person's Annual Salary** or the amount stated in the **Schedule** (whichever is the lesser)
3. in respect of Events (7) the amount equivalent to a maximum of 75% the **Insured Person's Weekly Wage** or the amount stated in the **Schedule** (whichever is the lesser)

Any payments under Event (7) will cease upon any payment under Events (1) to (6)

Any payment made under Events (6) or (7) will be deducted from that which is consequently paid under Events (1) to (5)

If Event (1) is not covered the **Insurer** will not be liable to pay any compensation under Events (2) to (5) should the **Insured Person's** death occur within thirteen weeks of the accident causing the **Bodily Injury**

In the event that an **Insured Person** is included under more than one Category within the **Schedule** then the amount payable as a result of sustaining **Bodily Injury** will be the highest stated amount and not cumulative.

## PERSONAL ACCIDENT – EXCLUSIONS

The **Insurer** will not be liable to pay any claim under this Personal Accident Section

1. which arises directly or indirectly from or in connection with or is aggravated by
  - a. an **Insured Person**
    - i. committing a criminal act

- ii. committing or attempting to commit suicide or intentional self-injury
    - iii. flying other than as a passenger
    - iv. engaging or taking part in armed forces services or operations
    - v. taking part in professional sports
    - vi. engaging in motorcycling as either a driver or a passenger
    - vii. being under the influence of drugs or alcohol
    - viii. riding or driving in any kind of race sky diving rock climbing or show jumping
  - b. any physical or psychological impairment, defect, chronic or recurring disease, disorder or other condition that the **Insured Person** has required treatment for sought medical advice on or has suffered in the 12 months prior to inception of this Personal Accident Section
  - c. any gradually operating cause
  - d. invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war or any act condition or warlike operation incidental to war
  - e. warlike action by a regular or irregular military force or civilian agents or any action taken by any government, sovereign or other authority to hinder or defend against an actual or expected attack
  - f. insurrection, rebellion, revolution, attempt to usurp power or popular uprising or any action taken by governmental or martial authority in hindering or defending against any of these
  - g. the discharge, explosion or use of a weapon of mass destruction employing nuclear fission or fusion or chemical biological radioactive or similar agents by any party at any time for any reason
  - h. radioactive contamination
2. in respect of the **Excess Period** stated in the **Schedule**

# General Liability Insurance

## GENERAL LIABILITY – EXTENSIONS

**Applicable to Employers' Liability, Public Liability and Product Liability Sections unless otherwise stated**

### Court Attendance Costs

In the event of any of the under mentioned persons attending court as a witness at the request of the **Insurer** in connection with a claim in respect of which the **Insured** is entitled to indemnity under any General Liability Section, the **Insurer** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required

1. £250 for the **Insured** or any of the directors or partners of the **Insured**; and
2. £100 for any **Employee**

### Cross Liabilities

If the **Insured** comprises more than one party the **Insurer** will, under the Public Liability or Product Liability Sections, provide indemnity to each such **Insured** in the same manner and to the same extent as if a separate policy had been issued to each of them

Provided that nothing in this Extension increases the liability of the **Insurer** to pay any amount exceeding the **Limit of Liability** regardless of the number of persons claiming to be indemnified

### Health and Safety at Work Act and Corporate Manslaughter

The **Insurer** will indemnify the **Insured** and, at the request of the **Insured**, any director, partner or **Employee** of the **Insured**, in respect of legal costs and expenses incurred with the **Insurer's** consent in the defence of any prosecution or incurred in connection with appeal against conviction arising from such prosecution under the provisions of

1. the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978; or
2. the Corporate Manslaughter and Corporate Homicide Act 2007

Provided that

1. the proceedings relate to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business** and in connection with a claim in respect of which the **Insured** is entitled to indemnity under this **Policy**; and
2. the **Insurer** will not provide indemnity in respect of
  - a. fines or penalties of any kind, remedial or publicity orders, or prosecution costs imposed as a consequence of such prosecution; and
  - b. any circumstances for which indemnity is provided by any other insurance; and

- c. proceedings consequent upon a deliberate act by, or omission of, any person otherwise entitled to indemnity under this Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission; and
  - d. proceedings which arise out of any activity or risk excluded from this **Policy**
3. The liability of the **Insurer** in respect of all such legal costs and expenses will not exceed the sum of £1,000,000 in respect of each and every occurrence of proceedings whether relating to one or more alleged offences

## Indemnity to Principal

The **Insurer** will, subject otherwise to the terms, exceptions, conditions and **Endorsements** of this **Policy**, indemnify any principal under the Employers' Liability or Public Liability Sections against liability in respect of **Injury** or **Damage** to property to the extent that any contract or agreement entered into by the **Insured** with any principal so requires

Provided that

1. an indemnity would have been provided had a claim been made against the **Insured**; and
2. the principal will observe, fulfil and be subject to, the terms and conditions of this **Policy** as far as they can apply; and
3. the conduct and control of claims is vested in the **Insurer**; and
4. the indemnity will not apply to liability in respect of liquidated damages or under any penalty clause; and
5. the indemnity granted under the Employers' Liability Section will only apply in respect of liability to any person who is an **Employee**

## GENERAL LIABILITY – DEFINITIONS

The words defined below are additional definitions for the General Liability Sections. The words will have the same meaning wherever they appear in bold letters within a General Liability Section and the **Schedule** and **Endorsements** in respect of the General Liability Sections and take precedence over any General Definitions to the contrary.

**Damages** means compensatory damages awarded by a court. It does not mean:

1. that part of a damages award that results from the multiplication of compensatory damages; or
2. aggravated damages; or
3. exemplary damages; or
4. fines, penalties or other pecuniary sanction;

imposed by a court or state authority or agency

**Products** means any goods or products (including containers, labelling instructions or advice provided in connection therewith) manufactured, sold, supplied, erected, repaired, altered, treated, transported, serviced or installed by the **Insured** in the course of the **Business**

## GENERAL LIABILITY – CONDITIONS

### Personal Protective Equipment

It is a condition that

1. all **Employees** are made aware of the dangers of not using personal protective equipment; and
2. personal protective equipment is provided by the **Insured**; and
3. a register is maintained which demonstrates that **Employees** have received appropriate training, and are fully conversant with, the way in which to access such personal protective equipment

### Sub-Contractors

It is a condition precedent to liability that the **Insured** will take all reasonable steps to ensure all sub-contractors have Employers' Liability and Public Liability insurances in respect of liability at law for **Injury** and **Damage** to property arising in connection with the **Business** and that

1. the **Limit of Liability** of the Public Liability insurance be not less than £5,000,000 in respect of any one claim or number of claims arising out of one cause; and
2. such insurances have been extended to indemnify the **Insured** as principal against all liability for such **Injury** and **Damage** to property

### Claims Procedure

The following are conditions precedent to the **Insurer's** liability under the General Liability Sections:

1. The **Insured** must give the **Insurer** notice of any event or circumstance that might give rise to a claim under any General Liability Section as soon as reasonably practicable, with the fullest particulars the **Insured** has obtained, and must continue to provide the **Insurer** with all additional information as the **Insurer** may reasonably require; and
2. The **Insured** must forward to the **Insurer** any correspondence, letter of claim, Claim Form, Particulars of Claim, writ, summons, petition, notice of impending prosecution or other similar process that relates to any event or circumstance that might give rise to a claim under any General Liability Section, as soon as it is received by the **Insured**; and
3. The **Insured** must not admit fault to anyone or negotiate, offer or enter into any settlement of any claim without the prior written consent of the **Insurer**; and
4. The **Insured** must permit the **Insurer**, at the **Insurer's** election, to take over the conduct and control of the defence, settlement, counterclaim or claim for contribution or indemnity, in the name of the **Insured**, and must support and cooperate with the **Insurer** to this end.

The **Insurer** may at any time pay the applicable **Limit of Liability** or any lesser amount necessary to settle a claim or a series of claims, including claimant's costs, and will after that payment relinquish the conduct and control of the defence of that claim or claims and will have no further liability to the **Insured** for that claim or those claims, including claimant's costs, or any defence costs incurred after that payment.

### Defence Costs Apportionment (Not applicable to Employers' Liability Section)

Where the amount of a claim for **Damages** against the **Insured** exceeds the **Limit of Liability**, the liability of the **Insurer** to pay any legal costs to settle or defend that claim, or to recover contribution or indemnity from another party, will be in proportion to the **Insurer's** share of the total **Damages** awarded or settled.



## GENERAL LIABILITY – EXCLUSIONS

### Applicable to Employers' Liability, Public Liability and Product Liability Sections unless otherwise stated

Notwithstanding any other terms of this **Policy** to the contrary, no General Liability Section will indemnify the **Insured** in respect of:

#### **Jurisdiction**

any claim brought against the **Insured** within the jurisdiction of the United States of America or Canada or in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the World to enforce a judgment, award or settlement in respect of any such claim

#### **Pollution or Contamination (Not applicable to Employers' Liability Section)**

any liability in respect of **Pollution or Contamination** other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **Period of Insurance**. All **Pollution or Contamination** which arises out of such incident shall be deemed to have occurred at the time such incident takes place.

# Employers' Liability Section

## EMPLOYERS' LIABILITY – INSURING AGREEMENT

The **Insurer** will indemnify the **Insured** against

1. all sums which the **Insured** becomes legally liable to pay as **Damages** including related claimants' legal costs for **Injury** sustained by any **Employee** arising out of and in the course of his employment by the **Insured** in the **Business** and caused during the **Period of Insurance**
  - a. in the **Territorial Limits** including transits there between or
  - b. whilst outside the **Territorial Limits** temporarily for up to 90 days provided that any such **Employee** is
    - i. ordinarily resident within the **Territorial Limits**, and
    - ii. engaged by **the Insured** in clerical, supervisory or managerial work
2. all reasonable legal costs necessarily incurred by the **Insured** with the prior written consent of the **Insurer** to settle or defend, or to recover contribution or indemnity from another party in relation to any claim against the **Insured** which may be the subject of indemnity under this Employers' Liability Section

### Limit of Liability

1. The maximum liability of the **Insurer** payable under this Employers' Liability Section in respect of any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence inclusive of all reasonable legal costs necessarily incurred will not exceed the applicable **Limit of Liability**
2. Notwithstanding (1) above, the **Limit of Liability** will not exceed £5,000,000
  - a. where such claim is, or series of claims are, a result of **Terrorism** or
  - b. in respect of any event, directly or indirectly arising, resulting from, in consequence of, or in any way involving, asbestos or any materials containing asbestos, in whatever form or quantity

### Rights of Recovery

The indemnity granted under this Employers' Liability Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees within the **Territorial Limits** but the **Insured** will repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer** would not have been liable to pay but for the provisions of such law

## EMPLOYERS' LIABILITY – EXTENSIONS

### Unsatisfied Court Judgments

Where a judgment for **Damages** including related claimants' legal costs has been obtained by any **Employee** or the legal personal representatives of any **Employee**

1. in respect of **Injury** sustained by the **Employee** arising out of and in the course of his employment by the **Insured** in the **Business** caused during the **Period of Insurance** and
2. against any company or individual operating from or resident in premises within **Territorial Limits**

and such judgment remains unsatisfied, in whole or in part, 6 months after the date of judgment, at the request of the **Insured**, the **Insurer** will pay to the **Employee**, or the said legal personal representatives, the amount of any such **Damages** and any awarded costs to the extent that they remain unsatisfied

Provided that:

1. all reasonable steps must be taken by the **Insured** to enforce such judgment; and
2. the **Insured** would have been indemnified had **Damages** been awarded against the **Insured**; and
3. there is no appeal outstanding; and
4. if any payment is made by the **Insurer**, the **Employee** or the said legal personal representatives will assign the judgment to the **Insurer** and provide all reasonable assistance to the **Insurer** to enable it to enforce the judgment; and
5. this Employers' Liability Section is only operative at the time that such **Injury** is caused; and
6. the liability of the **Insurer** for **Damages**, costs and expenses will not exceed the **Limit of Liability**; and
7. there is no cover for judgments made in any court outside of the **Territorial Limits**.

## EMPLOYERS' LIABILITY – EXCLUSIONS

The **Insurer** will not indemnify the **Insured** under this Employers' Liability Section against liability for **Injury** sustained by any **Employee**

1. in respect of which compulsory insurance or security is required to be arranged by the **Insured** under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order; or
2. whilst **Offshore**

If the **Insurer** is required by compulsory insurance regulations to make a payment in respect of **Injury** occurring **Offshore** then the **Limit of Liability** is £5,000,000 any one occurrence

# Public Liability Section

## PUBLIC LIABILITY – INSURING AGREEMENT

The **Insurer** will indemnify the **Insured** against all sums which the **Insured** becomes legally liable to pay as **Damages** including related claimants' legal costs for

1. **Injury** to any person or
2. **Damage** to property or
3. obstruction, trespass, nuisance or interference with any right of way, air, light or water or other easement or
4. wrongful arrest, wrongful detention, false imprisonment or malicious prosecution

arising in connection with the **Business** and occurring within the **Territorial Limits** during the **Period of Insurance**

In addition, the **Insurer** agrees to pay all reasonable legal costs necessarily incurred by the **Insured** with the prior written consent of the **Insurer** to settle or defend, or to recover contribution or indemnity from another party in relation to any claim against the **Insured** which may be the subject of indemnity under this Public Liability Section

### Limit of Liability

The maximum liability of the **Insurer** payable under this Public Liability Section in respect of **Damages** for any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence will not exceed the **Limit of Liability**.

Where the **Insured's** liability in respect of such occurrence is indemnified under this Public Liability Section and another operative General Liability Section or other Section of the **Policy**, each of the General Liability Sections or other Sections will apply separately provided that the total amount to be paid by the **Insurer** for any such occurrence will not exceed the greatest of the available limits of liability among those operative Sections.

Any costs and expenses which may be the subject of indemnity under this Public Liability Section will be payable in addition to the **Limit of Liability**

## PUBLIC LIABILITY – EXTENSIONS

### Data Protection

The indemnity provided by this Public Liability Section will extend to any claim for compensation under article 82 of the General Data Protection Regulation, for material or non-material damage, suffered by a third party, arising out of and in the course of the **Insured's Business**, first made against the **Insured** within the **Territorial Limits** during the **Period of Insurance** provided that:

1. the **Insured** is a data controller, as defined in article 4(7) of the General Data Protection Regulation, subject to section 6(1)(a) of the Data Protection Act 2018, and has paid the relevant fee under the Data Protection (Charges and Information) Regulations 2018; and
2. material or non-material damage was not caused by a deliberate or intentional act by, or omission of, the **Insured**, the effect of which the **Insured** knew or ought reasonably to have known would result in liability under the General Data Protection Regulation; and

3. the costs of replacing, reinstating, rectifying or erasing any personal data, or costs incurred in relation to a compliance order is excluded from this extension; and
4. liability does not arise as a result of the provision by the **Insured** of the services of a data processor, as defined by article 4(8) of the General Data Protection Regulation, but not including a processor within the meaning of section 6(2) of the Data Protection Act 2018, or the recording or provision of data for reward or for determining the financial status of any person; and
5. the limit of indemnity will not exceed two hundred and fifty thousand pounds (GBP250,000) during the **Period of Insurance**; and
6. the **Insurer** will not provide indemnity:
  - a. for the first 10 per cent of each claim subject to a minimum payment by the **Insured** of £500 and a maximum payment by the **Insured** of £5,000; or
  - b. against liability caused by, or arising from, any incident or circumstances known to the **Insured** at inception of this Public Liability Section Extension which may give rise to a claim.

In addition, the **Insurer** agrees to indemnify the **Insured** for legal costs reasonably and necessarily incurred with **Insurer's** prior written consent for defending proceedings brought against the **Insured** under article 79(2) of the General Data Protection Regulation; any amount paid for these legal costs forms part of the limit of indemnity, which is shown at paragraph 5 of this extension.

### Defective Premises Act

The indemnity provided by this Public Liability Section will extend to apply in respect of liability arising under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with any premises previously owned or occupied by the **Insured** for purposes pertaining to the **Business** and which have since been disposed of by the **Insured**

Provided that the **Insurer** will not provide indemnity against liability

1. for which indemnity is provided by any other insurance; or
2. for the costs of remedying any defect or alleged defect in such premises

### Leased or Rented Premises

Notwithstanding Exclusion (2) of this Public Liability Section, this Public Liability Section will apply to liability for **Damage** to premises (including their fixtures and fittings) owned, rented, hired, let, loaned or borrowed by the **Insured** provided that the **Insurer** will not provide indemnity against liability assumed by the **Insured** under any contract or agreement which would not have attached in the absence of such contract or agreement.

### Motor Contingent Liability

Notwithstanding Exclusion (5) (a) of this Public Liability Section the **Insurer** will within the terms of this Public Liability Section indemnify the **Insured** in respect of liability to pay **Damages** for **Injury** or **Damage** caused by, or arising from, any motor **Vehicle** or trailer attached thereto not belonging to or provided by the **Insured**, being used by an **Employee** in the course of the **Business**

Provided that the **Insurer** will not provide indemnity against liability

1. in respect of **Damage** to any such **Vehicle** or trailer or property conveyed therein or thereon; or
2. for which indemnity is provided by any other insurance; or
3. caused or arising whilst such **Vehicle** or trailer is

- a. engaged in racing pace-making, reliability trials or speed testing; or
- b. being driven by the **Insured**; or
- c. being driven with the general consent of the **Insured** or their representative by any person who, to the knowledge of the **Insured** or other such representative, does not hold a licence to drive such **Vehicle**, unless such person has held, and is not disqualified from holding or obtaining, such a licence; or
- d. used elsewhere than within the **Territorial Limits** including transits there between

### Motor Vehicles Tool of Trade Risk

Notwithstanding Exclusion (5) (a) of this Public Liability Section, the **Insurer** will within the terms of this Public Liability Section indemnify the **Insured** for liability caused by or arising from

1. the use of plant as a tool of trade at the **Insured's** premises or on any site at which the **Insured** is working; or
2. the loading or unloading of any **Vehicle** or the bringing to or taking away of a load from any **Vehicle**; or
3. **Damage** to any building, bridge, weighbridge, road or to anything beneath, caused by vibration or by the weight of any **Vehicle** or its load

within the **Territorial Limits** including transits there between provided that the **Insurer** will not provide indemnity against liability

1. in respect of which compulsory insurance or security is required under any legislation governing the use of the **Vehicle**; or
2. for which indemnity is provided by any other insurance

### Movement of Obstructing Vehicles

Notwithstanding Exclusion (5) (a) of this Public Liability Section the **Insurer** will within the terms of this Public Liability Section indemnify the **Insured** for liability caused by, or arising from, any **Vehicle** (not owned or hired by or lent to the **Insured**) being driven by the **Insured** or by any **Employee** with the **Insured's** permission whilst such **Vehicle** is being moved for the purpose of allowing free movement of any **Vehicles** or pedestrians

Provided that

1. movements are limited to **Vehicles** parked on or obstructing the **Insured's** premises or any site at which the **Insured** is working; and
2. the **Vehicle** causing obstruction will not be driven by any person unless such person is competent to drive the **Vehicle**; and
3. the **Vehicle** causing obstruction is driven by use of the owner's ignition key; and
4. the **Insurer** will not provide indemnity against liability
  - a. in respect of **Damage** to such **Vehicle** or
  - b. in respect of which compulsory insurance or security is required under any legislation governing the use of the **Vehicle**

### Overseas Personal Liability

The **Insurer** will within the terms of this Public Liability Section indemnify

1. the **Insured**; and
2. at the request of the **Insured**
  - a. any director, partner or **Employee** of the **Insured** or

- b. any spouse or child of the persons stated in (1) or (2) (a) above who are accompanying such persons

in respect of liability incurred by such persons in a personal capacity in connection with an event occurring in a country whilst outside of the **Territorial Limits** temporarily for up to 90 days in connection with the **Business**

Provided that

- 1. any person entitled to indemnity under this Public Liability Section Extension will as though they were the **Insured** be subject to the terms and conditions of this **Policy** insofar as they can apply
- 2. nothing in this Public Liability Section Extension will increase the liability of the **Insurer** to pay any amount exceeding the **Limit of Liability** regardless of the number of persons claiming to be indemnified
- 3. the **Insurer** will not provide indemnity against
  - a. liability for which indemnity is provided by any other insurance; or
  - b. liability in respect of **Damage** to property belonging to, or in the custody, or under the control, of any person entitled to indemnity under this Public Liability Section Extension; or
  - c. liability in respect of **Injury** to any person entitled to indemnity under this Public Liability Section Extension; or
  - d. liability caused by or arising from
    - i. the ownership or occupation of land or buildings; and
    - ii. the carrying on of any business profession trade or employment; and
    - iii. the ownership possession or use of animals other than domestic dogs or cats

## PUBLIC LIABILITY – EXCLUSIONS

The **Insurer** will not indemnify the **Insured** under this Public Liability Section against liability

- 1. for **Damage** to property belonging to the **Insured** or in the custody or control of the **Insured** or of any **Employee** other than personal effects (including any **Vehicle** and its contents) of **Employees** or visitors;
- 2. arising out of **Damage** to property (including its contents) where that property is owned, rented, hired, let, loaned or borrowed by the **Insured** unless such property is temporarily occupied by the **Insured** for the purpose of carrying out work on that property;
- 3. arising out of **Damage** to property which comprises or is to be incorporated into executed contract works undertaken by the **Insured**.
- 4. in respect of **Injury** sustained by an **Employee** arising out of that **Employee's** employment in the **Business**.
- 5. arising from the ownership, possession, or use, under the control of the **Insured** or of any **Employee** of the **Insured**, of
  - a. any mechanically propelled **Vehicle**, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation, or where indemnity is provided by any other policy or security; or
  - b. any craft intended to travel through air or space, or other aerial devices, hovercraft or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length)
- 6. caused by any **Products** after they have ceased to be in the custody or control of the **Insured**, other than food or drink supplied primarily for the use of **Employees** or for entertainment purposes
- 7. that attaches by virtue of any express contract, agreement, warranty, indemnity, waiver or guarantee unless liability would have attached to the **Insured** in the absence of such express contract, agreement, warranty, indemnity, waiver or guarantee.
- 8. arising from professional advice given, separately for a fee or other remuneration, by the **Insured** or by anyone on the **Insured's** behalf or in circumstances where a fee would normally be charged

# Products Liability Section

## PRODUCTS LIABILITY – INSURING AGREEMENT

The **Insurer** will indemnify the **Insured** against all sums which the **Insured** becomes legally liable to pay as **Damages** including related claimants' legal costs for

1. **Injury** to any person; or
2. **Damage** to property

arising in connection with the **Business** and occurring anywhere in the World other than at the premises of the **Insured** during the **Period of Insurance** and caused by any **Product**

In addition, the **Insurer** agrees to pay all reasonable legal costs necessarily incurred by the **Insured** with the prior written consent of the **Insurer** to settle or defend, or to recover contribution or indemnity from another party in relation to any claim against the **Insured** which may be the subject of indemnity under this Products Liability Section

### Limit of Liability

The maximum liability of the **Insurer** payable under this Products Liability Section in respect of **Damages** for any one claim against the **Insured** or series of claims against the **Insured** arising out of one occurrence will not exceed the **Limit of Liability**.

Where the **Insured's** liability in respect of such occurrence is indemnified under this Products Liability Section and another operative General Liability Section or other Sections of this **Policy**, each of the General Liability Sections or other Sections will apply separately provided that the total amount to be paid by the **Insurer** for any such occurrence will not exceed the greatest of the available limits of liability among those operative Sections.

Any costs and expenses which may be the subject of indemnity under this Products Liability Section will be payable in addition to the **Limit of Liability**

## PRODUCTS LIABILITY – EXTENSIONS

### Consumer Protection Act and Food Safety Act

The **Insurer** will provide indemnity to the **Insured**, and at the request of the **Insured**, any director, partner or **Employee** of the **Insured**, in respect of legal costs and expenses incurred with the **Insurer's** written consent, in the defence of any criminal proceedings brought for a breach of Part II of the Consumer Protection Act 1987 and Sections 7 and 8 of the Food Safety Act 1990, including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection therewith

Provided that

1. the proceedings relate to an offence alleged to have been committed during the **Period of Insurance** and in the course of the **Business** and within the **Territorial Limits**; and
2. the **Insurer** will not provide indemnity in respect of
  - a. fines or penalties of any kind; and
  - b. any proceedings arising from circumstances for which indemnity is provided by any other insurance; and



- c. proceedings consequent upon a deliberate act by, or omission of, any person entitled to indemnity under this Products Liability Section Extension if the result thereof could reasonably have been expected having regard to the nature and circumstances of such act or omission; and
  - d. proceedings which arise out of any activity or risk excluded from this **Policy**
  - e. any proceedings which the **Insurer** considers do not have reasonable prospects of success.
- and;
- 3. the director partner or **Employee** will, as though they were the **Insured**, be subject to the terms and conditions of this **Policy** insofar as they can apply

## PRODUCTS LIABILITY – EXCLUSIONS

The **Insurer** will not indemnify the **Insured** under this Products Liability Section in respect of liability

- 1. caused by or in connection with any **Products** which, to the knowledge of the **Insured**, are for export to or use in the United States of America or Canada; or
- 2. caused by any **Products** in the custody or control of the **Insured**; or
- 3. for any costs or expense incurred in repairing, replacing, removing, rectifying, recalling or making any refund in respect of **Products**; or
- 4. arising from **Products** used with the **Insured's** knowledge in connection with aircraft watercraft or offshore structures; or
- 5. that attaches by virtue of any express contract, agreement, warranty, indemnity, waiver or guarantee unless liability would have attached to the **Insured** in the absence of such express contract, agreement, warranty, indemnity, waiver or guarantee; or
- 6. in respect of **Injury** sustained by an **Employee** arising out of that **Employee's** employment in the **Business**; or
- 7. arising out of **Damage** to property where such property is or comprises or is to be incorporated into executed contract works to be undertaken by the **Insured**; or
- 8. arising from professional advice given, separately for a fee or other remuneration, by the **Insured** or by anyone on the **Insured's** behalf or in circumstances where a fee would normally be charged; or
- 9. arising from the ownership, possession, or use, under the control of the **Insured** or of any **Employee** of the **Insured**, of
  - a. any mechanically propelled **Vehicle**, including anything attached to it, used in circumstances where insurance or security is required by any road traffic legislation, or where indemnity is provided by any other policy or security; or
  - b. any craft intended to travel through air or space, or other aerial devices, hovercraft or watercraft (other than hand propelled watercraft or sailing craft not exceeding six metres in length).

# Cyber Section

## CYBER - INSURING AGREEMENTS

The **Insurer** will cover the **Insured** for **Claims** and **Losses** up to the **Limit of Indemnity** shown in the **Schedule** for this Section including claimants' costs and expenses, first made against or sustained by the **Insured** in the course of the **Business** within the **Territorial Limits** during the **Period of Insurance** and notified to the **Insurer** in writing, for;

### 1. The Insured's losses

#### 1.1 Breach of personal data

The **Insured's Loss** arising after the **Retroactive Date** where the **Insured** discovers or suspects a **Breach** has occurred. The **Insurer** shall cover;

- a. **Breach Forensic Costs;**
- b. Legal fees incurred by the **Insured** to manage the response to the **Breach**;
- c. Costs the **Insured** incurs to notify each affected **Data Subject** of the **Breach**;
- d. Costs the **Insured** incurs in notifying any regulatory body, including the Information Commissioner's Officer of the breach where the **Insured** is required to do so by law or regulation;
- e. Costs the **Insured** incurs to use a third party call centre to answer enquires from affected **Data Subjects**, following notification of the **Breach** to such **Data Subjects**; and
- f. **Credit Monitoring Costs;**

provided that they are incurred with the **Insurer's** prior written agreement. The **Insurer** will not cover the **Insured** for any **Loss** which arises as a result of any **Breach** caused by a supplier to the **Insured**.

#### 1.2 Business interruption

The **Insured's Loss of Income** during the **Period of Restoration** for any **Increased Costs of Working**, resulting solely and directly from an interruption to the **Insured's Business** which commenced during the **Period of Insurance** and lasting longer than the **Time Excess**, due to;

- a. the activities of a third-party who specifically targets **Insured** alone by maliciously blocking electronically the access to the **Insured's Computer System, Programmes** or data the **Insured** holds electronically; or
- b. a **Hacker** who specifically targets the **Insured** alone.

#### 1.3 Hacker Damage

The **Insured's Loss** after the **Retroactive Date**, caused by a **Hacker**:

- a. damaging, destroying, altering, corrupting, or misusing the **Insured's Computer System, Programmes** or data the **Insured** holds electronically, or any **Programmes** or data for which the **Insured** is responsible; or
- b. copying or stealing any **Programme** or data the **Insured** holds electronically or for which the **Insured** is responsible;

the **Insurer** will pay all the reasonable and necessary expenses incurred with the **Insurer's** prior written consent in replacing or repairing the **Insured's Computer System, Programmes** or data the **Insured** holds electronically

to the same standard and with the same contents before it was damaged, destroyed, altered, corrupted, copied, stolen or misused.

#### 1.4 Cyber Extortion

The cost of a ransom demand if the **Insured** receives an **Illegal Threat** from the third-party or, if the demand is for goods or services, their market value at the time of the surrender, provided that the **Insured** can demonstrate to the **Insurer** that:

- a. the ransom was paid, or the goods or services were surrendered, under duress;
- b. before agreeing to the payment of the ransom or the surrender of goods or services, the **Insured** made all reasonable efforts to determine that the **Illegal Threat** was genuine and not a hoax; and
- c. an individual within the definition of the **Insured** agreed to the payment of the ransom or the surrender of the goods or services.

The **Insurer** will also pay:

- a. the fees of the **Insurer's** appointed consultant, incurred by the **Insured** with the **Insurer's** prior written consent, for advising the **Insured** on the handling and negotiation of the ransom demand; and
- b. the amount of any stolen ransom, where such theft occurs at or in transit to the agreed location for payment of the ransom.

## 2. Claims Made Against The Insured

### 2.1 Privacy Investigation Claim

If, after the **Retroactive Date** specified in the **Schedule** for this Section:

- a. any party brings a **Claim** against the **Insured** for the **Insured's** actual or alleged:
  - i. breach, violation or infringement of any right to privacy, consumer data protection law, or other legal protection for **Personal Data**;
  - ii. breach of duty to maintain the security or confidentiality of **Personal Data**;
  - iii. breach of any duty of confidence, including in respect of any commercial information; or
  - iv. breach of any contractual duty to maintain the security or confidentiality of **Personal Data**;or
- b. The **Insured** is the subject of a **Privacy Investigation**;

The **Insurer** will pay:

- a. the amount agreed by the **Insured** and **Insurer** through good faith negotiation, mediation or some other form of alternative dispute resolution to settle a **Claim** or the amount to satisfy a judgment or arbitration award against **Insured**;
- b. any **Regulatory Award**; and
- c. **Privacy Forensic Costs, Privacy Investigation Costs and Defence Costs.**

## 3. Defence Costs and Expenses

**3.1 Defence Costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs and Credit Monitoring Costs** which are included within the **Limit of Indemnity**.

## CYBER - DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this Section.

**Breach** means the unauthorised acquisition, access, use or disclosure of, or the loss or theft of **Personal Data**, which compromises the security or privacy of that information such that it poses a significant risk of financial harm to the **Data Subject**; or any unauthorised acquisition, access, use or disclosure of **Personal Data** which triggers the **Insured's** obligations under any statute, law or regulation to make any notification of such unauthorised acquisition, access, use or disclosure.

**Breach Forensic Costs** means following a possible **Breach**, the costs the **Insured** incurs for computer forensic analysis conducted by outside forensic experts to confirm the **Breach** and identify the affected **Data Subjects**, as well as outside legal fees necessary for the preservation of the lawyer-client privilege of forensic reports and findings.

**Business** means the **Insured's** business as specified in the **Schedule** and/or declared in the **Proposal to Insurer**.

**Circumstance** means something that may result in a **claim** against the **Insured**.

**Claim** means any written or oral demand for monetary damages or other relief including non-pecuniary relief or any civil, arbitration or adjudication proceedings including any counterclaim or appeal.

### **Cloud Provider**

Any entity providing hardware or software services to **Insured** over the internet including the provision of software as a service, infrastructure as a service or platform as a service.

### **Computer Systems**

Any entity providing hardware or software services to **Insured** over the internet including the provision of software as a service, infrastructure as a service or platform as a service.

### **Credit Monitoring Costs**

Following a **Breach**, the costs the **Insured** incurs to provide one year of credit monitoring services or other credit protection services to each affected **Data Subject**. Such services must be redeemed by the **Data Subject** within 12 months of the **Data Subject** first being offered such services.

### **Data Subject**

Any natural person who is the subject of **Personal Data**.

**Defence Costs and Expenses** means any fees, expenses, costs and disbursements incurred in investigating, adjusting, settling or defending a **Claim** that may be covered by this Section. **The Insured's** internal or overhead expenses or the cost of the **Insured's** time is not included.

**Employee** means any person employed by the **Insured** under a contract of service or apprenticeship during or prior to the commencement of the **Period of Insurance**.

**Endorsement** means a change to the terms of the Section.

**Excess** means the amount specified in the **Schedule** for this Section.

**Hacker** means any third party or any **Employee** or **Persons Responsible** to the **Insured** who instigates a Hacking Attack.

**Hacking Attack** means any malicious specific or unauthorised electronic act including but not limited to denial of service phishing spear phishing Trojans botnets worms brute-force port scanning spoofing ransomware cracking or phreaking that has been instigated by any third party or any **Employee** or **Persons Responsible** to the **Insured**.

#### **Illegal Threat**

Any threat from a third-party to:

1. damage, destroy or corrupt the **Insured's Computer Systems, Programmes** or data the **Insured** holds electronically, or any **Programmes** or data for which the **Insured** is responsible, including by specifically introducing a **Virus**; or
2. disseminate, divulge or use any electronically held commercial information which:
  - a. The **Insured** is responsible for;
  - b. is not in the public domain; and
  - c. will cause commercial harm if made public;following any unauthorised external electronic access by that third-party.

#### **Income**

The net profit loss the **Insured** sustains during the **Period of Restoration** as a direct result of a covered cause of **Loss**. **Income** does not include:

1. Any **Loss** arising out of a physical cause or natural peril, including but not limited to, fire, wind, water, flood, subsidence, or earthquake;
  2. Any **Loss** or expense arising out of updating the **Insured's Computer Systems** to a level beyond that which existed before the covered cause of loss.
  3. Contractual penalties or consequential damages;
  4. Any liability to third parties for whatever reason, including but not limited to, legal costs and expenses of any type;
  5. Fines or penalties imposed by law;
  6. Costs or expenses incurred to identify, patch, or remediate software program errors or the **Insured's Computer System** vulnerabilities;
  7. Loss of goodwill or reputational harm;
- Costs to upgrade, redesign, reconfigure, or maintain **Insured's Computer System** to a level of functionality beyond that which existed prior to the covered cause of **Loss**.

#### **Increased Costs of Working**

The reasonable and necessary costs and expenses incurred by the **Insured** for the sole purpose of minimising the reduction in **Income** from the **Business** during the **Indemnity Period**, but not exceeding the reduction in **Income** saved.

**Insurer** means the applicable Insurer for this Section as stated in the **Schedule** for this Section.

**Investigation** means a civil, criminal, administrative or regulatory examination, investigation or other proceeding conducted by any official body or institution empowered under statute to investigate the **Insured's** affairs.

**Investigation** does not mean routine regulatory supervision, inspection or compliance reviews. Proceedings includes an appeal against the outcome of any initial proceedings.

**Investigation Costs** means reasonable fees, costs and expenses (except remuneration of any **Employee** or **Persons Responsible** to the **Insured**) incurred with the **Insurer's** consent (which shall not be unreasonably withheld) in connection with preparing for and attending an investigation.

**Limit of Indemnity** means our maximum total liability as specified in the **Schedule** for this Section or as may be specifically endorsed to this Section to cover the **Insured** within the terms and conditions of this Section.

**Loss(es)** means any financial harm caused to the **Business**.

**Media Liability** means:

1. defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organisation;
2. misappropriation of any name or likeness for commercial advantage, or trade secret;
3. plagiarism, piracy or misappropriation of ideas under implied contract;
4. infringement of copyright;
5. infringement of trade dress, domain name, title or slogan, or the dilution or infringement of trademark or service mark;
6. negligence concerning the content of any Media Communication, including harm caused through any reliance of failure to rely on such content. Media Communication means the display, broadcast, dissemination, distribution or release of media material to the public by the **Insured**.

**Nominee**

The person or entity named in the **Schedule** for this Section to whom notice of any **Claim, Loss, Breach, Privacy Investigation, Illegal Threat** or interruption should be given.

**PCI Charges** means charges, fines, penalties, levies, costs, expenses, assessments, contractual damages or imposition of liabilities of any nature arising as a result of the **Insured's** failure to comply with PCI Data Security Standards due to a **Breach**, including any sums in relation to card reissuance or fraudulent transactions.

**Period of Restoration** means the time period that:

1. begins on the date and time that the interruption of the **Insured's Business** first occurred; and
2. ends on the earlier of the date and time that the interruption of the **Insured's Business**:
  - a. ends; or
  - b. could have ended had the Insured acted with due diligence and dispatch.

In no event will the period of restoration exceed 60 days.

**Personal Data**

Any non-public individually identifiable information about a **Data Subject**, including but not limited to such information protected by the Data Protection Act 1998 or any similar or successor legislation.

**Persons Responsible to the Insured** means locum, consultant, sub-consultant or agent or self-employed person appointed by the **Insured** to perform services on the **Insured's** behalf so as to enable the **Insured** to perform **Insured's Business**.

**Pollution** means any substance, solid, liquid, gaseous or thermal irritant or contaminant including but not limited to smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste materials. Waste materials include, but are not limited to, recycled, reconditioned or reclaimed materials.

**Privacy Forensic Costs**

Following a **Claim** under Privacy Investigation Claim clause 2.1, the reasonable and necessary costs incurred by the **Insured** with the **Insurer's** prior written consent for forensic services conducted by outside forensic experts to defend a **Claim**.

**Privacy Investigation**

Any official examination, official enquiry or official investigation brought against the **Insured** based on the same

allegations as a **Claim** under Privacy Investigation Claim, clause 2.1 a. i, ii and iv, conducted by any regulator, government department or other body legally empowered.

**Privacy Investigation Costs**

All reasonable and necessary lawyers' and experts' fees and legal costs, including **Privacy Forensic Costs**, incurred with the **Insurer's** prior written agreement in investigating, settling, defending, appealing or defending an appeal against a **Privacy Investigation**, but not including any overhead costs, general **Business** expenses, salaries or wages incurred by **Insured** or any other person or entity entitled to coverage under this Section.

**Programmes**

A collection of instructions that performs a specific task when executed by **Insured's Computer Systems**.

**Proposal** means the written proposal made by the **Insured** to the Insurer together with any other related particulars and statements that have been supplied to the **Insurer** and which have been taken into consideration by the **Insurer** when deciding whether to provide this Insurance and upon what terms.

**Regulatory Award**

Following a **Privacy Investigation**, any civil or regulatory sanctions, fines, penalties, disgorgement of profits, treble damages or multiple damages, including but not limited to those imposed by any national, federal, state or local governmental body or any licensing organisation, if insurable in the jurisdiction where such award was first ordered, but not including **PCI Charges**.

**Retroactive Date** means the date specified against the retroactive date in the **Schedule** for this Section.

**Subsidiary**

An entity that has been identified in the **Proposal** for this Section and of which the **Insured** own more than 50% of the book value of the assets or of the outstanding voting rights as of the first day of the **Period of Insurance**.

**Territorial limits**

The applicable territorial limits specified in the **Schedule** for this Section.

**Terrorism** means an act of terrorism including but limited to the use of force or violence and/or the threat of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

**Time Excess**

The period shown in the **Schedule** for this Section as the time excess, being the period immediately following an interruption during which no cover is provided under Cyber Business interruption.

**Virus** means a piece of unauthorised executable code which propagates itself through a **Computer System**.

**Insured, Insured's** means

1. The named insured on the **Schedule**;
2. any person who was, is or during the **Period of Insurance** becomes the **Insured's** partner, director, trustee, in-house counsel or senior manager in actual control of the **Insured's** operations;
3. any **Subsidiary**

## CYBER – CONDITIONS

### Insurer's Total Liability

The **Insurer's** total liability under this Section shall not exceed the applicable **Limit of Indemnity** stated in the **Schedule** for this Section for;

1. Any one **Claim, Loss, Breach, Privacy Investigation, Illegal Threat**, and interruption or;
2. All **Claims, Losses, Breaches, Privacy Investigations, Illegal Threats**, and interruptions arising out of or in connection with the same originating cause or source or
3. All losses for which indemnity is available, including all **Defence Costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs** and **Credit Monitoring Costs** arising out of or in connection with the same originating cause or source.

The aggregate limit stated in the **Schedule** for this Section is the most the **Insurer** will pay for all **Claims, Losses, Breaches, Privacy Investigations, Illegal Threats**, and interruptions arising from all claim(s), against the **Insured** during the policy period regardless as to whether a claim, occurrence or action gives rise to indemnity under more than one clause of this Section. If the **Schedule** is silent, the aggregate limit will be the **Limit of Indemnity**.

### Cyber Business Interruption

Following a covered Cyber Business Interruption under clause 1.2, the **Insurer** will pay;

1. The difference between the **Insured's** actual **Income** during the **Period of Indemnity** and the **Income** it is estimated the **Insured** would have earned during that period or,
2. If this is the **Insured's** first trading year, the difference between the **Insured's Income** during the **Period of Indemnity** and during the period immediately prior to the interruption, less any savings resulting from the reduced costs and expenses the **Insured** pay out of the **Insured's Income** during the **Period of Indemnity**.
3. The **Insurer** will also pay for **Increased Costs of Working**. The **Insured** must bear the **Time Excess** in respect of each covered interruption.

### Policy Excess

The **Excess** stated in the **Schedule** for this Section applies in respect of;

1. Each and every **Claim, Loss, Breach, Privacy Investigation, Illegal Threat**, and interruption or;
2. All **Claims, Losses, Breaches, Privacy Investigations, Illegal Threats**, or interruptions arising out of or in connection with the same originating cause or source, or
3. All losses for which indemnity is available, including all **Defence Costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs** and **Credit Monitoring Costs** arising out of or in connection with the same originating cause or source;

falling to be dealt with under the insuring clause. The **Limit of Indemnity** is over and above the **Excess**.



## Confidentiality

The **Insured** shall not disclose the terms of this **Policy** or disclose the amount of the **Premium** paid to any third party except:

1. To the extent that the **Insured** is required by law to do so or by any regulatory authority as may be necessary to demonstrate to such regulatory authority that any mandatory insurance requirements of such authority have been satisfied, or
2. That the existence of the cover provided by this Section, lead insurer, **Limit of Indemnity** and **Excess** available may be disclosed to an insurer, to a client or a prospective client, wholesale broker or placing agent necessary to maintain agency facilities, provided that no such disclosure shall be permitted where the **Insured** are aware or ought reasonably to be aware that the person to whom disclosure is going to be made, has made, or is likely to make a **Claim** against the **Insured** or
3. To the extent that the **Insurer** consents to such disclosure which the **Insured** has sought, such consent not to be unreasonably withheld.

## Document Management

The **Insurer** may hold the **Proposal** (including any attachments thereto) and any documents relating to this insurance and any **Claim** or **Loss** in electronic form and may destroy the originals. An electronic copy of any such document will be admissible in evidence to the same extent as, and carry the same weight as, the original.

## Fraudulent Claims

If the **Insured** shall knowingly make any false or fraudulent request in respect of any **Claim** or **Loss**, as regards amount or otherwise, the **Insured** will forfeit the right to cover only for the actual **Claim** or **Loss** in relation to which there has been a false or fraudulent request.

## Indemnity to Employees

At the **Insured's** reasonable request, the **Insurer** will cover any **Employee** provided the **Employee**, as though they were the **Insured**, observes and complies and is subject to the terms of this Section.

## Interpretation

In this Section;

1. reference to any Act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this Section;
2. if any term, condition, exclusion or **Endorsement** or part thereof is found to be invalid or unenforceable the remainder shall be in full force and effect;
3. headings herein are for reference only and shall not be considered when determining the meaning of this Section.

## Notification to Law Enforcement Authorities

The **Insured** must inform, or allow the **Insurer** to inform, the appropriate law enforcement authorities where any

illegal threat was made, and keep the **Insurer** fully informed of all developments concerning any illegal threat or ransom demand.

## Other Insurance

The insurance provided by this Section shall apply only in excess of any other valid insurance, with the sole exception of any insurance written as specific excess insurance over the **Limit of Indemnity** provided by this Section.

## Senior Counsel

In the event that:

1. **The Insurer** recommends settlement of a **Claim** and the **Insured** does not agree to the settlement of the **Claim** and the **Insured** decide to contest the **Claim**; or
2. The **Insured** wish to settle a **Claim** and the **Insurer** does not agree to the settlement of the **Claim**;

Senior Counsel (agreed upon by the **Insured** and the **Insurer** or failing such agreement to be nominated by the Chairman for the time being of the Bar Council of England and Wales or where appropriate by a similar official of any similar body in any other applicable jurisdiction) shall advise whether the **Claim** should be settled or contested taking into account all likely costs, prospects of success and the damages and costs likely to be recovered by the third party claimant, and the **Insured's** commercial interest. The costs of this exercise will be allocated by the agreed or appointed party on a fair and equitable basis, and the parties will abide by that allocation. This condition applies to clause 2.1 only when the **Insured** and **Insurer** have exhausted all appropriate forms of alternative dispute resolution. For purposes of this condition, only definition (1) and (2) of **Insured** applies.

## Subrogation

1. Where the **Insurer** has paid a **Claim** or **Loss** covered under this Section, the **Insurer** will be entitled to any rights the **Insured** has against any party in relation to the **Claim** or **Loss** to the extent of the **Insurer's** payment.
2. The **Insured** must assist the **Insurer** and provide information as the **Insurer** may reasonably require to exercise rights of subrogation, including bringing any action or suit in the **Insured's** name. This may include providing and signing statements and other documents and the giving of evidence.
3. Any recovery received shall be applied first against any **Claim, Loss** or costs insofar as it exceeds the **Limit of Indemnity**, then against any payment made by the **Insurer**, and finally against the **Excess**.
4. The **Insurer** will not subrogate against any current or former principal, partner, member, director or **Employee** under this Section unless that person is found to have committed a criminal, fraudulent, malicious or dishonest act or omission.

## Take Over and Mergers

In the event of a take-over or merger where there is a sale or a merger with or acquisition by another entity such that the **Insured** is not the surviving entity and no longer: (a) controls the composition of the board of directors or (b) control more than half the voting power or (c) hold more than half of the issued share capital then this Section shall apply only to any **Claim** or **Loss** arising from the **Business** carried out prior to the date of such take-over or merger, unless the **Insurer** otherwise agrees.

## Waiver or Amendment

The terms of this Section shall not be waived or amended except by **Endorsement** to form part of this **Policy**.

## Claims Notification

The **Insured** shall notify the **Nominee** as soon as practicable within the **Period of Insurance** or at the latest within 21 days of receipt of any **Claim**, or **Loss**, **Breach**, **Privacy Investigation**, **Illegal Threat** or interruption made against or suffered by the **Insured**, or an **Employee** or **Persons Responsible to the Insured** during the **Period of Insurance**.

If the **Insured** becomes aware of any situation during the **Period of Insurance** which may give rise to a **Claim** or **Loss**, **Breach**, **Privacy Investigation**, **Illegal Threat** or interruption, the **Insured** shall notify the **Nominee** as soon as practicable or at the latest within 21 days following such awareness.

Notifications made under this clause which subsequently give rise to a **Claim** shall in each case be deemed to have been a **Claim** made during the **Period of Insurance**.

## Co-operation

As soon as practicable following receipt, the **Insured** must deliver to the **Nominee** any preliminary letter of claim, pre-action protocol letter, claim form, other legal procedural documents, summons, arbitration notice or other similar correspondence and documents to those. The **Insured** shall provide the **Insurer** with all information and assistance that the **Insurer** and the **Insurer's** representatives and others appointed by the **Insurer** may reasonably require. Compliance with this condition will be at the **Insured's** own cost.

## Legal Defence and Settlement

1. The **Insurer** is entitled but not obliged to assume the legal defence of any **Claim** covered under this Section in the **Insured's** name and the **Insurer** shall have full discretion in managing any negotiation or proceedings as to the resolution of such **Claim**
2. The **Insurer** shall be entitled to select and appoint the lawyers and other representatives that will defend and represent the **Insured** or **Employee** in respect of any **Claim**;
3. Subject to the conditions of this Section, the **Insurer** shall be entitled to settle a **Claim** if it so chooses;
4. The **Insured** agrees in relation to any **Claim** or potential **Claim** or **Loss** not to admit liability for or settle any such **Claim**, make any admission, offer payment or assume any obligation in connection with any **Claim** or potential **Claim** or **Loss**, or incur any costs in connection with any **Claim** or **Loss**, without the **Insurer's** consent, such consent not to be unreasonably withheld;
5. The **Insured** must not disclose the nature or terms of this insurance to any person unless required to do so by law or in compliance with the rules of their regulatory body, or in negotiating a contract with any client unless the **Insurer** has agreed to the disclosure in writing;
6. The **Insurer** shall not be liable for any settlement, costs, admission, offer, payment or assumed obligation without its consent, such consent not to be unreasonably withheld;
7. The **Insurer** may at any time pay to the **Insured** the **Limit of Indemnity** (having deducted any sums already paid) or any lesser amount for which such **Claim** or **Loss** may be settled and having paid that sum the **Insurer** shall relinquish the control of the **Claim** and be under no further liability in connection with the **Claim** or **Loss**;
8. Prior to settling any **Claim** or **Loss** within the **Excess** the **Insured** shall obtain from the claimant a signed form of discharge in full and final settlement of the **Claim** or **Loss** and the **Insured** shall advise the **Insurer** of the final amount for which the **Claim** or **Loss** was settled or resolved.

9. The **Insured** must ensure that **Insurer's** rights of recovery against a third-party are not unduly restricted or financially limited by any term in any of the **Insured's** contracts. If the **Insured** do not, the **Insurer** may reduce any payment under this Section by an amount equal to the detriment suffered as a result.

## CYBER – EXCLUSIONS

The **Insurer** will not cover the **Insured** for any liability directly or indirectly due to:

### Assumed Duty or Obligation

Any duty, obligation or liability incurred, entered into or assumed by the **Insured** which is not incurred, entered into or assumed in the normal conduct of the **Business**.

### Contractual Terms and Warranties

1. Any express agreement, warranty, indemnity, waiver or guarantee;
2. any warranty or agreement providing a greater liability or a longer period of liability than that given under the original contract and to which such warranty or agreement is supplemental.

### Credit Monitoring Costs

**Credit Monitoring Costs** unless:

1. arising from a **Breach** of a **Data Subject's** National Insurance number, driver's licence number or other government issued identification number that can be used, in combination with other information, to open a new financial account; or
2. The **Insured** is required by any law or regulation to provide credit monitoring or credit protection services.

### Death and Bodily Injury

Death, bodily injury, psychological injury, emotional distress or anguish, shock, sickness, disease or death sustained by any person, unless such damage arises solely because of defamation or breach of privacy covered under clause 2.1 Privacy Investigation Claim.

### Defamatory Statements

Any statement the **Insured** knew, or ought reasonably to have known, was defamatory at the time of publication.

### Directors and Officers

Any breach by the **Insured** of a personal duty owed solely in the capacity of a member, director, secretary or officer of a body corporate.

### Dishonesty

Any fraudulent, dishonest, malicious or criminal conduct intended to cause harm to another person or **Business**, or any knowing or wilful violation of a law, whether committed by the **Insured** or committed by another whose conduct or violation of the law the **Insured** has ratified or actively condoned or any act the **Insured** knew, or reasonably ought to have known at the time the **Insured** performed it, would give rise to a **Claim**, loss, breach, privacy investigation, illegal threat or interruption to the **Business**.

## Fines and Penalties

Taxes, fines or penalties, punitive, aggravated, multiple, exemplary or other non-compensatory damages.

## Hack By an Individual

Any individual **Hacker** that falls within the definition of the **Insured** or **Persons Responsible to the Insured**.

## Insolvency

The **Insured's** insolvency or the insolvency of the **Insured's** suppliers or sub-contractors.

## Investment and Financial

1. Depreciation or loss of investments when the depreciation or loss is as a result of any fluctuations in any financial, stock or commodity markets when such fluctuation is outside the influence or control of the **Insured**.
2. Any actual or alleged dealings of any nature by which it is sought to affect the price of, or market in, any shares or debentures of any company or commodity or currency, or of any negotiable instrument, other than dealings carried out in accordance with the laws, rules and regulations applicable to such dealings.
3. Any regulated activities as defined in the *Financial Services and Markets Act 2000*, as amended from time to time.

## Intellectual Property, Patent or Trade Secrets

Theft or infringement, misappropriation or disclosure of any intellectual property, patent or trade secret.

## Jurisdiction

Any **Claim** brought (or the enforcement of any judgment or award entered against the **Insured**) in the courts of the United States of America or Canada or their dominions or protectorates or territories in which it is contended that the laws of the United States of America or Canada should apply.

## Land, Buildings and Transport

From the ownership, possession or use by the **Insured** of land, buildings, property (mobile or immobile), aircraft, watercraft, vessels or by vehicles, whether mechanically propelled or otherwise.

## Liability to Employees

Any employment dispute directly or indirectly based upon, attributable to or in consequence of bodily injury, mental injury, sickness, disease or death or any breach of any obligations owed by the **Insured** as an employer for discrimination, harassment, unfair treatment or unfair dismissal or failure to promote any **Employee**.

## Media liability

**Media Liability** made by any person or entity, including but not limited to **Employees** or **Persons Responsible to the Insured**.

## Nuclear

1. Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting from or arising from or any consequential loss, or
2. Any legal liability of whatever nature;

directly or indirectly caused by or contributed by or arising from;

- a. Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or
- b. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## Payment Card Industry (PCI) Charges

Any liability for charges, fines, penalties, levies, costs, expenses, assessments, contractual damages or imposition of liabilities of any nature arising as a result of the **Insured's** failure to comply with PCI Data Security Standards due to a breach, including any sums in relation to card reissuance or fraudulent transactions.

## Professional Duties

Any liability arising from a breach of a professional duty made by any individual or entity with whom the **Insured** have provided professional advice or professional services.

## Pollution

Actual, alleged or threatened pollution, seepage, contamination, discharge, dispersal, release or escape of any solid, liquid, gaseous, or thermal irritant or contaminant including, but not limited to, smoke, vapours, soot, dust, fibres, bacteria, fumes, acids, alkalis, chemicals and waste or any actual or alleged advice given or services performed in relation to any irritant or contaminant, including but not limited to testing, monitoring, treatment, containment, cleaning up, neutralising or detoxification thereof.

## Prior Knowledge of Claims and Circumstances

1. **Claims or Losses, Breaches, Privacy Investigations, Illegal Threats** or interruptions of any kind covered under this Section (including **Defence costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs and Credit Monitoring Costs**) first made, threatened, intimated or sustained against the **Insured** prior to the **Period of Insurance**;
2. any situation or **Circumstance** of which the **Insured** first became aware prior to the **Period of Insurance** or which the **Insured** ought reasonably to have been aware of prior to the **Period of Insurance** which may give rise to a liability under this Section and which was known or ought to have been known by the **Insured** prior to the **Period of Insurance**.

## Products

The **Insured** or **Persons Responsible to the Insured** having supplied, manufactured, constructed, altered, repaired, treated, sold, recalled, fabricated, distributed, installed or maintained any goods or products.

## Property Damage

Based upon or attributable to damage to property (except data covered under clause 1.3 Hacker Damage).

## Reckless Conduct

Any conduct committed by the **Insured** in reckless disregard of the rights of another person or business.

## Related Parties

Any **Claim** brought by any person or entity within the definition of the **Insured** or any party with a financial, executive or managerial interest in the **Insured**, including any parent company or any party in which **Insured** have a financial, executive or managerial interest. This exclusion does not apply to a **Claim** based on a liability to an independent third-party directly arising out of the **Business**.

## Routine Privacy Investigations

Any privacy investigation arising from any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the activities of the **Insured's** industry which is not solely related to an alleged breach of privacy by the **Insured**.

## Seizure and Confiscation

Any confiscation, requisition, expropriation, appropriation, seizure or destruction of property by or under the order of any government or public or local authority, or any order by such authority to take down, deactivate or block access to the **Insured's Computer System**.

## Service Providers

Any failure or interruption of service provided by an internet service provider, telecommunications provider, **Cloud Provider** but not including the hosting of hardware and software that the **Insured** own, or other utility provider.

## Territorial Limits

Any **Claim** or **Loss, Breaches, Privacy Investigations, Illegal Threats**, and interruptions including **Defence Costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs** and **Credit Monitoring Costs** brought outside the **Territorial Limits**, including proceedings brought within the **Territorial Limits** to enforce a judgment or award, or which are based on a judgment or award from outside the **Territorial Limits**.

## Trading Debts

Any **Claim** arising from or directly or indirectly attributable to any trading debt or trading loss or any guarantee or undertaking given by the **Insured** for a debt or performance of any obligation by a third party.

## War and Terrorism

Any **Claim** or **Loss, Breaches, Privacy Investigations, Illegal Threats**, and interruptions arising from or directly or indirectly attributable to war, invasion, acts of foreign enemies, riot, hostilities, **Terrorism**, or war like operations whether declared or not, civil war, rebellion, revolution, insurrection, civil commotion amounting to an uprising, military or usurped power (regardless of any other cause or event contributing to the liability) and/or any action taken in controlling, preventing or suppressing the aforementioned risks.

This exclusion also applies to any liability for any **Claim** or **Loss** covered under this **Policy** and/or costs including **Defence Costs and Expenses, Privacy Forensic Costs, Privacy Investigation Costs** and **Credit Monitoring Costs** on

account of any **Claim** or **Loss** directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the risks in the above paragraph.

### **Assignment**

The **Insured** must not assign this Section or any rights under this Section without the **Insurer's** consent by way of **Endorsement** to form part of this Section.



# Professional and Corporate Liability Insurance

## PROFESSIONAL AND CORPORATE LIABILITY – DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within the Professional and Corporate Liability Insurance Sections.

**Circumstance** means an incident, occurrence, fact, matter, act or omission

## PROFESSIONAL AND CORPORATE LIABILITY – CONDITIONS

### Defence and Settlement

The following are conditions precedent to the **Insurer's** liability under each Section of this Professional and Corporate Liability Insurance:

1. When a **Claim** is made, or an **Insured** first becomes aware of a **Circumstance** that is reasonably expected to give rise to a **Claim**, no admission of liability or fault, nor any attempt to settle or compromise, is to be made by any **Insured**.
2. An **Insured** must at its own cost promptly provide all information, documents and data as the **Insurer** reasonably requests and an **Insured** must assist and cooperate with the **Insurer** or any other party selected, instructed or appointed by the **Insurer** in the investigation, defence or settlement of any **Claim** or **Loss** which might be indemnified by any Section of this Professional and Corporate Liability Insurance. An **Insured** must provide the **Insurer** with details of any other insurances that might indemnify the same **Claim** or **Loss**.
3. An **Insured** must defend any **Claim** made against that **Insured** and must advance any claim, set-off, counterclaim or additional claim for **Loss**, including claims for contribution, indemnity or damages, where possible.

The **Insurer** has the right, but not the duty, to defend any **Claim**, or otherwise participate in, control, direct or conduct any investigation, defence or settlement of any **Claim** that might be indemnified, wholly or partially, by any Section of this Professional and Corporate Liability Insurance; this right extends to:

1. conducting any litigation in relation to a **Claim** in the **Insured's** name; and
2. the selection, instruction or appointment of lawyers, adjusters, investigators, expert advisers and consultants.

The **Insurer** has the right to pay up to the **Limit of Liability** for any **Claim** under any Section of this Professional and Corporate Liability Insurance, or any smaller amount for which a **Claim** can be settled, and subsequently have no further liability under that Section.

If the **Insurer** is of the opinion that a **Claim** will not exceed the **Excess**, the **Insurer** may require the **Insured** to conduct the defence of the **Claim** at their own expense.

## ADDITIONAL DEFINITIONS FOR DIRECTORS AND OFFICERS, CORPORATE LEGAL AND EMPLOYMENT PRACTICES LIABILITY SECTIONS

The words defined below are additional definitions for the Directors and Officers, Corporate Legal and Employment Practices Liability Sections only; the Professional Indemnity Section has its own set of additional Definitions.

The words will have the same meaning wherever they appear in bold letters within the Directors and Officers, Corporate Legal and Employment Practices Liability Sections and the **Schedule** and **Endorsements** in respect of those Sections take precedence over any General Definitions to the contrary.

**Bail Costs** means costs incurred, with the **Insurer's** prior written agreement, to pay for a bond or other financial instrument to guarantee the bail of an **Insured Person**.

**Benefits** means perquisites, fringe benefits, bonus payments, deferred compensation, amounts paid or payable under an employee benefit plan or pension scheme, medical or insurance benefits, share or stock options, grants or warrants or other rights to purchase, acquire or sell shares or stocks; **Benefits** does not mean salary or wages.

**Change of Control** means:

1. the consolidation of, or merger by, the **Policyholder** in to another entity, or the sale of all or substantially all of the **Policyholder's** assets to another entity; or
2. the direct or indirect acquisition, ownership or control by another entity or entities of more than fifty per cent (50%) of the **Policyholder's** issued share capital; or
3. the direct or indirect acquisition, ownership or control by another entity or entities of more than fifty per cent (50%) of the voting rights in the **Policyholder**; or
4. the assumption of another entity of the right to appoint or remove directors from the **Policyholder's** board; or
5. the appointment of an insolvency practitioner to the **Policyholder**.

**Claim** means:

1. written demand or civil proceedings seeking compensation, damages or other relief or remedy; or
2. formal notice of criminal, regulatory, administrative or arbitral proceedings;

based upon an allegation of a **Wrongful Act**.

**Defence Costs** means the reasonable costs or expenses necessarily incurred with the prior written agreement of the **Insurer** to investigate, defend or settle any **Claim** including costs of appealing or setting aside an adverse judgment.

**Employee** means a person:

1. under a contract of service or apprenticeship with an **Insured Company**; or
2. seconded to an **Insured Company**; or
3. on a work experience or placement scheme with an **Insured Company**; or
4. loaned to, or hired by, an **Insured Company** from another entity; or
5. provided to an **Insured Company** as a labour-only subcontractor;

while working in that capacity and while under the direction and supervision of that **Insured Company**.

**Insured Company** means the **Policyholder** or any **Subsidiary** of the **Policyholder** declared to the **Insurer** prior to commencement of the **Period of Insurance**.

**Insured means:**

1. **Insured Person**; or
2. **Insured Company**; or
3. **Insured Trustee**; or
4. **Pension Scheme Sponsor**.

**Insured Person** means any natural person who was, is or during the **Period of Insurance** becomes:

1. a director or officer, shadow director, non-executive director, de facto director; or
2. an **Employee** acting as a company secretary, risk or compliance officer, manager or supervisor;

to the extent that the person is acting in that capacity and for, or on behalf of, an **Insured Company**.

**Insured Person** also includes the:

3. lawful husband, wife, civil or unmarried partner of any **Insured Person** referred to in either (1) or (2) above, but solely because of their relationship with that **Insured Person** following a **Claim** against that **Insured Person**;
4. estate, heirs or legal representative of any **Insured Person** referred to in either (1) or (2) above, but solely in relation to a **Claim** against that **Insured Person**.

For the avoidance of doubt, no insurance is provided for a **Wrongful Act** committed or attempted by a person listed in (3) or (4) above.

**Insured Trustee** means any natural person who was, is or during the **Period of Insurance** becomes a duly appointed trustee of the **Policyholder's** pension scheme, plan or arrangement in accordance with the provisions of that pension scheme, plan or arrangement or court order. **Insured Trustee** also includes the:

1. lawful husband, wife, civil or unmarried partner of any **Insured Trustee** referred to directly above, but solely because of their relationship with that **Insured Trustee** following a **Claim** against that **Insured Trustee**;
2. estate, heirs or legal representative of any **Insured Trustee**, but solely in relation to a **Claim** against that **Insured Trustee**.

For the avoidance of doubt, no insurance is provided for a **Wrongful Act** committed or attempted by a person listed in (1) or (2) above.

**Loss** means:

1. damages and claimant's costs awarded; or
2. settlements agreed with the prior written consent of the **Insurer**; or
3. **Defence Costs**.

Save for the Employment Practices Liability Section, reference in this **Policy** to **Loss** includes aggravated, punitive or exemplary damages. **Loss** does not mean fines or penalties, taxes, salary, wages or **Benefits** unless otherwise expressly provided.

**Outside Entity** means either:

1. a charitable organisation or similar not-for-profit organisation; or
2. an entity in which the **Policyholder** holds not more than fifty per cent (50%) of issued share capital.

**Outside Company** does not mean a **Subsidiary**, a listed company, a financial services company or any entity registered outside the United Kingdom, the Channel Islands or the Isle of Man.

**Pension Scheme Sponsor** means an **Insured Company** and its **Employees**, only when acting on the authority of an **Insured Trustee**, in the performance of duties or exercise of powers under a pension scheme, plan or arrangement.

**Policyholder** means the corporate entity named as the **Policyholder** in the **Schedule**.

**Pollutant** means an irritant, contaminant or other substance, including asbestos, lead, smoke, vapour, water, oil, dust, fibres, soot, fumes, acids, alkalis, toxic mould, chemicals, ionising radiation or radioactivity from any nuclear fuel or waste (including that which has been or is intended to be recycled, reconditioned or reclaimed).

**Pollution** means actual, alleged or threatened discharge, seepage, treatment, generation, removal, transportation, disposal, dispersal, emission, release or escape of any **Pollutant**; or any governmental or regulatory order, direction, or request to test for, monitor, remove, contain, clean up, treat, detoxify or neutralise any **Pollutant** including any action taken in anticipation of such governmental or regulatory order, direction, or request.

**Product** means any goods manufactured, sold, supplied, hired out, modified, treated, erected, repaired, serviced, designed, tested, installed, processed, distributed or cleaned by an **Insured Company** and which is no longer in the **Insured Company's** care, custody or control. **Product** also means any container, packaging, labelling or instructions for use with those goods.

**Proposal** means the information contained in the document submitted by or on behalf of the **Policyholder** when applying for this insurance with the **Insurer**; it also means any information contained in a renewal document or any other document during the **Period of Insurance**.

**Related Claim** means a **Claim** arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events.

**Retaliation** means actual or alleged action against an **Employee** in consequence of that **Employee's** exercise or attempted exercise of a legal right or duty.

**Securities** mean any debt or equity interest in an **Insured Company**.

**Subsidiary** means an entity that at the commencement of the **Period of Insurance** is not publicly listed and in which the **Policyholder** directly or indirectly:

1. holds more than fifty per cent (50%) of the issued share capital; or
2. has or controls more than fifty per cent (50%) of the voting rights; or
3. has the right to appoint or remove a majority of board's directors.

A **Subsidiary** that ceases to be such during the **Period of Insurance** will only be covered under this **Policy** for a **Claim** based upon a **Wrongful Act** committed or attempted while a **Subsidiary**.

**Wrongful Act** means the following:

1. In the Directors and Officers Liability Section, including any **Endorsement** to that Section, any breach of trust or other fiduciary duty, negligent act, error, omission, misrepresentation, misstatement, misleading statement, defamation, breach of warranty of authority or wrongful trading (under s.214 of the Insolvency Act 1986) committed or attempted by an **Insured Person** in the performance of that person's duties or other alleged default arising solely from that person's status as an **Insured Person**.
2. In Corporate Legal Liability Section, including any **Endorsement** to that Section, any breach of trust or other fiduciary duty, negligent act, error, omission, misrepresentation, misstatement, misleading statement, breach of warranty of authority committed or attempted by an **Insured Company**.
3. In Employment Practices Liability Section, including any **Endorsement** to that Section, violation of employment laws or regulations in connection with the previous, current or future employment of a person with an **Insured Company**.

## ADDITIONAL CONDITIONS FOR DIRECTORS AND OFFICERS, CORPORATE LEGAL AND EMPLOYMENT PRACTICES LIABILITY SECTIONS

### Authorisation

The **Policyholder** will act on behalf of any **Insured** for:

1. Notification of any **Claim, Loss, or Circumstance**;
2. Any other notifications required under this **Policy**;
3. Payment of **Premium**, including additional premium, or the receipt of returned **Premium**;
4. Negotiation and agreement of any **Endorsement** to this **Policy**;
5. Requests, and any subsequent agreement, of any extended notification period.

### Expert Determination

In the event of a dispute concerning whether to contest or settle a **Claim** against an **Insured** or **Insured Person**, but not involving a dispute arising out of the interpretation of the Directors and Officers, Corporate Legal or Employment Practices Liability Sections, the parties will seek, and be bound by, the written opinion of Queen's Counsel (or an equivalent or like person to be mutually agreed upon) jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as a legal expert and not as an arbitrator, but only to the extent that the opinion concerns either the probability of success in those proceedings or the reasonableness of settlement. The costs of this instruction will form part of the **Defence Costs**.

### Severability

The **Proposal** for the insurance provided for under the Directors and Officers, Corporate Legal or Employment Practices Liability Sections, or any notice of alteration in risk, will be construed as a separate **Proposal** or notice by each **Insured** under the Directors and Officers, Corporate Legal or Employment Practices Liability Sections.

No representation made, or knowledge possessed, by the **Policyholder** will be imputed to an **Insured Person** or **Insured Trustee** and no representation made, or knowledge possessed, by an **Insured Person** or **Insured Trustee** will be imputed to another **Insured Person** or **Insured Trustee**.

Representations made, or knowledge possessed by any past, present or future **Insured Person** or **Insured Trustee** including any Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Director of Human Resources, General Counsel, Managing Director, Chairman, Company Secretary or other equivalent senior manager

employed by and authorised by an **Insured Company** or **Pension Scheme Sponsor** to make representations in relation to the Directors and Officers, Corporate Legal or Employment Practices Liability Sections will be imputed to that **Insured Company** or **Pension Scheme Sponsor** for any **Claim** against that **Insured Person** or that **Insured Company** or **Pension Scheme Sponsor**.

## Change of Control

The cover provided by the Directors and Officers, Corporate Legal or Employment Practices Liability Sections will cease immediately for **Wrongful Acts** committed or attempted after a **Change of Control**.

## Takeovers and Mergers

The Directors and Officers Liability Section may be extended to include **Loss** resulting from a **Claim** first made in the six (6) year period immediately after the expiry of this **Period of Insurance** where, during the **Period of Insurance**, there is a **Change of Control**, but only for any **Wrongful Act** committed or attempted prior to the **Change of Control** and provided that the **Policyholder** requests this extension of cover within sixty (60) days of the **Change of Control** and pays an additional premium, the amount of which to be confirmed by the **Insurer** at the time of request.

## Notification

### 1. Claims

It is a condition precedent to the **Insurer's** liability under the Directors and Officers, Corporate Legal or Employment Practices Liability Sections that as soon as reasonably practicable after a **Claim** is first made, the **Policyholder**, or any **Insured** being claimed against, must give written notice of, and forward a copy of, that **Claim** to the **Insurer** during the **Period of Insurance** in the way shown in the **Schedule**.

Where it can be demonstrated to the **Insurer's** satisfaction that it was not reasonably practicable to provide written notice during the **Period of Insurance**, notice may be given in the first fifteen (15) days immediately after the **Period of Insurance**. Notice given in this fifteen (15) day period, and subsequently accepted by the **Insurer**, will be deemed to have been given during the **Period of Insurance**.

### 2. Circumstances

When an **Insured** first becomes aware of a **Circumstance** that is reasonably expected to give rise to a **Claim**, that party may give written notice to the **Insurer** during the **Period of Insurance** providing the fullest possible particulars of the:

- a. nature of the **Circumstance**, including any relevant dates, names and contact details; and
- b. anticipated **Wrongful Act** allegations; and
- c. reason for expecting that the **Claim** will be made; and
- d. date and manner in which that **Insured** first became aware of that **Circumstance**.

If any **Circumstance** notified in accordance with this condition subsequently gives rise to a **Claim**, that **Claim** will be deemed to have been first made on the date such **Circumstance** was first notified.

## Excess

Where an **Insured Company** is permitted or required, but fails, to indemnify or reimburse an **Insured Person** or an **Insured Trustee**, for **Loss**, the **Insurer** will pay that **Loss** in the first instance provided that the **Insured Company**

must then pay the relevant **Excess** to the **Insurer** on demand.

## Related Claims

Where a **Claim** is first notified during the **Period of Insurance** in accordance with the requirements of the Directors and Officers, Corporate Legal or Employment Practices Liability Sections, any **Related Claim** made subsequently is deemed by the **Insurer** to be part of that **Claim** first notified during the **Period of Insurance** and is further deemed to be:

1. made at the same time as that first notified **Claim**;
2. notified at the same time as that first notified **Claim**.

## Advancement, Reimbursement and Allocation of Defence Costs

The **Insurer** will pay **Defence Costs** to, or on behalf of, an **Insured Person** on an ongoing, interim basis, prior to final disposal, resolution or adjudication of a **Claim** subject strictly to the proviso that where those costs and expenses are ultimately determined not to be covered by the Directors and Officers, Corporate Legal or Employment Practices Liability Sections, those costs and expenses must be reimbursed to the **Insurer** by the **Policyholder** or **Insured Person** on demand and, except for payments for non-indemnifiable **Loss**, the **Policyholder** will be jointly and severally liable with that **Insured Person** to make those payments to the **Insurer**.

In the event of a **Claim** against both an **Insured** and any other party not indemnified under the Directors and Officers, Corporate Legal or Employment Practices Liability Sections, or a **Claim** both for **Loss** indemnified under any those Sections and other loss, the parties will endeavour to agree a fair and reasonable allocation of **Defence Costs** covered by those Sections in proportion to **Loss** covered by those Sections, having regard to the relative legal and financial exposures of the parties.

Where that agreement cannot be reached within a reasonable time, the parties will seek, and be bound by, the written opinion of Queen's Counsel jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as a legal expert and not as an arbitrator, but only to the extent that the opinion concerns the fair and reasonable allocation of **Defence Costs** covered by the Directors and Officers, Corporate Legal or Employment Practices Liability Sections in proportion to **Loss** covered by those Sections, having regard to the relative legal and financial exposures of the parties. The cost of this instruction will be deemed a **Defence Cost** and paid in like proportions as are determined to be fair and reasonable in the underlying **Loss**.

## Subrogation

The **Insurer** will not exercise subrogated rights against an **Insured Person** or **Insured Trustee**, except where it is established by formal admission, adjudication or judgment that the **Insured Person** or **Insured Trustee** has acted fraudulently or has committed a criminal act involving dishonesty or has obtained profit or advantage to which the **Insured Person** or **Insured Trustee** not lawfully entitled.

## Territorial Limit

The cover provided under the Directors and Officers Liability Section is for **Loss** resulting from **Claims** made, and **Wrongful Acts** committed, anywhere in the world except Canada or the United States of America, its territories or possessions; cover provided under the Corporate Legal and Employment Practices Liability Sections is for **Loss** resulting from **Claims** made and **Wrongful Acts** committed in the United Kingdom, the Channel Islands or the Isle of Man.

# Directors and Officers Liability Section

## DIRECTORS AND OFFICERS LIABILITY – INSURING AGREEMENTS

1. The **Insurer** will pay on behalf of an **Insured Person** any **Loss** resulting from a **Claim** first made against that **Insured Person** in the **Period of Insurance** and for which that **Insured Person** has not been indemnified by an **Insured Company**.
2. The **Insurer** will pay to an **Insured Company** any **Loss** resulting from a **Claim** first made against an **Insured Person** in the **Period of Insurance** where that **Insured Company** has indemnified that **Insured Person** for that **Loss** that exceeds the **Excess**.

## DIRECTORS AND OFFICERS LIABILITY – LIMIT OF LIABILITY

The **Limit of Liability** in respect of any **Loss** under this Section for the **Period of Insurance**, including cover granted by extension or **Endorsement** to this Section, applies irrespective of the number of **Claims** made, or the number of **Insureds** claiming indemnity, under this Section or any extension or **Endorsement** to this Section.

## DIRECTORS AND OFFICERS LIABILITY – EXTENSIONS

Cover under the following extensions is only available where the extension is shown in the **Schedule** to be operative and are subject otherwise to the terms, conditions and exclusions of this Section and the **Limit of Liability**.

### Investigation Costs

Under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Person**, with the **Insurer's** prior written consent, for legal representation in relation to an official investigation, hearing, examination or inquiry in to an **Insured Company** or **Insured Person** by any governmental or statutory authority, regulatory body or similar agency duly empowered, provided that the **Insured Person** first receives formal notice of that investigation, hearing, examination or inquiry during the **Period of Insurance**; for the purpose of cover under this extension only, the definition of **Claim** is extended to include that formal notice and is deemed to have been first made when first received by the **Insured Person**.

The salary or wage of an **Insured Person**, or the overheads of an **Insured Company**, are not covered by this extension. This extension does not apply to any periodic regulatory supervision, inquiries or compliance audits or internal investigations or audits or any other general investigation into the sector, trade or industry in which the **Insured Company** conducts business.

### Emergency Costs

Under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Person** to investigate, defend or settle any **Claim** including costs of appealing or setting aside an adverse judgment where it was not possible or reasonably practicable to obtain the prior written agreement of the **Insurer** for those costs or expenses.

### Public Relations Costs

Under this Section the definition of **Loss** is extended to include the reasonable fees or expenses of a public relations consultancy or crisis management company, incurred with the **Insurer's** prior written consent, to mitigate



the adverse publicity resulting, or anticipated to result, from a covered **Claim** under this Section.

### Bail Costs

Under this Section the definition of **Loss** is extended to include costs incurred, with the **Insurer's** prior written agreement, to pay for a bond or other financial instrument to guarantee the bail of an **Insured Person**.

### Civil Fines and Penalties

Under this Section the definition of **Loss** is extended to include civil fines and penalties imposed on an **Insured Person** by any duly empowered governmental or statutory authority, regulatory body or similar agency in the United Kingdom, to the extent permissible by law and provided that the **Insured Person** is not otherwise indemnifiable by an **Insured Company**.

### Manslaughter Proceedings

Notwithstanding this Section's Bodily Injury and Property Damage exclusion, under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Company** on behalf of an **Insured Person**, with the **Insurer's** prior written consent, to investigate or defend criminal proceedings against that **Insured Person** for manslaughter resulting from a **Wrongful Act**. This extension only applies where that **Insured Company** is legally obliged and permitted to indemnify that **Insured Person**.

### Health and Safety at Work

Notwithstanding this Section's Bodily Injury and Property Damage exclusion, under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Company** on behalf of an **Insured Person**, with the **Insurer's** prior written consent, to investigate or defend proceedings against that **Insured Person** for a breach of duty under the Health and Safety at Work etc. Act 1974 caused by a **Wrongful Act**. This extension only applies where an **Insured Company** is legally obliged and permitted to indemnify that **Insured Person**.

### Extradition Proceedings

Under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred, with the **Insurer's** prior written consent, for legal representation in relation to extradition proceedings first instigated in the United Kingdom under the Extradition Act 2003 against an **Insured Person** during the **Period of Insurance**; for the purpose of cover under this extension only, the definition of **Claim** is extended to include a formal request to surrender and is deemed to have been first made when first received by the **Insured Person**.

### Management Buy-Out

Where the management of an **Insured Company** conducts a buy-out of that **Insured Company**, under this Section the definition of **Insured Person** is extended to include any person who was an **Insured Person** of that **Insured Company** prior to the buy-out, but only for **Wrongful Acts** in the first thirty (30) days following that buy-out and provided that this extension only applies in excess of any indemnity from that new entity, or any other insurance in force, that provides cover for that person's **Wrongful Act**.

### Outside Entity

Under this Section the definition of **Insured Person** is extended to include any **Wrongful Act** while acting as director or officer of an **Outside Entity** at the request of an **Insured Company**, provided that this extension will only apply in excess of any indemnity from that **Outside Entity**, or any other insurance in force, that provides cover

for that **Wrongful Act**; for the purpose of cover under this extension only, references to **Insured Company** are deemed to include that **Outside Entity**.

### Pollution Defence Costs

This Section is extended to include non-indemnifiable **Defence Costs** incurred on behalf of an **Insured Person**, with the prior written consent of the **Insurer**, in defending that **Insured Person** against criminal or regulatory proceedings resulting from **Pollution**.

### Former Directors Run-Off

Where this Section is not renewed or replaced, this Section will extend the definition of **Insured Person** to include any person who voluntarily ceases to hold that position during the **Period of Insurance**, for any **Wrongful Acts** committed prior to relinquishing that position, for a period of six (6) years from the date of non-renewal provided that:

1. the relinquishing of that position was not due to disqualification, insolvency or a **Change of Control** of an **Insured Company**; and
2. the six (6) year period runs concurrently with any agreed extended notification period; and
3. no other insurance is in force that provides cover for that **Wrongful Act**.

### Employment Practices Liability

Under this Section the definition of **Wrongful Act** is extended to include **Wrongful Act** as defined in Section 5C.

This extension will not apply if any other insurance is in force for that **Insured Person**, including under Section 5C for that **Wrongful Act**.

This Section's Bodily Injury and Property Damage exclusion does not apply to any **Claim** alleging emotional distress and injury to feelings.

### Derivative Claims

Under this Section the definition of **Loss** is extended to include claimant's costs resulting from a **Claim**, against an **Insured Person**, that is a derivative action brought by a shareholder in the name of the **Insured Company**.

### Additional Defence Costs

Where the **Limit of Liability** for this Section is exhausted, this Section is extended to include an additional amount, as shown in the **Schedule**, in respect of an **Insured Person's Defence Costs** only, provided that

1. any other insurance under which the **Insured Person** is entitled to indemnity, including any excess policy, has also been exhausted; and
2. the **Insured Person** is not otherwise indemnifiable; and
3. the **Insured Person** has not been the subject of any **Claim** that contributed to the exhaustion the **Limit of Liability** for this Section.

### Shareholder Claims for Pollution

Under this Section an **Insured Person's Loss** is extended to include that which results from a **Claim**, against that

**Insured Person**, based upon allegations of diminution in value of an **Insured Company's** share value as a result of anticipated **Pollution** caused by that **Insured Person's Wrongful Act** or anticipated **Wrongful Act**.

## Acquisitions

Under this Section the definition of **Subsidiary** is extended to include any entity that is created or acquired by an **Insured Company** during the **Period of Insurance** provided that the **Insured Company**:

1. holds more than fifty per cent (50%) of the issued share capital; or
2. has or controls more than fifty per cent (50%) of the voting rights; or
3. has the right to appoint or remove a majority of the board's directors;

of that entity and further provided that the entity:

4. has total assets of not more than twenty five per cent (25%) of the **Policyholder's** total assets at the date of inception of this **Policy**; and
5. is not a financial institution; and
6. is registered and domiciled within the United Kingdom; and
7. is not publicly listed.

An **Insured Person** of such a deemed **Subsidiary** has cover under this extension only for a **Wrongful Act** committed after the creation or acquisition by the **Insured Company** of that entity.

## Extended Notification Period

Where the **Insurer** or the **Policyholder** refuses to renew this Section of the **Policy**, the **Policyholder** or an **Insured Person** may purchase an extended notification period of twelve (12) months from the last day of this **Period of Insurance**, for an additional premium equal to one hundred percent (100%) of the full annual **Premium** for this **Period of Insurance**.

Written notice of purchase must be received by the **Insurer** within thirty (30) days of the end of **Period of Insurance**, as well as the full additional premium.

The additional premium will be deemed to be fully earned at the start of the extended notification period and no refund will be made in the event of cancellation.

This extension of cover is for any **Claim** made during or before the extended notification period, but only where based upon an allegation of a **Wrongful Act** committed or attempted prior to the extended notification period.

The extended notification period is deemed to be included within the **Period of Insurance** and consequently the **Limit of Liability** for the **Period of Insurance** will not increase or be reinstated, and the **Policy** Condition 'Notification of Claims and Circumstances' will apply to any **Claim** first made in the extended notification period as if that period were the **Period of Insurance**.

The offer of renewal on different terms, or for different premium, when compared to this **Period of Insurance** does not constitute a refusal to renew.

The option to request this extension of cover is not available when:

1. this **Policy** is not renewed due to non-payment of **Premium**; or
2. the **Policyholder** is insolvent; or

3. this Section of the **Policy** is replaced with another Directors and Officers insurance policy or similar management liability insurance; or
4. there is a **Change of Control** at the end of **Period of Insurance**; or
5. the **Policy** is cancelled (or continuing only by virtue of the Former Directors Run-Off extension).

## DIRECTORS AND OFFICERS LIABILITY – CONDITION

### Priority of Payments

This Section first indemnifies (i) any **Insured Person's Loss** that is not indemnifiable by an **Insured Company**, but excepting **Defence Costs** incurred under the Additional Defence Costs extension of this Section, if operative; thereafter this Section indemnifies (ii) any **Insured Company** that has indemnified an **Insured Person** for **Loss**. Where the Additional Defence Costs extension of this Section is operative, those **Defence Costs** will be indemnified only after amounts (i) and (ii) above are paid.

## DIRECTORS AND OFFICERS LIABILITY – EXCLUSIONS

### Conduct

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. fraudulent act or other criminal act involving dishonesty or other deliberate breach of any law or regulation by an **Insured Person**; or
2. profit or advantage obtained by an **Insured Person** to which the **Insured Person** was not lawfully entitled;

established by formal admission, final judgment or adjudication. The **Insurer** may at its sole discretion and cost seek the written opinion of Queen's Counsel jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as legal expert and not as an arbitrator, on the prospects of successfully defending an **Insured Person** against allegations of that unlawful conduct, more fully detailed above; if there are no reasonable prospects of successfully so defending that **Insured Person**, this exclusion applies as if that conduct had been established by formal admission, final judgment or adjudication.

### Bodily Injury and Property Damage

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. death, bodily injury, illness or disease or psychiatric injury; or
2. emotional distress or injury to feelings; or
3. damage to, or loss or destruction of, tangible property including any loss of use.

### Prior Claims and Circumstances

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** or **Circumstance** that was known of, or ought to have been known of, by any **Insured** prior to the **Period of Insurance** irrespective of whether or not that **Claim** or **Circumstance** was notified under any earlier

insurance policy, or Section of a policy, then in force.

### Prior Litigation

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any legal or proceedings commenced prior to the date shown in the **Schedule** including any later **Loss** arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events on which those prior legal or proceedings are founded.

### Schemes and Trustees

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** for breach of statute, regulation or common law against an **Insured Person** while acting in their capacity as an **Insured Trustee** or as an administrator, trustee or other fiduciary of any trust fund, pension scheme, superannuation scheme, profit sharing scheme, employee benefit scheme.

### Offerings of Securities

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any public offering of **Securities** during the **Period of Insurance**.

### Professional Services

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any breach of professional duty, or any provision of, or failure to provide, professional advice or services, designs, specifications, inspection, certification, formulae, plans, directions, surveys or testing, for a fee, or in circumstances where a fee would normally be charged.

# Corporate Legal Liability Section

## CORPORATE LEGAL LIABILITY – INSURING AGREEMENT

The **Insurer** will pay on behalf of an **Insured Company** any **Loss** resulting from a **Claim** first made against that **Insured Company** in the **Period of Insurance**.

## CORPORATE LEGAL LIABILITY – LIMIT OF LIABILITY

The **Limit of Liability** in respect of any **Loss** under this Section for the **Period of Insurance**, including cover granted by extension or **Endorsement** to this Section, applies irrespective of the number of **Claims** made, or the number of **Insured Companies** claiming indemnity, under this Section or any extension or **Endorsement** to this Section.

## CORPORATE LEGAL LIABILITY – EXTENSIONS

Cover under the following extensions is only available where the extension is shown in the **Schedule** to be operative and are subject otherwise to the terms, conditions and exclusions of this Section and the **Limit of Liability**.

### Public Relations Costs

Under this Section the definition of **Loss** is extended to include the reasonable fees or expenses of a public relations consultancy or crisis management company, incurred with the **Insurer's** prior written consent, to mitigate the adverse publicity resulting, or anticipated to result, from a covered **Claim** under this Section.

### Corporate Manslaughter Proceedings

Notwithstanding this Section's Bodily Injury and Property Damage exclusion, under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Company**, with the **Insurer's** prior written consent, to investigate or defend criminal proceedings against that **Insured Company** under the Corporate Manslaughter and Corporate Homicide Act 2007 resulting from a **Wrongful Act**.

### Health and Safety at Work

Notwithstanding this Section's Bodily Injury and Property Damage exclusion, under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Company**, with the **Insurer's** prior written consent, to investigate or defend proceedings against that **Insured Company** for a breach of duty under the Health and Safety at Work etc. Act 1974 caused by a **Wrongful Act**.

### Acquisitions

Under this Section the definition of **Subsidiary** is extended to include any entity that is created or acquired by an **Insured Company** during the **Period of Insurance** provided that the **Insured Company**:

1. holds more than fifty per cent (50%) of the issued share capital; or
2. has or controls more than fifty per cent (50%) of the voting rights; or
3. has the right to appoint or remove a majority of the directors of the board;

of that entity and further provided that the entity:

4. has total assets of not more than twenty five per cent (25%) of the **Policyholder's** total assets at the date of inception of this **Policy**;
5. is not a financial institution;
6. is registered and domiciled with the United Kingdom;
7. is not publicly listed.

Such a **Subsidiary** has cover under this extension only for a **Wrongful Act** committed or attempted after the creation or acquisition of that entity.

## Contractual Liability

Notwithstanding this Section's Contractual Liability exclusion, under this Section the definition of **Defence Costs** is extended to include reasonable costs or expenses necessarily incurred, with the **Insurer's** prior written consent, to investigate, defend or settle any **Claim** based upon an allegation of an **Insured Company's** breach of any contractual obligation; for the purpose of cover under this extension only, **Wrongful Act** is deemed to include such allegations of breach.

## Emergency Costs

Under this Section the definition of **Loss** is extended to include reasonable costs or expenses necessarily incurred by an **Insured Company** to investigate, defend or settle any **Claim** including costs of appealing or setting aside an adverse judgment where it was not possible or reasonably practicable to obtain the prior written agreement of the **Insurer** for those costs or expenses.

## Court Attendance

The **Insurer** agrees to pay the **Insured Company** £250 per day if, in the opinion of the **Insurer**, the attendance of an **Insured Person** is required to either give evidence at court or attend a mediation meeting in relation to a **Claim** for which this Section might provide indemnity.

Where in the opinion of the **Insurer** the attendance of an **Insured Person** at court as an observer and not as a witness is required, the **Insurer** will pay £125 per day, but payment will be limited to one observer per day.

The **Insurer** further agrees to pay the **Insured Company** £50 per hour if, in the opinion of the **Insurer**, time is required to be spent by an **Insured Person** in interviews with lawyers, including conferences with Counsel, for the purpose of providing a witness statement or related activities required either for representation at a Coroner's Inquest or Fatal Accident Inquiry, or the defence of the **Insured Company** from a **Claim** for which this Section might provide indemnity provided that the time spent by the **Insured Person** is certified by the lawyers with the conduct of the defence.

## Management Buy-Out

Where the management of an **Insured Company** conducts a buy-out of that **Insured Company**, under this Section the definition of **Insured Company** is extended to include that new entity, but only for **Wrongful Acts** in the first thirty (30) days following that buy-out and provided that this extension only applies in excess of any other insurance in force that provides cover for that person's **Wrongful Act**.

## Civil Fines and Penalties

Under this Section the definition of **Loss** is extended to include civil fines and penalties imposed on an **Insured**

**Company** by any duly empowered governmental or statutory authority, regulatory body or similar agency in the United Kingdom, to the extent permissible by law.

### Extended Notification Period

Where the **Insurer** or the **Policyholder** refuses to renew this Section of the **Policy**, the **Policyholder** may purchase an extended notification period of twelve (12) months from the last day of this **Period of Insurance**, for an additional premium equal to one hundred percent (100%) of the full annual **Premium** for this **Period of Insurance**.

Written notice of purchase must be received by the **Insurer** within thirty (30) days of the end of **Period of Insurance**, as well as the full additional premium.

The additional premium will be deemed to be fully earned at the start of the extended notification period and no refund will be made in the event of cancellation.

This extension of cover is for any **Claim** made during or before the extended notification period, but only where based upon an allegation of a **Wrongful Act** committed or attempted prior to the extended notification period.

The extended notification period is deemed to be included within the **Period of Insurance** and consequently the **Limit of Liability** for the **Period of Insurance** will not increase or be reinstated, and the **Policy** Condition 'Notification of Claims and Circumstances' will apply to any **Claim** first made in the extended notification period as if that period were the **Period of Insurance**.

The offer of renewal on different terms, or for different premium, when compared to this **Period of Insurance** does not constitute a refusal to renew.

The option to request this extension of cover is not available when:

1. this **Policy** is not renewed due to non-payment of **Premium**;
2. the **Policyholder** is insolvent;
3. this Section of the **Policy** is replaced with another Corporate Legal Liability policy or similar management liability insurance; or
4. there is a **Change of Control** at the end of **Period of Insurance**; or
5. the **Policy** is cancelled.

## CORPORATE LEGAL LIABILITY – EXCLUSIONS

### Conduct

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. fraudulent act or other criminal act involving dishonesty or other deliberate breach of any law or regulation by an **Insured**; or
2. profit or advantage obtained by an **Insured Company** to which the **Insured Company** was not lawfully entitled;

established by formal admission, final judgment or adjudication.

The **Insurer** may at its sole discretion and cost seek the written opinion of Queen's Counsel jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as legal expert and not as an arbitrator, on the prospects of successfully defending an



**Insured Company** against allegations of that unlawful conduct, more fully detailed above; if there are no reasonable prospects of successfully so defending that **Insured Company**, this exclusion applies as if that conduct had been established by formal admission, final judgment or adjudication.

### **Bodily Injury and Property Damage**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. death, bodily injury, illness or disease or psychiatric injury; or
2. emotional distress or injury to feelings; or
3. damage to, or loss or destruction of, tangible property including any loss of use.

### **Offerings of Securities**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any private placement or public offering of **Securities** during the **Period of Insurance**.

### **Prior Claims and Circumstances**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** or **Circumstance** that was known of, or ought to have been known of, by any **Insured** prior to the **Period of Insurance** irrespective of whether or not that **Claim** or **Circumstance** was notified under any earlier insurance policy, or Section of a policy, then in force.

### **Prior Litigation**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any legal or proceedings commenced prior to the date shown in the **Schedule** including any later **Loss** arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events on which those prior legal or proceedings are founded.

### **Employment Practices**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Wrongful Act** as defined in the Employment Practices Liability Section.

### **Products**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Product**.

### **Professional Services**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any breach of professional duty, or any provision of, or failure to provide, professional advice or services, designs, specifications, inspection, certification, formulae, plans, directions, surveys or testing, for a fee, or in circumstances where a fee would normally be charged.

### **Employee Dishonesty**

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving the dishonesty of any **Employee** for any:

1. accounting or arithmetical error, omission or unexplained shortage;
2. default or non-payment of any loan, credit or similar agreement;
3. loss of interest, profit or other consequential loss.

### Contractual Liability

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Insured Company's** breach of contract or any liability voluntarily assumed by any **Insured Company** in a contract, except to the extent that liability would attach in the absence of that contract.

### Benefits

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any obligations in respect of disability benefits, unemployment benefits, redundancy benefits, retirement benefits or social security benefits.

### Schemes and Trustees

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** for breach of statute, regulation or common law, against an **Insured Company** while acting as an administrator, trustee or other fiduciary of any trust fund, pension scheme, superannuation scheme, profit sharing scheme, employee benefit scheme, including any failure to fund such trust or schemes.

### Pollution

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving **Pollution** except for any **Claim** against an **Insured Company** brought by a shareholder or group of shareholders of that **Insured Company** either directly or derivatively without the solicitation, voluntary assistance or participation of any **Insured Person**.

### Unfair Trading Practices

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving violation of laws or regulations concerning anti-competitive practices or activities in restraint of trade, economic torts or other unlawful interference with the business of another.

### Defamation and Intellectual Property

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving defamation or infringement of patents, trade marks, copyrights, design rights or any other violation of intellectual property rights.

### Tax

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any obligations in respect of direct or indirect taxation.

### Insured vs Insured

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** instigated, brought, maintained by an **Insured Company**, except for any **Claim** against an **Insured Company** brought by a shareholder or group of shareholders of that **Insured Company** derivatively without the solicitation, voluntary assistance or participation of any **Insured Person**.

### US/Canada Litigation

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** brought against the **Insured** within the jurisdiction of the United States of America or Canada or in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the World to enforce a judgement award or settlement in respect of any such **Claim**.

# Employment Practices Liability Section

## EMPLOYMENT PRACTICES – INSURING AGREEMENT

The **Insurer** will pay on behalf of an **Insured Person** or **Insured Company** any **Loss** resulting from a **Claim** first made against that **Insured Person** or **Insured Company** in the **Period of Insurance**.

## EMPLOYMENT PRACTICES – LIMIT OF LIABILITY

The **Limit of Liability** in respect of any **Loss** covered under this Section for the **Period of Insurance**, including cover granted by extension or **Endorsement** to this Section, applies irrespective of the number of **Claims** made, or the number of **Insureds** claiming indemnity, under this Section or any extension or **Endorsement** to this Section.

## EMPLOYMENT PRACTICES – EXTENSION

### Extended Notification Period

Where the **Insurer** or the **Policyholder** refuses to renew this Section of the **Policy**, the **Policyholder** or an **Insured Person** may purchase an extended notification period of twelve (12) months from the last day of this **Period of Insurance**, for an additional premium equal to one hundred percent (100%) of the full annual **Premium** for this **Period of Insurance**.

Written notice of purchase must be received by the **Insurer** within thirty (30) days of the end of **Period of Insurance**, as well as the full additional premium.

The additional premium will be deemed to be fully earned at the start of the extended notification period and no refund will be made in the event of cancellation.

This extension of cover is for any **Claim** made during or before the extended notification period, but only where based upon an allegation of a **Wrongful Act** committed or attempted prior to the extended notification period.

The extended notification period is deemed to be included within the **Period of Insurance** and consequently the **Limit of Liability** for the **Period of Insurance** will not increase or be reinstated, and the **Policy** Condition 'Notification of Claims and Circumstances' will apply to any **Claim** first made in the extended notification period as if that period were the **Period of Insurance**.

The offer of renewal on different terms, or for different premium, when compared to this **Period of Insurance** does not constitute a refusal to renew.

The option to request this extension of cover is not available when:

1. this **Policy** is not renewed due to non-payment of **Premium**; or
2. the **Policyholder** is insolvent; or
3. this Section of the **Policy** is replaced with another Employment Practices Liability policy or similar management liability insurance; or
4. there is a **Change of Control** at the end of **Period of Insurance**; or
5. the **Policy** is cancelled.

## EMPLOYMENT PRACTICES – EXCLUSIONS

### Conduct

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. fraudulent act or other criminal act involving dishonesty or other deliberate breach of any law or regulation by any **Insured Person** or **Insured Company**; or
2. profit or advantage obtained by an **Insured Company** to which the **Insured Company** was not lawfully entitled; established by formal admission, final judgment or adjudication.

The **Insurer** may at its sole discretion and cost seek the written opinion of Queen's Counsel jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as legal expert and not as an arbitrator, on the prospects of successfully defending an **Insured Person** or **Insured Company** against allegations of that unlawful conduct, more fully detailed above; if there are no reasonable prospects of successfully so defending that **Insured Person** or **Insured Company**, this exclusion applies as if that conduct had been established by formal admission, final judgment or adjudication.

### Schemes and Trustees

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** for breach of statute, regulation or common law, against an **Insured Person** or **Insured Company** while acting as an administrator, trustee or other fiduciary of any trust fund, pension scheme, superannuation scheme, profit sharing scheme, employee benefit scheme, including any failure to fund such trust or schemes.

### Prior Claims and Circumstances

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** or **Circumstance** that was known of, or ought to have been known of, by any **Insured** prior to the **Period of Insurance** irrespective of whether or not that **Claim** or **Circumstance** was notified under any earlier insurance policy, or Section of a policy, then in force.

### Prior Litigation

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any legal or proceedings commenced prior to the date shown in the **Schedule** including any later **Loss** arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events on which those prior legal or proceedings are founded.

### Bodily Injury and Property Damage

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any:

1. death, bodily injury, illness or disease or psychiatric injury; or
2. damage to, or loss or destruction of, tangible property including any loss of use.

## Tax

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any obligations in respect of direct or indirect taxation.

## Benefits

Except for any **Claim** based upon on an allegation of a **Wrongful Act** involving **Retaliation**, the **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any legal obligations in respect of private health insurance, workplace health and safety, disability benefits, unemployment benefits, redundancy benefits, retirement benefits or social security benefits.

## Collective Bargaining Agreements

Except for any **Claim** based upon on an allegation of a **Wrongful Act** involving **Retaliation**, the **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any collective bargaining agreement, membership or non-membership of any trade union or other labour relation organisation, or any industrial labour dispute.

## Employment Contract Liability

The **Insurer** will not indemnify **Loss**, other than **Defence Costs**, arising out of, based upon, attributable to, in connection with or in any way involving any failure to pay any **Employee** salary or **Benefits**, including notice period payments or sums due under minimum wage or equal pay requirements.

## Contractual Liability

The **Insurer** will not indemnify **Loss**, other than **Defence Costs**, arising out of, based upon, attributable to, in connection with or in any way involving any **Insured's** breach of contract or any liability voluntarily assumed by any **Insured** in a contract, except to the extent that liability would attach in the absence of that contract.

## Other Orders

The **Insurer** will not indemnify **Loss**, other than **Defence Costs**, arising out of, based upon, attributable to, in connection with or in any way involving any non-pecuniary order or the costs incurred in complying or refusing to comply with an order for the reinstatement of an **Employee**.

## US/Canada Litigation

The **Insurer** will not indemnify any **Loss** arising out of, based upon, attributable to, in connection with or in any way involving any **Claim** brought against the **Insured** within the jurisdiction of the United States of America or Canada or in any country or territory which operates under the laws of the United States of America or Canada or in respect of any order made anywhere in the World to enforce a judgement award or settlement in respect of any such **Claim**.

# Professional Indemnity Section

## PROFESSIONAL INDEMNITY – INSURING AGREEMENTS

The **Insurer** agrees to indemnify the **Insured** liability for any **Claim** first made against the **Insured** and notified to the **Insurer** during the **Period of Insurance** in accordance with Notification Claim Conditions in respect of any:

1. Civil liability; or
2. Unintentional breach of confidentiality or misuse of information; or
3. Infringement of intellectual property rights which includes copyright, patent, trademark or acts of passing off,

arising from any act, error or omission by the **Insured** or by any **Employees** in the conduct of the **Insured's Professional Business**.

**The Insurer** also agrees to pay **Costs** either incurred by the **Insurer** or incurred by the **Insured** with the **Insurer's** prior written consent.

## PROFESSIONAL INDEMNITY – AUTOMATIC EXTENSIONS

The automatic extensions are subject to all terms applicable to this Section.

The **Insurer** agrees to cover the **Insured**:

### Loss of Documents

For expenses reasonably and necessarily incurred by the **Insured** in replacing or restoring **Documents** that after a diligent search cannot be located or that have been accidentally destroyed or damaged beyond reasonable use and for which the **Insured** is legally responsible and which were in the **Insured's** physical custody or control or any other person to whom the **Insured** entrusted, lodged or deposited such **Documents** provided

1. The loss, destruction or damage of the **Documents** is first discovered during the **Period of Insurance**; and
2. The **Insured** notify the **Insurer** within 30 days and within the **Period of Insurance** of discovery of the loss, destruction or damage of the **Documents**; and
3. The **Insured** provide the **Insurer** with bills and accounts substantiating the expenses incurred by the **Insured** in replacing or restoring the lost, destroyed or damaged **Documents**; and
4. The expenses are incurred with the **Insurer's** prior written consent and the **Insurer** approves, or a competent person nominated by the **Insurer** approves, the bills and accounts; and
5. The replacement or restoration of the **Documents** is reasonably required.

The **Insurer's** total liability under this extension for any one **Claim** and in the aggregate for all **Claims** during the **Period of Insurance** will not exceed £100,000. Such liability is part of, and not in addition to, the **Limit of Liability**.

### Sub-Consultants

For the **Insured's** liability in respect of any **Claim** made against any sub-consultant undertaking work for the **Insured** as a sub-consultant and whose acts, errors or omissions arise from the **Insured's Professional Business** provided always that the **Insurer's** rights of subrogation as contained in the Subrogation General Condition are not waived or otherwise amended to the **Insurer's** detriment by the **Insured**. The **Insured** will take reasonable steps to ensure that the sub-consultant has and maintains professional indemnity insurance with an appropriate limit of liability not less than the **Limit of Liability**, unless agreed otherwise by the **Insurer** in writing.

### Joint Venture Liability

For the **Insured's** liability in respect of any **Claim** made against the **Insured** where the **Insured** is engaged in a joint venture but restricted to liability in respect of work performed solely by the **Insured** arising from the conduct of the **Insured's Professional Business**.

The **Insurer** will not cover any liability of the **Insured's** joint venture partner nor any liability arising from work performed by such joint venture partner, unless agreed otherwise by the **Insurer** in writing.

### Libel and Slander

For the **Insured's** liability in respect of any **Claim** made against them arising from their committing libel or slander in the conduct of their **Professional Business**.

### Compensation for Attendance

For the cost of attendance at a formal court hearing or formal interview by the **Insured** or their **Employees** in



connection with a **Claim** or **Circumstance** reasonably expected to give rise to a **Claim** notified to the **Insurer** where such attendance is considered by the **Insurer** to be necessary or beneficial to reduce liability which may result in a payment under this **Policy**. The cover is subject to:

1. the **Insurer** having given prior written agreement to such attendance;
2. indemnity for such costs being restricted to a rate of £500 per principal, partner, member or director per day and £250 per **Employee** per day; and
3. a total indemnity payable under this extension of £150,000. Such indemnity being within, and not in addition to, the **Limit of Liability**.

This Automatic Extension is not subject to the **Excess**.

## PROFESSIONAL INDEMNITY – DEFINITIONS

Notwithstanding the General Definitions of this **Policy**, the words defined below will have the following special meanings wherever they appear in bold letters within this Section

**Claim** means

1. Any written or oral demand for monetary damages or other relief including non-pecuniary relief.
2. Any civil, arbitration or adjudication proceedings including any counterclaim or appeal.

**Computer System** means any computer data processing equipment media, or part thereof, or system or data storage and retrieval or communication system network protocol, or part thereof, 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.

**Computer Virus** means a piece of unauthorised executable code which propagates itself through the **Insured's Computer System**.

**Costs** means any reasonable fees, expenses, costs and disbursements incurred in investigating, adjusting or defending a **Claim** covered by this **Policy** including any appeal issued in connection with a **Claim** and to which the **Insurer** has given their prior written consent. Any internal or overhead expenses or the cost of any of the **Insured's** time is not included.

**Documents** means any of the following documents, but only in the event and to the extent that such documents are related to conducting the **Insured's Professional Business**: Deeds, wills, agreements, maps, plans, books, letters, policies, certificates, forms and documents of any nature, whether printed, written or reproduced by any method including computer records and electronically stored data but does not mean bonds or coupons, stamps, bank or currency notes, money or any negotiable instrument.

**Employee** means

1. any person under a contract of service or apprenticeship with the **Insured**
2. whilst working for the **Insured** in the course of the **Professional Business**
  - a. any person under a contract of service or apprenticeship with another employer and who is hired to or borrowed by the **Insured**
  - b. a prospective employee who is undergoing practical work experience or any person participating in any Government or otherwise authorised work experience training study exchange or similar scheme
  - c. any person who is an outworker or home worker
  - d. any person who is a voluntary helper

**Fungus** means any form or type of mould or mushroom or mildew.

**Knowledge or Detection** means when the **Insured** become aware of facts which would cause a reasonable person to assume that a loss covered by this **Policy** has been or will be incurred, even though the exact amount or details of the loss may not then be known.

**Proposal Form** means the written proposal form submitted by the **Insured** to the **Insurer** together with any other related particulars and statements that have been supplied to the **Insurer** in writing.

**Retroactive Date** means the date specified in the **Schedule**

**Spores** means any dormant or reproductive body produced or arising out of any **Fungus**.

## PROFESSIONAL INDEMNITY – EXCLUSIONS

This Section will not apply in respect of:

### Associates

1. Any **Claim** against the **Insured** brought by or on behalf of any parent, subsidiary or associated company of the **Insured**;
2. Any **Claim** against the **Insured** by any other company in which the **Insured** has a financial interest;
3. Any **Claim** against the **Insured** by any other company in common control with the **Insured**,

unless such **Claim** emanates from an independent third-party.

### Assumed Duty or Obligation

Liability directly or indirectly arising out of, or in any way connected to, any duty, obligation or liability incurred, entered into or assumed by the **Insured** which is not incurred, entered into or assumed in the normal conduct of the **Insured's Professional Business**.

### Bodily Injury

Liability in respect of any **Claim** directly or indirectly based upon attributable to or in consequence of bodily injury, mental injury, sickness, disease or death of any person; provided that this Exclusion will not apply to **Claims** incurred as a result of breach of professional duty in the conduct of the **Insured's Professional Business**.

### Contract

Any **Claim** arising out of any express contract, agreement, warranty, indemnity, waiver or guarantee unless liability would have attached to the **Insured** in the absence of such express contract, agreement, warranty, indemnity, waiver or guarantee.

### Computer Viruses

Any **Claim** arising from the transmission of a **Computer Virus** including any malicious or inappropriate e-mail.

### Directors and Officers

Any breach by the **Insured** of a personal duty owed solely in the capacity of a member, director, secretary or officer of a body corporate.

### Financial Services

Any **Claim** arising from, attributable to, relating to or in any way involving:

1. depreciation or loss of investments when the depreciation or loss is as a result of any fluctuation in any financial, stock or commodity markets;
2. any actual or alleged dealings of any nature by which it is sought to affect the price of, or market in, any shares or debentures of any company or commodity or currency, or of any negotiable instrument, other than dealings carried out in accordance with the laws, rules and regulations applicable to such dealings;

3. any financial or investment advice provided by the **Insured**, including but not limited to any advice given, services performed, recommendation as to the valuation, tax implications or performance of any investment which have not been authorised where such authorisation will have been required under any statutory regulation by an appropriate statutory authority.

## Fraud and Dishonesty

1. Any **Claim** directly or indirectly arising from, or attributable to, any actual or alleged act or omission by the **Insured** or their sub-consultants which was in reckless disregard, fraudulent, dishonest, malicious or criminal; or
2. Any liability arising directly or indirectly from, or attributable to, or in consequence of any wilful breach of any statute, regulation, contract or duty by the **Insured** or their sub-consultants.

## Geographical Limits

**Professional Business** undertaken within the United States of America, Canada and any country, territory or jurisdiction in which American or Canadian law (Federal, State or Provincial) is applicable or in which a judgement based upon such law may be enforceable in connection with such work.

## Insolvency

Any **Claim** or loss directly or indirectly arising out of, or in any way involving:

1. the **Insured's** insolvency and/or liquidation and/or administration and/or scheme of arrangements or other financial difficulties;
2. the insolvency of any insurance company, bank investment manager, building society, stock broker, investment intermediary or any other business, firm or company with whom the **Insured** has directly or indirectly arranged any investments, deposits or insurances.

## Insurance and Financial Matters

1. Any failure to obtain or maintain adequate insurance or finance.
2. Any lost profit, mark-up or any VAT or similar tax.

## Insurance Claims

Any **Claim** of whatsoever nature by any underwriter or insurance company by reason of any act, error or omission committed in the course of the **Insured's** activities as insurance agents.

## Jurisdictional Limits

Legal proceedings brought in a Court of Law in the United States of America, Canada and any country, territory or jurisdiction in which American or Canadian law (Federal, State or Provincial) is applicable or in which a judgement based upon such law may be enforceable in connection with such proceeding.

## Land, Buildings, Transport

Liability incurred or alleged to have been incurred, if arising directly or indirectly from the ownership, possession

or use by the **Insured** or on the **Insured's** behalf of any land, buildings, aircraft, vessel or mechanically propelled vehicle.

### Liability to Employees

Liability to **Employees** in respect of any **Claim** arising from any employment dispute, including any such dispute directly or indirectly based upon attributable to or in consequence of bodily injury, mental injury, sickness, disease or death or any breach of any obligations owed by the **Insured** as an employer for discrimination, harassment, unfair treatment or unfair dismissal or failure to promote any **Employee**.

### Non-Competitive Behaviour and Taxation

Any **Claim** directly or indirectly arising from or attributable to breach of any competition, restraint of trade or anti-trust legislation or regulation or any other restrictive practice.

### Partnership Duties

Any actual or alleged breach of the **Insured's** partnership or shareholder agreement or arrangements, including any equivalent agreement or arrangement where the **Insured** is a limited liability partnership or a company without share capital.

### Pension and Trust Liability

Any breach by the **Insured** of a duty owed or arising from the operation or administration of any trust fund, pension or other employee benefit scheme.

### Pollution and/or Contamination

Any pollution, seepage, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to, smoke, vapours, soot, dust, fibres, fumes, acids, alkalis, chemicals and waste (including but not limited to material to be recycled, reconditioned or reclaimed) or contamination of any kind. For the avoidance of doubt and for the purposes of this Exclusion, asbestos is considered a contaminant.

### Prior Knowledge

1. Any **Claim** first made, threatened or intimated against the **Insured** prior to the **Period of Insurance**;
2. Any **Claim** or loss arising out of any **Circumstance** reasonably expected to give rise to a **Claim** of which the **Insured** were aware of or ought reasonably to have been aware of prior to the **Period of Insurance**;
3. Any **Claim**, **Circumstance** reasonably expected to give rise to a **Claim** or other matter notified to any insurance policy preceding the **Period of Insurance**.

### Products

Any **Claim** arising from the **Insured** or any sub-contractor, agent or consultant having supplied, serviced, manufactured, erected, constructed, altered, repaired, treated, transported, sold, recalled, fabricated, distributed, installed or maintained any goods or products (including containers labelling instructions or advice provided in connection therewith).

## Property Damage

Liability incurred from the loss or destruction of, or damage to, any property unless arising from lost **Documents** or design or specification, technical information calculation or survey performed by or on the **Insured's** behalf in the conduct the **Insured's Professional Business**.

## Retroactive Date

Any **Claims** arising out of the exercise and conduct of the **Insured's Professional Business** carried out prior to any **Retroactive Date**.

## Toxic Mould

Any **Claim** of whatsoever nature directly or indirectly arising out of or in any way involving the presence of or any form of release of aspergillus fumigatus, any fungus or mycota or any by-product or type of infestation produced by such **Fungus** or mycota, including but not limited to, mould, mildew, mycotoxins, **Spores**, or any biogenic aerosols.

## Trading Debts

Any **Claim** arising from or directly or indirectly attributable to any of the **Insured's** trading debts or trading losses or any guarantee or undertaking given by the **Insured** for a debt or performance of any other obligation by a third party.

## War/Terrorism

Any **Claim** of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any cause or event contributing concurrently or in any other sequence to the **Claim**:

1. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. Any act of terrorism.

For the purposes of this Exclusion, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Exclusion also includes any liability for any **Claim** and/or **Costs** on account of any **Claim** of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the **Insurer** alleges that by reason of this Exclusion, any **Claim**, **Costs**, or expenses are not covered by this **Policy**, the burden of proving the contrary will be upon the **Insured**.

## **Workmanship**

Any defective workmanship, defective materials, manual labour operations or any defective materials or production techniques used in the manufacture of any product.



## PROFESSIONAL INDEMNITY – CLAIM CONDITIONS

The following conditions are applicable to this Section only:

### Notification

It is a condition precedent to liability under this **Policy** that the **Insured** will notify the **Insurer** in writing as soon as practicable and no later than 3 months after **Knowledge** or **Detection** and in any event no later than the end of the **Period of Insurance** of any:

1. **Claim** made against the **Insured**;
2. **Circumstance** reasonably expected to give rise to a **Claim** against the **Insured** whether or not the **Insured** believe the **Claim** that may arise therefrom has any merit or is valid;
3. notice of any intention to make a **Claim** against the **Insured**;
4. discovery or reasonable cause for suspicion of dishonesty or fraud on the part of any of the **Insured's** former or present principals, partners, members, directors, **Employees**, or sub-consultants whether giving rise to a loss or **Claim** hereunder or not.

Any subsequent **Claim** arising out of matters notified under (1) and (2) above will in each case be deemed to have been a **Claim** made during the **Period of Insurance**.

Notification is deemed to have been made only when received in writing by the **Insurer** or the nominee, if any, named in an **Endorsement** to this **Policy**.

The notification must include full particulars, including the identity of the claimant or potential claimant, details of the allegations and potential allegations against the **Insured**, identification of the project and services giving rise to the **Claim** or potential **Claim**, the potential quantum if known involved in the **Claim** and in the case of a **Circumstance** reasonably expected to give rise to a **Claim**, the notification should include the reasons for the belief that a **Claim** is likely to be made.

Following receipt of any Letter of Claim, Pre-Action Protocol Letter, Claim Form, other legal procedural documents, Summons, Arbitration Notice or other such similar correspondence and documents to those described, the **Insured** must deliver the correspondence or document to the **Insurer** as soon as practicable.

Compliance with this Notification Condition will be at the **Insured's** own cost

### Dishonest or Fraudulent Persons

Should the **Insured** suffer any loss or **Claim** or incur any liability of the type insured under the **Policy** by reason of the dishonest or fraudulent act or omission of any of the **Insured's** former or present principals, partners, members, directors or **Employees**:

1. the **Insured** will at the **Insurer's** request take all reasonable steps to obtain reimbursement from such person;
2. any monies which but for the dishonest or fraudulent act or omission would be due to such persons from the **Insured** or any monies of such persons held by the **Insured** will be deducted from any amount payable hereunder;
3. notwithstanding the Indemnity to Employees Clause of this Section no indemnity in respect of such loss or **Claim** will be afforded hereunder to any person committing or condoning such dishonest or fraudulent act or omission;
4. nothing herein will preclude the **Insurer** from exercising any right of subrogation against any person committing or condoning such dishonest or fraudulent act or omission;

5. the sums payable hereunder will be only for the balance of liability in excess of the amounts recoverable from the dishonest or fraudulent person or persons or their estates or legal representatives;
6. the **Insured** will bear the burden of providing satisfactory proof to substantiate a loss hereunder (including any **Costs** incurred in such process) and the **Insurer** will be under no obligation to provide indemnity to the **Insured** until such time as the **Insurer** is satisfied that such loss has in fact been sustained;
7. the **Insurer** will not be liable for any loss sustained in consequence of any act or omission occurring after the date of the discovery of, or of reasonable cause for suspicion of, dishonest or fraudulent conduct on the **Insured's** part.

## PROFESSIONAL INDEMNITY – GENERAL CONDITIONS

The following conditions are applicable to this Section only:

### Take Over and Mergers

In the event of:

1. the consolidation of, or merger by, the **Insured** in to another entity, or the sale of all or substantially all of the **Insured's** assets to another entity; or
2. the direct or indirect acquisition, ownership or control by another entity or entities of more than fifty per cent (50%) of the **Insured's** issued share capital; or
3. the direct or indirect acquisition, ownership or control by another entity or entities of more than fifty per cent (50%) of the voting rights in the **Insured**; or
4. the assumption of another entity of the right to appoint or remove directors from the **Insured's** board;
5. the appointment of an insolvency practitioner to the **Insured**

this Section will apply only to any **Claim** arising from the **Insured's Professional Business** carried out prior to the effective date of such transaction or event, unless otherwise agreed in writing by the **Insurer**.

### Acquisitions

If the **Insured** acquire another entity, the **Insurer** agrees that this Section will provide cover for any **Claim** arising from the **Insured's Professional Business** carried out by the acquired entity after the effective date of the acquisition and once the **Insured** has taken full control of the entity subject to:

1. cover only being provided for a maximum period of 30 continuous days starting on the effective date of the acquisition and once the **Insured** has taken full control of the entity, but not for any period beyond the **Period of Insurance**; and
2. the employee turnover of the acquired entity, for the period of 12 months prior to the effective date of the acquisition, being no greater than 15% of the **Insured's** employee turnover stated in the **Proposal Form**; and
3. the entity taken over not being listed on any stock exchange or alternative investment market and not having outside shareholders; and
4. the acquired practice being previously insured.

The **Insurer** agrees to extend the coverage for such acquired entity beyond the 30 day period set forth in (1) above, subject to the **Insured**: (i) providing the **Insurer** with full particulars of the acquired entity; and (ii) agreeing to pay any additional premium and accepting any amendment of this **Policy** as the **Insurer** may require; and (iii) paying any such additional premium.

### Confidentiality

The **Insured** will not disclose the terms applicable to this Section or the amount of the **Premium** paid to any third party:

1. except to the extent that the **Insured** is required by law to do so or by any regulatory authority as may be necessary to demonstrate to such regulatory authority that any mandatory insurance requirements of such authority have been satisfied; or
2. except that the existence of the Section and the **Limit of Liability** available hereunder may be disclosed to an insurer, to a client or a prospective client, wholesale broker or placing agent where this is necessary to maintain agency facilities, provided that no such disclosure will be permitted in circumstances where the

**Insured** is aware or ought reasonably to be aware that the person to whom disclosure is going to be made has made or is likely to make a **Claim** against the **Insured**; or

3. except to the extent that the **Insurer** consents, in writing, to such disclosure.

## Expert Determination

In the event of a dispute concerning whether to contest or settle a **Claim** against the **Insured**, but not involving a dispute arising out of the interpretation of this Section of the **Policy**, the parties will seek, and be bound by, the written opinion of Queen's Counsel (or an equivalent or like person to be mutually agreed upon) jointly selected by the parties (where joint selection cannot be agreed the parties agree to be bound by the selection of the Chairman of the Bar Council) acting as a legal expert and not as an arbitrator, but only to the extent that the opinion concerns either the probability of success in those proceedings or the reasonableness of settlement. The costs of this instruction will form part of the **Costs**.

## Indemnity to Employees

If the **Insured** requires, the **Insurer** will indemnify any of **Employees** in like manner to the **Insured** provided the **Employee** observes and complies and is subject to the terms applicable to this Section.

## Subrogation

The **Insurer** will not exercise subrogated rights against any of the **Insured's** principals, partners, directors or **Employees** or former **Employees** under this **Policy** except where it is established by formal admission, adjudication or judgment that the principal, partner, director or **Employee** or former **Employee** has acted fraudulently or has committed a criminal act involving dishonesty or has obtained profit or advantage to which the principal, partner, director or **Employee** or former **Employee** was not lawfully entitled.

## Waiver or Amendment

The terms of this **Policy** will not be waived or amended except by endorsement issued by the **Insurer** or intended to be issued by the **Insurer** to form part of this **Policy**.

## PROFESSIONAL INDEMNITY – LIMIT OF LIABILITY

The following are applicable to this Section only:

### Limit of Liability

The **Insurer's** total liability under this Section for any one **Claim** will not exceed the **Limit of Liability**.

For the purposes of the **Limit of Liability** the following are regarded as one **Claim**:

1. any **Claims** arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events.
2. any loss or series of related losses for which indemnity is available arising out of, based upon, attributable to, in connection with or in any way involving, the same or substantially the same or similar, source, cause, facts, acts committed or attempted, omissions, situations, transactions or events.
3. any **Claims**, loss or losses directly or indirectly arising from fraud or dishonesty.

The **Insurer's** liability for **Costs** is within the **Limit of Liability**

### Excess

A separate **Excess** will apply in respect of each and every **Claim**. The **Insured** is responsible for each such **Excess** payment and such payment by the **Insured** is a condition precedent to the **Insurer's** liability under this **Policy**. The **Insurer** is only liable to indemnify the **Insured** for that part of the **Insured's** liability for each **Claim** that is greater than the **Excess**. Where the **Insurer** has paid on the **Insured's** behalf part or all of the **Excess/es** the **Insured** will reimburse the **Insurer** in respect of the same.

The **Schedule** states whether the **Excess** applies to **Costs**.

# Commercial Legal Protection Section

## Welcome

Welcome to the Commercial Legal Protection Section of cover provided by Markel Legal Expenses Insurance. This Section, the schedule and any endorsements all form your policy and set out the terms and conditions of the agreement between us.

We understand you may be very busy, but we strongly suggest that you read the whole of this agreement. At the very least, please make sure you read:

- The remainder of the **Welcome** pages
- The **Important information** section
- The policy summary
- The policy schedule

## How to contact us about your insurance policy

### 1) To make a claim

If you need to make a claim or let us know about a situation that could lead to a claim, you should contact us as soon as possible providing your policy number and brief details of the circumstances using the telephone number shown on your policy schedule or by writing to/emailing us using the details below:

The Claims Department  
Markel Legal Expenses Insurance  
20 Fenchurch Street  
London  
EC3M 3AZ

[LEIclaimsuk@markel.com](mailto:LEIclaimsuk@markel.com)

If you write to or email us a claim form will be sent to you for completion and this must be returned without delay.

### 2) To make a complaint

If you are not satisfied with any part of our service then you should refer to the Customer Service part of this policy on page 104

## How to contact us for advice

### 1) For legal advice

Your policy provides access to a 24/7 year round telephone advice line. This service provides advice on general legal matters on the law which applies in the UK.

You can also get advice on tax and health and safety matters in the UK by calling the same number 9-5 Monday to Friday (excluding public holidays).

In addition, your policy provides your employees with access to a 24/7 year round stress counselling line. The telephone number to call is shown in your policy schedule and you will need your policy number to access the advice.

## **Commercial Legal Protection Section - Special or unusual conditions and terms of this policy**

This Section of the policy comes with some important conditions and terms that you need to be aware of:

### **1) Prospects of success**

We will make our decision on whether to cover your claim based on a legal opinion from your representative (and any professional advice we regard necessary) on whether your claim has at least a 51% chance of:

- Successfully pursuing your case and securing a legal and/or financial remedy
- Not being found liable in a civil (not criminal) case against you
- Being found not guilty in the defence of a criminal prosecution
- Securing a significant reduction of your punishment or fine if pleading guilty in a criminal prosecution
- Successfully appealing the decision of the relevant authority

If there is 50% or less chance of the above we will not provide cover.

### **2) Employment disputes**

To maximise your chances of having reasonable prospects of success in employment disputes we strongly recommend that you call the legal advice line number shown in your policy schedule at the following times and follow their advice:

- Before disciplining, suspending, dismissing, starting a retirement or redundancy process or making or proposing to make unfavourable changes to the terms of an employee's contract of employment
- When notified of a grievance, a complaint of discrimination (such as sex, race, religion etc) or an appeal from an employee against action you have taken against them
- When an employee resigns or walks out after expressing verbal or written dissatisfaction

Or at the very least comply with the ACAS code of conduct which the legal advice line can also advise you on.

### **3) Defined terms**

Some of the words in this Section have a specific meaning and we have highlighted these to you by showing them in **bold** print. Please see the **Defined terms** part at the end of this Section to see what these words mean.

## **Commercial Legal Protection Section - Your legal expenses insurance cover**

This is the agreement between **you** and **us**

### **Things we will do**

**We** will provide the cover as written in this Section for:

- Disputes under the **Sub-sections of cover** shown as insured in **your policy** schedule
- **Costs** and **compensation** subject to the **excesses** and the limits shown in **your policy** schedule
- **Claims** or notifiable circumstances notified to **us** during **your period of insurance** which are in connection with **your** business description as stated in **your policy** schedule
- Disputes, legal proceedings or HMRC investigations that are or would be within the **territorial limits** as stated in **your policy** schedule

### **Things you must do**

**You** must comply with the following conditions which are summarised below and some of which are more fully explained in the remainder of this Section. If **you** fail to do so, **we** may not pay **your claim**, or any payment could be reduced.

**You** must:

- Pay the premium for **your policy**
- Provide **us** with a truthful account of **your** circumstances and any extra information **we** ask for, to underwrite **your policy** and assess **your claim**
- Tell **us** as soon as possible if there is a change in **your** circumstances such as:
  - Any change of ownership of **your** business
  - If **your** business is involved in a merger or the acquisition of another business
  - Any change in **your** business description
- Take all reasonable steps to avoid and prevent tax investigations, legal proceedings and disputes
- Minimise the cost and effect of any **claim** by taking all reasonable steps to avoid unnecessary expense
- Follow the **Claims conditions** of this Section

If **you** do not meet **your** part of the agreement **we** may:

- Not cover all or part of **your claim** and **we** may recover any payments already made
- Increase **your** premium or change the terms of **your policy**
- Cancel **your policy** and treat it as though it did not exist to begin with



## **Commercial Legal Protection Section - Sub-sections of cover**

### **Employment disputes**

#### **What is covered?**

We will cover **costs you** incur in the defence of an employment dispute between **you** and **your employee**, ex-**employee**, interviewee/applicant to become an **employee** over their contract of employment or over employment law or with a worker that alleges to be an **employee** at the following stages:

##### **ACAS Early Conciliation**

Taking part in an ACAS Early Conciliation process

##### **Employment Tribunals response (ET3)**

Setting out **your** initial response to a claim (ET1) against **you** at an Employment Tribunal

##### **Pre-hearing review/Employment status disputes**

Preparation for and representation at a pre-hearing review to decide the employment status of a worker alleging to be an **employee**

##### **Employment Tribunal hearing**

Preparing for and representing **you** in a dispute with **your employee**, ex-**employee** or interviewee/applicant to become an **employee** at an employment tribunal hearing or negotiating a settlement with them

##### **County or High Court proceedings**

Preparing for and representing **you** in a dispute with **your employee**, ex-**employee** or interviewee/applicant to become an **employee** at the County Court or the High Court or negotiating a settlement with them

#### **What is not covered?**

We will not cover **claims** where:

##### **Employment Tribunal hearing and County or High Court proceedings**

**You** have not followed either:

- a) the advice of the Market advice line at the following times:
  - 1. Before suspending, disciplining, dismissing, starting a retirement or redundancy process or making or proposing to make changes to the terms of an **employee's** contract of employment which may be unfavourable to the **employee**
  - 2. When notified of a grievance, a complaint of discrimination (such as sex, race, religion etc) or an appeal from an **employee** against action **you** have taken against them
  - 3. When an **employee** resigns or walks out after expressing verbal or written dissatisfaction

Or

- b) the ACAS code of practice on disciplinary and grievance procedures where applicable

## What you need to know

A dispute with a worker alleging to be an employee is only covered under **ACAS Early Conciliation, Employment Tribunals response (ET3)** and **Pre-hearing review/Employment status disputes**. It will not be covered under **Employment Tribunal hearing** and **County or High Court proceedings**.

## Employment compensation awards

### What is covered?

We will pay **compensation** provided that at the time of a **claim** under this section **you** have an accepted **claim** under **Employment Tribunal hearing**

#### Awards of compensation

**Compensation you** are ordered to pay by a Tribunal

#### Settlement of a dispute

An amount agreed by **us** in settlement of a dispute

#### Tribunal fees

Any Tribunal fees **you** are ordered to pay by the Tribunal or Tribunal fees as agreed in a settlement that **you** have entered into with **our** consent

### What is not covered?

We will not cover **claims** where:

#### All of Employment compensation awards

The Tribunal ordered **you** to reinstate an **employee** and **you** failed to do so

### What you need to know

We won't pay contractual amounts such as redundancy notice pay, equal pay awards or any awards under agency worker regulations

## Property and landlord and tenant disputes

### What is covered?

We will pay **costs** to obtain damages or other legal remedy for:

#### Property disputes

1. Trespass on **your property**
2. Nuisance from another affecting **your property**
3. The defence of another's claimed right of way over **your property**
4. **Your** use of a right **you** have over another's property as recorded in the title documents of **your property**

5. Pursuing another for physical damage to **your property** not recoverable under another insurance policy

### Disputes with your landlord

1. **Your** landlord's failure to maintain or repair **your property** as required by the written terms of **your** lease or tenancy
2. An allegation by **your** landlord that **you** failed to maintain or repair the **property** as required by the written terms of **your** lease or tenancy
3. The defence of a demand for dilapidations at the expiry of **your** lease or tenancy
4. The defence of an attempt by **your** landlord to end **your** lease or tenancy early and remove **you** from **your property**

### Disputes with your tenant

1. **Your** tenant's failure to maintain or repair **your property** as required by the written terms of **your** lease or tenancy
2. An allegation by **your** tenant that **you** failed to maintain or repair **property** as required by the written terms of **your** lease or tenancy
3. Pursuing **your** tenant for disputed dilapidations at the expiry of **your** lease or tenancy

### Eviction

The eviction of **your** tenant or **your employee** or ex-**employee** following the expiry of the tenancy or licence **you** have granted for the use of the **property**

## What is not covered?

We will not cover **claims** where:

### Property disputes

1. There is a dispute over a contract
2. The other party's argument is that they own some or all of **your property**
3. There is a dispute over rights to or over another's property which is alleged to have arisen through **your** use or occupation over a length of time

### Disputes with your landlord

There is a dispute arising out of **your** failure or alleged failure to pay any money to **your** landlord, unless payment was withheld due to **your** landlord's failure to maintain or repair **your property**

### Disputes with your tenant

There are dilapidations unless **you** have served a notice of dilapidations on **your** tenant and **you** have an independent expert valuation of the dilapidations which must be obtained at **your** own expense

### Eviction

**You** have not issued enforceable statutory or contractual notices which require tenant or licensee to leave the **property**

## All of Property and landlord and tenant disputes

1. There is a dispute over a contract unless it is a tenancy, licence or leasehold agreement
2. **You** will not suffer a financial loss or the value of **your property** would not be reduced
3. **You** have not made a claim under **your** buildings or contents policy and if relevant, under a business interruption or equivalent policy following damage or nuisance affecting **your property**
4. There is a dispute in connection with planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority
5. There is a dispute in connection with the negotiation, review or renewal of a tenancy or leasehold agreement or purchase of property
6. **You** have failed to fully maintain suitable buildings and if needed contents insurance
7. There is an allegation **you** are responsible for damage or loss caused by seepage, pollution or contamination of any kind

## Criminal defence

### What is covered?

We will pay **costs** for **your**:

#### Interview under caution

Representation (including written submissions) at an interview under caution by the Police or a prosecuting authority

#### Prosecution defence

Defence of a criminal prosecution once **you** receive a summons accusing **you** of a criminal offence

#### Motor offences

1. Defence of a criminal prosecution where the conviction would result in the loss of a driving licence required by **your** director or business partner of **your** business to carry out essential business activities
2. Defence of a criminal prosecution for tachograph or weight offences

### What is not covered?

We will not cover **claims**:

#### Interview under caution

Where **you** are required by the Police to immediately attend an interview under caution at a Police Station

#### Prosecution defence

1. Where **you** are alleged to have committed:
  - a. a motoring offence
  - b. an assault or sexual offence
  - c. fraud, dishonesty or criminal damage
2. Where there are criminal proceedings arising from or related to tax or if an application is made under the Proceeds of Crime Act

3. For **your employee**, director or a partner of **your** business if **you** are charged under the Corporate Manslaughter or Corporate Homicide Act 2007
4. Where there is an allegation **you** are responsible for damage or loss caused by seepage, pollution or contamination of any kind

### Motor offences

There is an allegation of driving under the influence of drugs/alcohol or the use of handheld electronic equipment

## What you need to know

We won't pay any costs or fines that you are ordered to pay by a criminal Court

## Tax protection

### What is covered?

We will pay **costs** in representing **you** before HM Revenue & Customs (HMRC):

#### Aspect enquiry

When HMRC issues a formal notice to **you**, **your** director or to **your** business partner to carry out an aspect enquiry into a part(s) of **your** income or corporation tax Self Assessment return

#### Full enquiry

When HMRC issues a formal notice to **you**, **your** director or to **your** business partner to examine all of **your** financial records income or corporation tax

#### National Insurance and PAYE disputes

When HMRC expresses dissatisfaction with **your** p11ds or p9ds or **your** PAYE and/or NIC affairs following an employer compliance visit by HMRC

#### Current tax year enquiry

Following a written request by HMRC under Schedule 36 Finance Act 2008 to inspect **your** business records, assets or premises

#### VAT disputes

Over alleged failure to pay VAT

## What is not covered?

We will not cover **claims** where:

#### All of Tax protection

1. There is not a reasonable prospect of reducing the liabilities alleged by HMRC
2. Tax returns are late or where **you** have not notified chargeability to tax within the time limits or for tax returns where wholly provisional figures are used
3. There is an allegation of fraud or an investigation by HMRC's Fraud Investigation Service, Counter Avoidance Office or the defence of a criminal prosecution

4. There is a dispute or enquiry relating to the National Minimum Wage or Living Wage
5. There is an allegation of tax avoidance

## Regulatory compliance

### What is covered?

We will pay costs (or **compensation** for **Data protection compensation** of this **policy**) for **your**:

#### Enforcement notices

Appeal against an improvement or prohibition notice issued by the Health and Safety Executive or the Food Standards Agency

#### Licence appeals

Appeal against a decision taken by the relevant authority to suspend, revoke, alter or not renew an existing statutory licence **you** need to carry out **your** business activity as stated in **your policy** schedule

#### Data protection defence

Defence under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82)

#### Data protection compensation

Liability for **compensation** as a result of holding, losing or unauthorised disclosure of data provided that at the time of a **claim** under this **Sub-section of cover you** have an accepted **claim** under **Data protection defence** of this **policy**

### What is not covered?

We will not cover **claims**:

#### Licence appeals

1. For appeals arising from or connected to a change in the law or regulation
2. For the costs of complying with a notice or order
3. Involving driving or property licences
4. Where **you** have failed to comply with recommendations or warnings from **your** regulator

#### Data protection compensation

Where the party **you** are in dispute with has not suffered a specific financial loss

## Court attendance costs

### What is covered?

We agree to pay:

#### Jury service allowance

The amount of money per day **you** pay **your employee** (including a director or partner in **your** business) each day they attend jury service at a Court, less any recovery from the Court

#### Witness attendance allowance

The cost of **your employees** attending Court as witnesses on **your** behalf at the request of **your representative** provided that at the time of a **claim** under this **Sub-section of cover** **you** have an accepted **claim** for this Court appearance under this **policy**

### What is not covered?

We will not cover **claims** for:

#### Witness attendance allowance

1. Expert witnesses
2. Salaries or wages
3. Costs which could be claimed from a prosecuting authority

## Employee extra protection

### What is covered?

We agree to pay **costs**:

#### Pension trustee defence

To defend directors and/or partners in **your** business in civil proceedings caused by their alleged conduct as a trustee of a pension fund set up for the benefit of **your employees**

#### Wrongful arrest

To defend civil legal proceedings against **your employee** including directors and/or partners in **your** business in respect of allegations of detaining somebody against their will

#### Personal injury

For **your employee** including directors and/or partners in **your** business to pursue a claim for damages for physical bodily injury suffered carrying out **your** business activity (as stated in **your policy** schedule) which was caused by an actual or alleged act or omission of another party

## What is not covered?

We will not cover **claims**:

### Wrongful arrest

Where the allegations were made by a worker or ex-worker of **yours**

### Personal injury

1. Where the legal case is or may be against **you**
2. Where the injuries were suffered on **your property**

## Contract disputes

### What is covered?

We agree to pay **costs** in a dispute with a **contracting party** over:

#### Contracts for goods and services

A contract for the sale, hire or supply of goods and services

#### Contracts for construction and repairs

A **construction contract** (including any variations to the **construction contract**) for work undertaken on **your property** that is in writing and which states:

1. The parties to the contract
2. The date work is to commence
3. The work to be done and the timescales for the work to be done
4. The amount of money to be paid for the work and when it is to be paid

### What is not covered?

We will not cover **claims** in disputes:

#### Contracts for goods and services

Over **construction contracts**

#### Contracts for construction and repairs

1. Over construction projects estimated to cost more the **maximum construction project value**
2. Where work commenced before the **construction contract** or a variation to **construction contract** was agreed
3. Over **construction contracts** agreed or any work started before the inception of this **policy**, unless **you** had a policy that provided cover to the same effect as this **policy** and there was no break in cover, in which case, the inception date of the previous policy will apply
4. Over **construction contracts** where **you** are carrying out the works
5. If **your** business is in the construction industry



### All of Contract disputes

1. Below the minimum sum in dispute specified in the **policy** schedule
2. Over undisputed debts unless the debt is at least 90 days overdue and **you** have requested full payment in writing at least 3 times in 3 consecutive calendar months since the first due date
3. Over guarantees
4. Over contracts **you** enter into through an agent or which **you** have taken over from someone else by assignment
5. Over franchise contracts
6. Over hire purchase, credit agreements insurance or financial securities
7. Over contracts of employment
8. Over any tenancy agreement, lease or licence to use land or buildings or the sale of land and or buildings

## **Commercial Legal Protection Section - What is not covered by this Section of the policy?**

**We will not cover you for:**

1. The defence of civil legal proceedings concerning:
  - a. injury or disease including psychiatric injury and stress
  - b. damage to or loss or destruction of property
  - c. an alleged breach of professional duty
2. **Costs** incurred without or in excess of **our** written consent
3. Any **claim** relating to or arising from any cause, event or circumstance occurring before or existing at the start of this **policy** and which has or which **you** knew or should reasonably have known may give rise to a dispute, legal proceedings or HMRC investigation or a **claim**
4. Any type of fine or other financial penalty imposed by a Court, Tribunal or regulatory or supervisory body or taxes, duties, interest or penalties imposed by HMRC
5. Any dispute or legal proceedings in respect of which **you** are, or but for the existence of this **policy** would be, entitled to indemnity under a legal aid certificate or representation order
6. Disputes or legal proceedings between any parties specified as **you** in the **policy** schedule or with any parent, subsidiary or associated company or partner (other than disputes under **Employment disputes and Employment compensation awards**)
7. Any dispute **you** have with **your representative**, any party involved in the arrangement of this **policy** or with **us**
8. Any **costs** incurred in a dispute or legal proceedings concerning, arising out of or in connection with:
  - a. breach of confidentiality
  - b. passing off
  - c. defamation or malicious falsehood
  - d. the ownership or existence of any intellectual property rights
  - e. a judicial review
9. Any **costs** incurred in a dispute or legal proceedings concerning, arising out of or in connection with **your**:
  - a. intentional wrongdoing
  - b. act or omission with negligent disregard as to its consequences
10. Any **costs** which **you** should or would have had to incur irrespective of any dispute
11. Any benefit under this insurance to the extent of providing cover, payment of any **claim** or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation
12. The VAT element of **your claim** if **you** are registered for VAT
13. Any **claim** caused by, happening through or in consequence of terrorism, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, 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
14. Any **claim** caused by or contributed to by or arising from nuclear reaction, nuclear radiation or radioactive contamination

## **Commercial Legal Protection Section - Claims conditions**

There are conditions contained below which must be complied with or met for **us** to provide cover under this **policy**.

### **How and when to make a claim**

The contact details for The Claims Department can be found in the **Welcome page** of this Section of the **policy**

**We** will only cover **claims** that **you** tell **us** about during **your period of insurance**.

**You** must tell **us** as soon as possible when **you** become aware of any cause, event or circumstance which does or may involve **you** and which has given, or may give rise to a **claim**, dispute, legal proceedings or tax investigation.

Where **we** have accepted notification as described above, **we** will treat any later **claim** regarding that notified cause, event or circumstance as though the **claim** had been notified during the **period of insurance**.

**We** will send **you** an insurance claim form that must be completed and returned as soon as possible.

### **When we will agree to cover your claim**

#### **Our consent**

**We** will only cover **claims** where **you** have obtained **our** consent in writing before incurring any **costs**. **We** will give **our** consent for **you** to incur **costs** provided that **you** can satisfy **us** throughout **your claim** that:

- It is reasonable and proportionate (in relation to **your claim**) to incur **costs**
- There are **reasonable prospects of success**, other than **claims** under:
  - **Employment disputes - ACAS Early Conciliation**
  - **Employment disputes - Employment Tribunals response (ET3)**
  - **Employment disputes - Pre-hearing review/Employment status disputes**
  - **Criminal defence - Interview under caution**
  - **Court attendance costs**

If during the course of **your claim** **you** no longer satisfy **us** of the above, cover under this **policy** for **costs** and **compensation** will be withdrawn and any **costs** incurred or **compensation** awarded on or after the date of withdrawal will not be covered whether **we** previously agreed to them or not.

**We** will make **our** decision on whether to cover **your claim** based on:

- A fully completed insurance claim form
- The information and documentation **we** reasonably request
- A legal opinion from **your representative** on whether **your claim** has **reasonable prospects of success** and any professional advice **we** regard necessary

If **your claim** is accepted by **us**, it does not always mean that all **costs** or **compensation** will be paid, for example **we** will not cover **costs** for things that are not directly relevant to **your claim**. **We** may also limit any cover **we** provide by time, amount or to a specific stage of legal proceedings in order to allow **us** to review **our** continued acceptance of **your claim**.

If after accepting **your claim**, it is shown that **your claim** has not been brought within the terms and conditions of the **policy**, no further cover will be provided and **we** will recover from **you** any **costs** and **compensation we** have paid.

### Counsel's opinion

At **our** discretion **we** may also require **you** to obtain a legal opinion from Counsel at **your** expense to satisfy **us** that there are **reasonable prospects of success** and it is reasonable and proportionate (in relation to **your claim**) to incur **costs**.

If based on Counsel's opinion **we** are satisfied in respect of the above the reasonable **costs** of obtaining that opinion will be paid by **us** subject to the **excess** and the limits shown in **your policy** schedule.

### Claims rejected due to a lack of reasonable prospects of success

If **we** rejected **your claim** solely due to a lack of **reasonable prospects of success**, **we** will pay **costs** that are reasonable and proportionate to the legal and/or financial remedy achieved, subject to the terms and conditions of this **policy** if:

- **You** proceeded with the legal action which formed **your claim** to its conclusion with a Court, Tribunal or equivalent having issued a judgment (excluding any settlement, mediation, alternative dispute resolution or equivalent resolution process) and were successful
- **You** were defending, the judgment found **you** were not at fault
- **You** were pursuing, the judgment awarded **you** the remedy **you** were seeking at the time **we** rejected **your claim**
- **You** tell **us** about it as soon as possible

### Settlements

**You** must inform **us** as soon as an offer of settlement is received and **you** must obtain **our** consent before **you** make or respond to any offer of settlement.

In any settlement **you** must:

- Take into account the prospects of the case and likely future **costs** and/or **compensation**
- Try to recover as much **costs** as possible

If **you** unreasonably reject an offer of settlement which **we** recommend acceptance of or make an offer which **we** do not agree with, no further cover will be provided and **we** may seek to recover from **you** **costs** and/or **compensation we** have paid.

At **our** discretion, instead of covering **you** for **costs** and/or **compensation**, **we** can choose to pay:

- The damages **you** are likely to be awarded by a Court or Tribunal or
- The amount of money being claimed against **you** or the amount of money the other party will settle for, whichever is the lesser

If **we** choose to do this, then **your claim** will end and no further payments of **costs** or **compensation** will be made.

During a **claim** under **Employment disputes, Employment compensation awards, Data protection defence** and **Data protection compensation** of this Section of the **policy**, **we** can require **you** to offer to pay an amount of money to the person **you** are in dispute with, if **we** have agreed to cover that amount as **costs** or **compensation**.

## Co-operation

**You** must co-operate with **us** and **your representative** at all times during the course of **your claim** this includes:

- Allowing **us** and **your representative** to communicate directly with each other about **your** case
- Providing a full and truthful account of **your** case and with all necessary documentation or evidence
- Attending any meetings as required
- Instructing **your representative** to provide **us** with information, documentation or evidence **we** require (even if privileged) and regular updates including when anything negatively affects the factors **we** took into account in accepting **your claim**.

## Recovery of costs

If the outcome of **your** case is that another party is found responsible for reimbursing **you** for some or all of **your costs**, **you** and **your representative** must make every effort to fully recover those **costs** which **you** must pay to **us**.

If the legal case was settled and the terms of the settlement do not specify the split between damages and costs then a fair and reasonable proportion of that settlement will be treated as **costs** and paid to **us**.

If any money is recovered from the other party then that money will be treated as **costs** and repaid to **us** first until all **costs** have been repaid to **us**.

## Payment of costs and compensation

A copy of all invoices for **costs** **you** receive from **your representative** should be forwarded to **us** within 30 days of the date the invoice was issued. If **we** require, **you** must ask **your representative** to send the costs for assessment by a Court or Tribunal or to a costs lawyer of **our** choice.

**You** are responsible for the payment of all **costs** or **compensation**. **We** will reimburse **you** for the **costs** or **compensation** subject to the **excesses** and the limits shown in **your policy** schedule. **We** may settle these **costs** or **compensation** directly if **we** choose to do so.

## Appeals

If **you** wish to appeal against the judgment or decision of a Court or Tribunal or if there is an appeal against a judgment that is in **your** favour, **we** will consider providing further cover if:

- **We** covered the initial legal proceedings that are being appealed as a **claim** and cover was not withdrawn
- The grounds for the appeal were submitted to **us** as soon as possible and before any deadline set by the Court or Tribunal

If **we** require, **you** must co-operate in an appeal against the judgment or decision of a Court or Tribunal.

## Instruction and choice of your representative, Counsel and experts

In all cases **your representative** will be appointed in **your** name and on **your** behalf.

**We** will choose a **representative** to act on **your** behalf other than at the point of an inquiry or legal proceedings where **you** will have freedom to choose **your representative** subject to **us** approving **your** choice.

**You** will also have freedom to choose **your representative** if there is a legal conflict of interest between **you** and **us** subject to **us** approving **your** choice.

When selecting **your representative**, **you** must have regard to **your** duty to minimise the cost of any **claim**.

The name and address of **your** chosen **representative** must be notified to **us** in writing. **We** will accept **your** choice if:

- **We** are satisfied that **your** chosen **representative** will co-operate with **us** and enable **you** to comply with the terms and conditions of **your policy**
- The **representative** has the necessary experience to deal with the dispute
- The **representative's** charging rates are fair and reasonable in regard to the dispute

A dispute arising from **your** choice of **representative** may be referred to arbitration in accordance with **Important information – How to make a complaint**.

**You** must not enter into any agreement with **your representative** as to the basis of calculation of **costs** without **our** written consent.

If in any **claim your representative** wishes to instruct Counsel or an expert the following must be submitted to **us** for **our** approval:

- The expert's or Counsel's name
- Details of their expertise
- Charging rates and estimated cost
- An explanation of the need for such instruction

## **Commercial Legal Protection Section - Important information**

### **Fraudulent Claims**

If **you** or anyone acting on **your** behalf make a fraudulent **claim**, **we** will cancel the **policy** from the time the fraud took place, retain any premium and recover from **you** any amount **we** have paid towards the fraudulent **claim**.

### **Dual insurance**

If any **claims** covered under this **policy** are also covered by another policy, or would have been covered if this **policy** did not exist, **we** will only pay **our** share of the **claim** even if the other insurer refuses the claim.

### **Financial Services Compensation Scheme**

In the unlikely event Markel International Insurance Company Limited cannot meet its obligations, Markel International Insurance Company Limited are covered by the financial services compensation scheme (FSCS). **You** may be entitled to compensation up to 90% of the **claim**. Further information about compensation arrangements is available from the FSCS.

### **Information you have given us**

In deciding to accept this **policy** and in setting the terms and premium, **we** have relied on the information **you** have given **us**. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **we** establish that **you** deliberately or recklessly provided **us** with false or misleading information **we** will treat this **policy** as if it never existed and decline all **claims**.

If **we** establish that **you** carelessly provided **us** with false or misleading information it could adversely affect **your policy** and any **claim**. For example, **we** may:

- Treat this **policy** as if it had never existed and refuse to pay all **claims** and return the premium paid. **We** will only do this if **we** provided **you** with cover which **we** would not otherwise have done
- Amend the terms of **your policy**. **We** may apply these terms as if they were already in place if a **claim** has been negatively affected by **your** carelessness
- Reduce the amount **we** pay on a **claim** in proportion to the premium **you** have paid against the premium **we** would have charged **you**
- Cancel **your policy** in accordance with the cancellation information below

**We** will write to **you** or **your** insurance broker if **we**:

- Intend to treat **your policy** as if it never existed
- Need to amend the terms of **your policy**

If **you** become aware that information **you** have given **us** is inaccurate, **you** must inform **us** as soon as possible.

### How to make a complaint about your policy

If **you** are not satisfied with any part of **our** service then **you** should contact **us** and **we** will do **our** best to resolve the problem. **You** can contact **us** at the following:

The Customer Services Manager  
Markel Legal Expenses Insurance  
20 Fenchurch Street  
London  
EC3M 3AZ  
Tel: 0345 350 1099  
Email: [LElcomplaintsuk@markel.com](mailto:LElcomplaintsuk@markel.com)

Markel Legal Expenses Insurance is a trading name of Markel International Insurance Company Limited, registered in England and Wales No: 00966670. VAT number: 245 7363 49. Registered address, 20 Fenchurch Street, London EC3M 3AZ. Markel Corporation is the ultimate holding company for Markel International Insurance Company Limited.

Markel International Insurance Company Limited is authorised by the Prudential Regulatory Authority and regulated by the Financial Conduct Authority and the Prudential Regulatory Authority. Financial Services Register Number 202570.

If there is a dispute between us that we cannot resolve through **our** complaints process then **you** may be able to refer the matter to the Financial Ombudsman Service who will arbitrate over the dispute as long as they have jurisdiction over the matter. **You** can contact them at the following:

The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange Square  
London  
E14 9SR  
Tel: 0800 023 4567 or 0300 123 9123  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If **you** were sold this product online or by other electronic means and within the European Union (EU) **you** may refer **your** complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of **your** complaint the ODR will escalate **your** complaint to **your** local dispute resolution service – this process is free and conducted entirely online. **You** can access the ODR platform on <http://ec.europa.eu/odr>.

This procedure will not prejudice **your** right to take legal proceedings.

If the Financial Ombudsman Service cannot arbitrate over the dispute then **we** and **you** shall both agree on an independent arbitrator (who must be a solicitor or barrister) to arbitrate over the dispute.

Any dispute between **you** and **us** will be decided by arbitration. The arbitrator will be a single arbitrator, either a solicitor or barrister practicing in the Law of England and Wales. The arbitration will take place in England. The arbitration will be governed by both the laws of England and Wales and the Arbitration Act 1996. The apportionment of the costs of the arbitration will be decided by the arbitrator. If **we** and **you** cannot agree on the choice of an arbitrator, an arbitrator will be nominated by the President of either the Law Society or the Bar Council in England and Wales. The costs of the arbitration will be paid by the party that loses the arbitration.



### How to make a complaint about the Markel advice line

The telephone legal advice is provided by Markel Law LLP and can advise on general UK law. Markel Law LLP makes no additional charge for providing these telephone services.

Markel Law LLP is authorised and regulated by the Solicitors' Regulation Authority ("SRA") under SRA number 459781 and is part of the Markel group of companies.

If **you** have a complaint about these telephone legal advice services **you** should contact The Director of Compliance, Markel Law LLP, The Observatory, Chapel Walks, Manchester M2 1HL who will provide details of the complaints procedure, including details of how the complaint will be dealt with internally and if required, by the Legal Ombudsman. For complaints about any other advice given then **you** should contact **us** using the details in **Important information – How to make a complaint** and **we** will do our best to resolve the problem.

## Personal information/Privacy policy statement

### The basics

**We** collect and use relevant information about **your** business to provide insurance cover and to meet **our** legal obligations.

This information includes details such as names and addresses (and may include more sensitive details such as information about health and criminal convictions).

The way insurance works means that information may be shared with and used by a number of third parties in the insurance sector but only in connection with the insurance cover that **we** provide to **you**.

### Other people's details you provide to us

**We** will process individual's details, as well as any other personal information **you** provide to **us** in respect of your insurance cover, in accordance with our privacy notice and applicable data protection laws.

To enable us to use individual's details in accordance with applicable data protection laws, **we** need **you** to provide those individuals with certain information about how **we** will use their details in connection with **your** insurance cover. As such, **you** agree to provide each individual concerned this notice:

- On or before the date that individual becomes insured under this **policy** or
- The date that **you** first provide information about the individual to **us**

**We** are committed to only using the personal information **we** need to provide **you** with **your** insurance cover. To help **us** achieve this, **you** should only provide to **us** information about individuals that **we** ask for from time to time.

### Want more details?

For more information about how we use personal information provided to **us** please see **our** full **Markel privacy notice**, a copy of which is available online at [markelinternational.com/foot/privacy-policy](https://markelinternational.com/foot/privacy-policy) or on request.

### Contacting us and individual rights

Individuals have rights in relation to the information **we** hold about them, including the right to access their information. Please contact **us** at [dataprotectionofficeruk@markel.com](mailto:dataprotectionofficeruk@markel.com) or by writing to the Data Protection Officer, Markel International, 20 Fenchurch Street, London, EC3M 3AZ if you are an individual wishing to exercise your rights, to discuss how we use your information or to request a copy of **our** full Markel privacy notice.

### Rights of third parties

A person who is not a party to this **policy** has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this **policy** but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### Breach of sanctions

**We** provide no cover for any **claim** if it means **we** would be in breach of any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of The European Union, The United Kingdom or The United States of America.

### Applicable law

The laws of England and Wales apply to this **policy** and any Acts of Parliament referred to are as amended.

### Brexit

**We** provide no cover for any **claim** where the regulatory risk location is within the European Economic Area (EEA) excluding the United Kingdom of Great Britain and Northern Ireland.

### Liquidation

If **you** are placed in liquidation, receivership, administration or bankruptcy or enter into a voluntary arrangement or deed of arrangement or if any application is made to the Court or if a meeting for any of these reasons is held, this **policy** will automatically terminate. If this happens, cover under **your policy** for **costs** and **compensation** will be automatically withdrawn and any **costs** incurred or **compensation** awarded on or after the date of withdrawal will not be covered whether **we** previously agreed to them or not.

## **Commercial Legal Protection Section - Defined terms**

### **Any one claim**

All **claims** connected by the same:

- Original cause, event, circumstance or related in time or
- Legal proceedings, tax enquiry, construction project or parties in dispute

even if **you** are claiming under more than one **Sub-section** of this section of this **policy**

### **Claim**

An insurance claim under this Section of the **policy**

### **Compensation**

- **Employment compensation awards**  
Basic and compensatory awards for unfair dismissal (which includes constructive dismissal and unfair selection for redundancy) and compensation for unlawful discrimination
- **Data protection compensation**  
**You** have been ordered to pay under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82)

### **Construction contract**

A contract as defined by Section [104](#) and [105](#) of the Housing Grants, Construction and Regeneration Act 1996 which for the purposes of this **policy** is extended to include contracts with residential occupiers. Such contracts include but are not limited to those for painting or decorating surfaces of a building, construction, alteration, repair, maintenance of buildings, installation in a building of heating, lighting or electrical systems.

### **Contracting Party**

A person, firm or company with whom **you** have a direct contractual relationship

### **Costs**

- **Own costs**  
The legal or professional costs (including any disbursements such as Counsel's or expert's fees) reasonably charged to **you** by **your representative**
- **Other party costs**  
In civil proceedings, the legal costs incurred by the party **you** are in dispute with that a Court or Tribunal orders **you** to pay or that **you**, with **our** prior written agreement, agree to pay under the terms of a settlement. This does not include any costs **you** are responsible for paying under the terms of a contract.

### **Employee**

Any person under a contract of service with **you**

### **Excess**

The initial amount of **costs** or **compensation** as shown in the **policy** schedule that **you** must pay in a **claim** before **we** will make any payment under this **policy** if **you**:

- Use **our** choice of **representative**
- Exercise **your** freedom to choose **your representative** as described under **Claims condition: Instruction and choice of your representative, Counsel and experts**

### Maximum construction project value

The maximum value a construction project is estimated to cost when the value of all the contracts concerning the project are added together as shown in the **policy** schedule

### Period of insurance

The period of time during which insurance is provided by this **policy** as shown in the **policy** schedule

### Policy

This insurance policy including the schedule and any endorsements that apply

### Property

Land (including walls) or buildings owned or occupied by **you** for which **you** are legally responsible

### Reasonable prospects of success

**We** will make **our** decision on whether to cover **your claim** based on a legal opinion from **your representative** (and any professional advice **we** regard necessary) on whether **your claim** has at least a 51% chance of:

- Successfully pursuing **your** case and securing a legal and/or financial remedy
- Not being found liable in a civil (not criminal) case against **you**
- Being found not guilty in the defence of a criminal prosecution
- Securing a significant reduction of **your** punishment or fine in a criminal prosecution
- Successfully appealing the decision of the relevant authority

If there is 50% or less chance of the above **we** will not provide cover.

### Representative

A solicitor, barrister, accountant or other appropriately qualified person appointed to act for **you** and who agrees to comply with the terms of this **policy**. The chosen representative may not be a person employed by **you**.

### Territorial limits

The regions as stated in the **policy** schedule which will have the following meanings:

- UK: The United Kingdom of Great Britain and Northern Ireland

### We/Our/Us

Markel International Insurance Company Limited trading as Markel Legal Expenses Insurance, 20 Fenchurch Street, London EC3M 3AZ. **Claims** will be handled by Markel Protection Limited which is a separate legal entity to Markel International Insurance Company Limited.

The insurer is liable only for the proportion of liability it has underwritten. The insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is the insurer otherwise responsible for any liability of any other insurer that may underwrite this contract

### You/Your

- The business(es) or individual(s) declared to **us** and named in the **policy** schedule
- Under **Criminal defence, Employee extra and Licence appeals** you may request, your **employee**, or a director or a partner of your business to be covered by your **policy** provided that under **Criminal defence** the same **representative** acts for all