

## **Management liability – employment practices liability insurance**

Policy summary

Policy wording ref: WD-MLP-UK-AOC-EPL(5) 16012 11/20

### **Key benefits: what risks are you protected against?**

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Employment practices liability insurance covers you and your directors, board members, trustees and employees for claims brought by any current, former or prospective employee of yours, arising from their employment or non-employment by you. We will pay up to the limit of indemnity shown in the policy schedule, including the legal costs incurred with our agreement to defend covered claims and investigations.

We will pay for claims for:

- wrongful, unfair or constructive dismissal;
- breach of written or implied contract of employment;
- wrongful deprivation of a career opportunity;
- harassment, unlawful discrimination;
- defamation or invasion of privacy.

We will also pay for:

- legal representation costs in relation to other official examinations, enquiries and investigations into you;
- losses arising from any injunction brought by the Equalities and Human Rights Commission.

In certain circumstances, you or an insured person may apply to purchase an extended notification period of up to three years for an additional premium. Where we agree to provide an extended notification period, this would cover insured persons for claims and investigations made during the extended period arising from acts occurring before the end of the original period of insurance.

### **Significant or unusual exclusions and limitations**

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We will not make any payment on behalf of any insured person if that individual had knowledge of a material misstatement in or omission from the information provided to us upon which we agreed to provide this insurance.

We will not cover any claim, loss or investigation arising out of:

- any dishonest or fraudulent act by you or any insured person committed or condoned by you or any insured person. This will only apply after a judgement or other final adjudication or an admission by the insured that such act or omission did occur;
- membership or non-membership of any trade union or equivalent labour organisation, other than retaliation;
- the death or any bodily or mental injury suffered by anyone, other than emotional distress;
- any responsibility, duty or obligation imposed by law in relation to health and safety, social security, unemployment, retirement or disability benefits, other than retaliation;
- your failure to pay any amount you are contractually committed to pay to an employee, including salaries;
- arising out of a cyber attack, hacker, unintentional error in any computer or digital technology, or social engineering communication;
- the loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme or your failure to pay taxes.

Please read the policy for details of terms in full.

## Management liability – employment practices liability

### Policy wording

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an each and every claim or loss basis unless otherwise specified.

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### Special definitions for this section

<b>Applicable courts</b>	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
<b>Benefits</b>	Any amounts awarded to an <b>employee</b> in respect of: <ol style="list-style-type: none"> <li>1. remuneration, including incentives, bonus, commission, health benefits, holiday pay, sick pay or notice pay, whether under statute or contract;</li> <li>2. family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under statute or contract;</li> <li>3. amounts due under an employee benefit or pension scheme;</li> <li>4. share or stock options;</li> <li>5. deferred compensation; or</li> <li>6. equal pay or redundancy pay.</li> </ol>
<b>Claim</b>	Any written demand or civil, criminal, regulatory or arbitration proceeding first made against <b>you</b> or an <b>insured person</b> during the <b>period of insurance</b> alleging an <b>employment practice wrongful act</b> seeking monetary damages or other legal relief or penalty.
<b>Computer or digital technology</b>	Any <b>programs</b> , computer network, hardware, software, operational technology, internet-connected device, network-connected device, electronic device, information technology, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet, website or cloud computing services.
<b>Cyber attack</b>	Any digital attack or interference, whether by a <b>hacker</b> or otherwise, designed to disrupt access to, the operation of or cause damage to any data or <b>computer or digital technology</b> , including but not limited to any: <ol style="list-style-type: none"> <li>1. <b>programs</b> designed to damage, disrupt, extract data from, or gain unauthorised access to <b>computer or digital technology</b> including, but not limited to, malware, wipers, worms, trojans, rootkits, spyware, dishonest adware, crimeware, ransomware, crypto-jacking and other malicious software or viruses; or</li> <li>2. denial of service attack or distributed denial of service attack.</li> </ol>
<b>Defence costs</b>	Reasonable costs, not including any overheads, additional costs or remuneration, incurred with <b>our</b> prior written agreement to investigate, settle or defend any <b>claim</b> made against <b>you</b> or an <b>insured person</b> or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any <b>claim</b> .
<b>Emergency legal representation costs</b>	Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or respond to any <b>investigation</b> , where it is not possible to obtain <b>our</b> prior written agreement, provided that <b>you</b> or the <b>insured person</b> notify <b>us</b> as soon as possible after such sums are incurred.
<b>Employee</b>	<ol style="list-style-type: none"> <li>1. Any person currently or formerly under a contract of service with <b>you</b>, including part-time workers.</li> <li>2. Any independent person currently or formerly seconded or contracted to work for <b>you</b>.</li> <li>3. Any current or former volunteer solely under <b>your</b> control and supervision in connection with <b>your business</b>.</li> </ol>

4. Any current or former applicant or candidate for employment with **you**.

**Employment practice wrongful act**

Any actual or alleged act, error or omission committed or attempted by **you** or an **insured person** or by any third party where **you** are held vicariously liable relating to any actual or alleged:

1. wrongful, unfair or constructive dismissal, discharge or termination of employment;
2. breach of written or implied contract of employment;
3. employment related misrepresentation;
4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation;
5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies;
6. **retaliation**; or
7. defamation or invasion of privacy;

arising solely as a result of the employment or non-employment by **you** of any current or former **employee**, or the treatment of any volunteer whilst undertaking work for **you** and under **your** control and supervision.

**Hacker**

Anyone, including an employee of yours, who gains unauthorised access to or unauthorised use of any:

1. **computer or digital technology**; or
2. data held electronically by **you** or on **your** behalf.

**Insured person**

1. Any natural person who was, is, or during the **period of insurance** becomes a director, partner, LLP member, committee or board member, trustee or officer of **you**.
2. Any de facto director of **you** whilst acting in such capacity for **you**.
3. Any shadow director as defined under Section 251 of the Companies Act 2006 or any similar or successor legislation in any other jurisdiction.
4. Any **employee** of **you**.
5. The lawful spouse, civil or unmarried partner of any person in 1 to 4 above solely because of their spousal, civil or unmarried partner relationship following a **claim** or **investigation** against that person.
6. The estates, heirs or legal representatives of any person in 1 to 5 above who has died or become incapacitated, insolvent or bankrupt but only for a **claim** or **investigation** against that person.

**Insured person** does not include any external auditor or any liquidator, receiver, administrative receiver or other insolvency practitioner or officer of **you** or **your** assets.

**Investigation**

An official examination, official enquiry or official investigation into **you** or an **insured person** first notified as being required during the **period of insurance** and arising from any actual or alleged **employment practice wrongful act**, conducted by any regulator, government department or other body legally empowered.

**Investigation** does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the activities of **your** industry or sector which is not solely related to **your** or any **insured person's** conduct.

**Legal representation costs**

1. Reasonable and necessary legal costs, fees, charges and expenses, not including any overheads, additional costs or remuneration, for which **you** or any **insured person** are legally liable, incurred with **our** prior written agreement for legal representation directly in relation to an **investigation**.
2. **Emergency legal representation costs**.

**Loss**

In respect of a **claim** the amount **you** become or any **insured person** becomes legally liable to pay, including following a settlement entered into with **our** written agreement, for:

1. awards of damages, including punitive, exemplary and multiplied damages, and civil fines and penalties if insurable in the jurisdiction where such award was first ordered;
2. claimants' legal costs and expenses;

3. **defence costs and legal representation costs**; and
4. **public relations expenses**.

**Loss** does not include any civil, regulatory or criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes or **benefits**.

**Outside entity**

Any organisation other than **you**:

1. that is tax exempt and not for profit; or
2. in which **you** hold any issued share,

**Outside entity** does not include:

- a. any company which is registered or domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar;
- b. any company whose securities are traded on any stock exchange in the USA or Canada; or
- c. any bank, investment company, investment advisor or manager, hedge or mutual fund, private equity or venture capital company, stock brokerage, insurer, or any similar financial organisation or institution including any organisation regulated by the FCA, PRA or any similar regulator.

**Prior and pending date**

The date on which **you** first purchased employment practices liability insurance that has run continuously without a break in cover. If during such period **you** have merged or consolidated with another company or entity, or any party has acquired more than 50% of **your** issued share capital, assets, or the majority of **your** voting rights, the 'prior and pending date' will be the date of such merger, consolidation or acquisition.

**Public relations expenses**

The reasonable and necessary costs incurred with **our** prior written agreement in utilising the services of a public relations consultant.

**Retaliation**

Any employment related action taken against an **employee** in connection with such **employee** whistleblowing or exercising their employment rights.

**Social engineering communication**

Any request directed to **you** or someone on **your** behalf by a person improperly seeking to obtain possession or the transfer to a third-party of virtual currency, money, securities, data or property that such person or third-party is not entitled to.

**Subsidiary**

Any entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar in which **you**:

1. own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors, trustees, governors or equivalent; or
2. control a majority of its voting rights under a written agreement with other shareholders or members.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover will continue but only for a **claim** or **investigation** against **you** or an **insured person** arising from any **employment practice wrongful act**, taking place, or alleged to have taken place before it ceased to be a **subsidiary**.

**Unintentional error**

Any error or omission by anyone that was not intentional or deliberate.

**You/your**

Also includes any **subsidiary**:

1. existing at the start of the **period of insurance**; or
2. created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary** does not trade any of its securities on any stock exchange.

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**What is covered**



### 1. Claims against you or an insured person

Claims by employees

We will pay on behalf of **you** or any **insured person** the **loss** arising from a **claim** for an **employment practice wrongful act** taking place, or alleged to have taken place, within the **geographical limits**, brought by:

a. **your employee**;

Outside entities

b. an employee of an **outside entity** against any **insured person** arising directly from any activity performed in the **insured person's** capacity as an employee of such **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its employees.

### 2. Investigations

Legal representation costs

We will pay on behalf of **you** or any **insured person** the **legal representation costs only** arising from an **investigation** arising from an **employment practice wrongful act** taking place, or alleged to have taken place, within the **geographical limits**.

### 3. Additional cover

Court attendance compensation

If any **insured person** has to attend any court or tribunal as a witness in connection with a **claim** or **investigation** covered under this section, **we** will pay **you** compensation for each day, or part of a day that their attendance is required by **us**.

Injunctions brought by EHRC

We will pay the **loss** arising from any injunction brought by the Equalities and Human Rights Commission under section 24 of the Equality Act 2006 or any similar or successor legislation, to prevent **you** or an **insured person** from committing an **employment practice wrongful act** against an **employee** within the **geographical limits**.

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### What is not covered

Deliberate or dishonest acts

A. We will not make any payment for any **claim, loss, or investigation**:

1. based upon, attributable to or arising out of:

- a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation;
- b. an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled;
- c. an act intended to secure or which does secure a profit for any other company or entity to which the company or entity was not legally entitled.

This exclusion will only apply:

- i. for **claims** or **investigations** against **you**, where such act or omission was committed or condoned by **you** or any individual who falls within paragraphs 1. to 3. of the definition of **insured person**;
- ii. for **claims** or **investigations** against an **insured person**, where such act or omission was committed or condoned by that **insured person**; and
- iii. after a judgment or other final adjudication or an admission that such act did occur. In the event of such finding or admission, **you** or the **insured person**, as appropriate, must reimburse all payments made by **us** in relation to the corresponding **claim, loss or investigation**.

Prior claims and litigation

2. based upon, attributable to or arising out of:

- a. anything that has been reported to and accepted under any policy existing or expired, before the start of the **period of insurance**; or
- b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an **insured person, you** or an **outside entity**, initiated before the **prior and pending date**.

Specific activities

3. based upon, attributable to or arising out of:

- a. membership or non-membership of any trade union or equivalent labour organisation or any involvement in trade union activities;

	<p>b. <b>your</b> failure to act in accordance with any collective bargaining agreement.</p> <p>This exclusion does not apply to any <b>claim</b> for <b>retaliation</b>.</p>
Claims in the United States of America or Canada	<p>4. based upon, attributable to or arising out of any:</p> <p>a. <b>claim</b> brought or <b>investigation</b> commenced; or</p> <p>b. <b>employment practice wrongful act</b> taking place, or alleged to have taken place; in the United States of America or Canada.</p>
Bodily injury and property damage	<p>5. for the death or any bodily or mental injury or emotional distress suffered by anyone, or the loss, damage or destruction of any tangible property. This exclusion does not apply to any <b>claim</b> for emotional distress arising from an <b>employment practice wrongful act</b>.</p> <p>However, <b>we</b> will not in any event make payment for any <b>claim</b> in relation to which the <b>insured person</b> is obliged under any compulsory insurance law to maintain insurance in respect of any liability arising from the use, ownership or possession of any motor vehicle.</p>
Takeovers and mergers	<p>6. based upon, attributable to or arising out of any <b>employment practice wrongful act</b>, act, incident or occurrence performed, taking place, or alleged to have taken place after:</p> <p>a. <b>you</b> merge or consolidate with another company or entity; or</p> <p>b. any party acquires:</p> <p>i. more than 50% of <b>your</b> issued share capital or assets;</p> <p>ii. the majority of <b>your</b> voting rights; or</p> <p>iii. the right to appoint or remove a majority of <b>your</b> board of directors or board of trustees or equivalent.</p>
Acquired subsidiaries	<p>7. based upon, attributable to or arising out of any <b>employment practice wrongful act</b>, act, incident or occurrence performed, taking place, or alleged to have taken place:</p> <p>a. before the date of creation or acquisition by <b>you</b> of such <b>subsidiary</b>; or</p> <p>b. after an entity ceases to be a <b>subsidiary</b>.</p>
Employer obligations	<p>8. based upon, attributable to or arising out of any responsibility, duty or obligation imposed by law in relation to health and safety, unemployment, social security, retirement or disability benefits or any similar law whether statutory or common law.</p> <p>This exclusion does not apply to any <b>claim</b> for <b>retaliation</b>.</p>
Claims outside the applicable courts	<p>9. first brought outside the <b>applicable courts</b>.</p> <p>This exclusion also applies to proceedings in the <b>applicable courts</b> to enforce, or which are based on, a judgment or award from outside the <b>applicable courts</b>.</p>
Cyber incidents	<p>10. based upon, attributable to or arising out of any:</p> <p>a. <b>cyber attack</b>;</p> <p>b. <b>hacker</b>;</p> <p>c. <b>unintentional error</b> in or affecting any <b>computer or digital technology</b>; or</p> <p>d. <b>social engineering communication</b>.</p> <p>B. <b>We</b> will not make any payment other than <b>defence costs</b> for any <b>claim</b> or <b>legal representation costs</b> for any <b>investigation</b> based upon, attributable to or arising out of:</p>
Benefits and contractual payments	<p>1. <b>your</b> failure to pay any amount <b>you</b> are contractually committed to pay to an <b>employee</b>, including but not limited to <b>benefits</b>.</p>
Pensions and benefit schemes	<p>2. the loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme or the operation or administration of any pension or employee benefit scheme or trust fund, or <b>your</b> breach of any legislation or regulation related to these activities.</p>
Failure to pay taxes	<p>3. <b>your</b> failure to pay taxes.</p>



Liabilities assumed under contract	4. anyone else's liability which <b>you</b> are legally obliged to assume under any contract or agreement. This does not apply to any <b>claim</b> that would have resulted in the absence of such contract or agreement.
Non-pecuniary relief	5. any non-pecuniary or injunctive relief.
Employee reinstatement	6. the costs of complying or refusing to comply with a court or other order for the reinstatement of an <b>employee</b> .
Modification of property	7. the costs of modifying any building or property in order to make such building or property more accessible to any disabled persons.

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## Special conditions

General terms	<p>The General definitions, General conditions and General claims conditions set out in the General terms all apply equally to each <b>insured person</b> and to <b>you</b>, except for General condition 6. Premium payment which applies only to <b>you</b>. <b>You</b> agree to act on behalf of all the <b>insured persons</b> as regards paying the premium and giving or receiving notice of all matters relevant to this section.</p>						
Information provided by an insured person	<p>All information which any <b>insured person</b> provided before <b>we</b> agreed to insure <b>you</b> will be considered as a separate application for each <b>insured person</b> and as such the knowledge of or any statement made by an <b>insured person</b> will not be imputed to any other <b>insured person</b> for the purposes of determining whether cover is available for any <b>claim</b> or <b>investigation</b> against such other <b>insured person</b>.</p>						
Severability of exclusions	<p>When determining the applicability of the exclusions within <b>What is not covered</b>, the <b>wrongful act</b>, act, incident or occurrence performed, taking place, or alleged to have taken place of one <b>insured person</b> shall not be imputed onto any other <b>insured person</b> who neither committed nor condoned such <b>wrongful act</b>, act, incident or occurrence.</p>						
Extended notification period	<p>If:</p> <ol style="list-style-type: none"><li>1. <b>we</b> or <b>you</b> refuse to renew this section of the <b>policy</b> for any reason other than non-payment of premium, administration, liquidation or insolvency; or</li><li>2. <b>you</b> merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or assets or the majority of <b>your</b> voting rights during the <b>period of insurance</b>;</li></ol> <p><b>you</b> or any <b>insured person</b> may make a request to <b>us</b> in writing for an extended notification period, which will be granted at <b>our</b> sole discretion. If <b>we</b> agree to such request, the extended notification period will be granted in accordance with the options stated below:</p> <table><tr><td>One-year period</td><td>200% of the annual premium for this section</td></tr><tr><td>Two-year period</td><td>300% of the annual premium for this section</td></tr><tr><td>Three-year period</td><td>400% of the annual premium for this section</td></tr></table> <p>The premium for any extended notification period to which <b>we</b> agree must be paid to <b>us</b> within 90 days following the end of the <b>period of insurance</b>.</p> <p>If <b>you</b> or an <b>insured person</b> does so:</p> <ol style="list-style-type: none"><li>1. this section will remain in force but only in respect of any covered <b>claim</b>, <b>loss</b> or <b>investigation</b> arising from any <b>wrongful act</b>, act, incident or occurrence performed, taking place, or alleged to have taken place before the end of the original <b>period of insurance</b>; and</li><li>2. the first paragraph 1a. under <b>Your obligations</b> in this section will then be amended to:<ol style="list-style-type: none"><li>a. unless <b>you</b> or any <b>insured person</b> notifies <b>us</b> promptly of the following, and within the <b>period of insurance</b> or the extended notification period:</li></ol></li></ol> <p>The limit of indemnity for any extended notification period will be part of and not in addition to the limit of indemnity stated in the schedule.</p>	One-year period	200% of the annual premium for this section	Two-year period	300% of the annual premium for this section	Three-year period	400% of the annual premium for this section
One-year period	200% of the annual premium for this section						
Two-year period	300% of the annual premium for this section						
Three-year period	400% of the annual premium for this section						



The entire premium for this section is considered fully earned at the beginning of any extended notification period. **We** will not refund any premium if **you** or any **insured person** cancels the extended notification period before it ends.

**We** will not in any event agree to any request from **you** or any **insured person** to purchase an extended notification period if:

1. cover under this section is continued solely as a result an extended notification period;
2. this section of the **policy** is replaced or succeeded by any other policy providing employment practices liability cover; or
3. this section or the **policy** is cancelled, other than by **you** on an anniversary date.

If **we** offer renewal terms, conditions, limits of liability or premium different from those of the expiring policy, this does not constitute a refusal to renew.

#### Management buy-outs

If during the **period of insurance** **your** existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of this **policy** for the new company for a period of 30 days from the buy-out date for any **employment practice wrongful act** committed by any individual **insured person** subsequent to the buy-out.

**We** will only provide such cover if the new company is domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar.

This cover will only apply excess of any other insurance and indemnification available from any other source.

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## How much we will pay

The most **we** will pay for each **claim, loss, or investigation**, including their **defence costs and legal representation costs** is the limit of indemnity stated in the schedule.

All **claims, investigations** and circumstances likely to give rise to a **claim, loss or investigation**, which arise from the same original cause, a single source or a repeated or continuing shortcoming will be regarded as one claim under the **policy**. This includes **claims, losses and investigations** arising after, as well as during, the **period of insurance**.

The amount **we** will pay for **claims, losses and investigations** and their **defence costs** includes any amount **we** pay on an **insured person's** behalf as an employee of an **outside entity**.

**You** must pay any relevant **excess** stated in the schedule. The **excess** shall not apply to any **claim or investigation** made solely against an **insured person**.

#### Paying out the limit of indemnity

At any stage of a **claim or investigation**, **we** can pay the **insured person** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will then have no further liability for any **claim or loss**.

#### Special limits

All special limits below are included within, and not in addition to, the limit of indemnity stated on the schedule.

#### Court attendance compensation

The most **we** will pay in total for court attendance compensation, including any court or tribunal attendance compensation payable under any other Management liability section of this **policy** is the corresponding amount stated in the schedule, regardless of the number of **claims, losses or investigations**.

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## Your obligations

#### Notification

1. **We** will not make any payment under this section:
  - a. unless **you** or any **insured person** notifies **us** promptly of the following within the **period of insurance** or at the latest within 14 days after it expires for any problem **you** become aware of within the seven days before expiry:
    - i. **you** or an **insured person's** first awareness of any **employment practice wrongful act** that is likely to lead to a **claim or investigation**; or
    - ii. any **claim** or threatened **claim** against **you** or an **insured person**.



- b. to **you** or any **insured person** if, prior to the **period of insurance**, **you** or such **insured person** had knowledge of a material misstatement in or omission from the information provided to **us** upon which **we** agreed to insure **you**.
2. When dealing with a third party, **you** or the **insured person** must not admit that **you** or the **insured person** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** or an **insured person** does, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result.

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### Control of defence and payment under this section

**You** and any **insured person** must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to defend any **claim** or **investigation**. **You** and the **insured person** should not do anything which may prejudice **our** position.

**We** have the right, but not the obligation, to take control of and conduct in **your** name or the name of any **insured person**, the investigation, settlement or defence of any **claim** or **investigation**. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the **claim** or **investigation**.

Where there is a dispute between **us** and **you** or any **insured person** over cover, proposed settlement or continuing the defence of a **claim** or **investigation**, **you** or **we** may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction. Such opinion shall be binding on **us** and **you** and any **insured person** and will establish whether policy cover exists, defence of said **claim** or **investigation** will continue or settlement will be agreed. The costs of such opinion shall be met by **us**.

**We** shall pay **defence costs** and **legal representation costs**, above any **excess**, covered by this section on an ongoing basis prior to the final resolution of any **claim** or **investigation**. **You** or any **insured person** must reimburse **us** for any **defence costs** and **legal representation costs** paid where it is determined there is no entitlement under this section.

If a **claim** or **investigation** is made which is not wholly covered by this section or is also made against **you** and any other person who is not **you** or an **insured person**, **we**, **you** and the **insured person** shall use our best endeavours to agree a fair allocation between **loss** that is covered and **loss** not covered by this section.