

Professional indemnity insurance for marketing, advertising and communications sector

Policy summary

Policy wording ref: WD-PROF-UK-MCM(6) 6628 01/22

Key benefits: what risks are you protected against?

Professional indemnity insurance covers you for compensation you have to pay to your clients or any other third parties as a result of problems with your work. We will pay for covered claims which are made against you during the period of insurance, up to the limit shown in the policy schedule. We will also pay your legal defence costs incurred with our agreement for covered claims.

We will pay compensation in relation to claims against you for:

- breach of any contract between you and your client, where the claim is brought by your client;
- infringement of intellectual property rights such as copyright, trademark or passing off;
- negligence or breach of duty: if you fail in a duty of care to your client, perhaps making a mistake in your work;
- breach of confidentiality or invasion of privacy;
- defamation: libel and slander;
- dishonesty of your employees, sub-contractors and self-employed freelancers;
- breach of a licence where you have acquired a third-party's trademark or copyrighted material but only to the extent your use inadvertently exceeds express limitations in the licence;
- breach of a comparative advertising statute;
- unintentional breach of advertising codes where the claim is brought by your client;
- any other civil liability: this means that if a claim or loss occurs because of your business activities and we haven't specifically excluded it and it's not a criminal prosecution, it's covered;
- work undertaken on your behalf by sub-contractors or self-employed freelancers. However, we reserve the right to recover losses from your sub-contractors or self-employed freelancers.

We will also pay your direct losses suffered as a result of:

- any tangible documents needed for your business which are lost, damaged or destroyed;
- acting outside your authority where you cannot legally recover the cost of media space from your client as long as the client is not liable to you and you believed you had the client's authority to pay for it;
- rectifying an error that may lead to a potential claim provided you notify us of the error and we believe this is likely to prevent a future claim against you for a greater amount.

Your policy may also reimburse you for fees that your client refuses to pay if we believe this is likely to prevent a future claim against you for a greater amount.

Significant or unusual exclusions and limitations

We will not make any payment for your lost profit or any trading loss suffered by you. We will not pay for claims or losses arising from:

- your failure to ensure that you have sufficient technical, logistical or financial resources to perform a contract;
- any bodily or mental injury or death unless in relation to mental anguish or distress due to defamation or breach of privacy, negligent publication or negligent broadcast based upon or arising out of media content;
- the loss, destruction or damage to tangible property. This does not apply to any claim for damage to or the loss of any tangible document which is necessary for the performance of your business activity;
- any patent infringement or the disclosure of a trade secret;
- the ownership, use or possession of any land, building, animal or vehicle;
- any breach of your obligations as an employer;
- anything which was likely to lead to a claim and which you knew about before the policy started;
- any false or misleading advertisement about your products or services or unauthorised use of another's trademark in relation to your advertising or branding of your products or services;
- over redemption or under redemption of any prize or coupon;
- your sale, manufacture, use or consumption of any product;



- any payment owed to a licensor under a licence, other than covered claim for breach of copyright or trademark infringement where you are ordered to pay the amount you would have had to pay for a licence to use the infringed work;
- terrorism, war or nuclear risks or any fear or threat of terrorism, war or nuclear risks;
- a cyber attack, hacker or social engineering communication; including any fear or threat of a cyber attack, hacker or social engineering communication, or any action taken in controlling, preventing or responding to a such an attack;
- any negligent act, error or omission in the operation or maintenance of computer or digital technology such as development, installation, patching or upgrading. We will pay such claims where they arise from a claim from your client arising out of your act, error or omission affecting your client's computer or digital technology in your performance of a business activity for that client and which is not otherwise excluded;
- the failure or interruption of the service provided by internet, telecommunications, utilities or other infrastructure providers;
- the Log4j vulnerability also referred to as Common Vulnerability and Exposure (CVE) reference CVE-2021-44228 listed in the National Vulnerability Database operated by the National Institute of Standards and Technology, or any associated additional CVE;
- the processing, acquisition, storage, damage, loss, alteration, disclosure, use of or access to personal data. We will pay such claims where they arise from:
 - a claim from your client arising out of your performance of a business activity for that client and which is not otherwise excluded. Subject to the limit shown in the schedule; or
 - breach of duty of confidentiality or invasion of privacy arising out of media content.

Please read the policy for details of its terms in full.

Professional indemnity for marketing, advertising and communications sector

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.

Special definitions for this section

Advertising or branding	Advertising, branding, including your company name, trading name and any web domain name, publicity, or promotion in or of those of your products or services that fall within your business activity .
Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Business activity	The activities stated in the schedule, which you perform in the course of your business .
Claim	Any written assertion of liability or any written demand for financial compensation or injunctive relief first made against you within the applicable courts .
Client	Any person or entity with whom you have engaged or contracted to provide services or deliverables that expressly falls within your business activity .
Computer or digital technology	Any programs , computer network, hardware, software, operational technology, internet-connected device, network-connected device, electronic device, information technology and, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet or, website or cloud computing services.
Computer or digital technology error	Any negligent act, error or omission by anyone in the: <ol style="list-style-type: none">1. creation, handling, entry, modification or maintenance of; or2. on-going operation, maintenance (including but not limited to installation, upgrading or patching) or development of, any computer or digital technology .
Cyber attack	Any digital attack or interference, whether by a hacker or otherwise, designed to: <ol style="list-style-type: none">1. gain access to;2. extract information from;3. disrupt access to or the operation of; or4. cause damage to: any data or computer or digital technology , including but not limited to any: <ol style="list-style-type: none">a. programs designed to damage, disrupt, extract data from, or gain access to any data or computer or digital technology including, but not limited to, malware, wipers, worms, trojans, rootkits, spyware, dishonest adware, crimeware, ransomware, crypto-jacking and other malicious software or viruses; orb. denial of service attack or distributed denial of service attack.
Defence costs	All reasonable and necessary lawyers' and experts' fees and legal costs incurred with our prior written agreement in investigating, settling, defending, appealing or defending an appeal against a covered claim but not including any overhead costs, general business expenses, salaries, or wages incurred by you or any other person or entity entitled to coverage under this section.
Employee	An individual performing employment duties solely on your behalf in the ordinary course of your business activity and who is subject to your sole control and direction and to whom you supply the instruments and place of work necessary to perform such business activity . You and your sub-contractors and self-employed freelancers will not be treated as employees under this section.



Hacker	Anyone, including an employee of yours , who gains unauthorised access to or unauthorised use of any: <ol style="list-style-type: none">1. computer or digital technology; or2. data held electronically by you or on your behalf.
Loss	Any financial harm caused to your business .
Media content	Any content disseminated, published or broadcast by you to the general public for the purposes of information or entertainment, or which is intended by you to be so disseminated, published or broadcast.
Personal data	Any information about an individually identifiable natural person, including any information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual, including but not limited to any information protected by the Data Protection Act 2018, General Data Protection Regulation (EU) 2016/679, or any related, similar or successor legislation or regulation in any jurisdiction.
Pollution	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
Potential claim	Anything likely to lead to a claim covered under this section.
Program	A set of instructions written in a computer language which tells a computer how to process data or interact with ancillary equipment, systems or devices.
Retroactive date	The date shown as the retroactive date in the schedule. For any subsidiary acquired by you during the period of insurance the retroactive date will be the date of acquisition.
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	An entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar: <ol style="list-style-type: none">1. that has been identified in your proposal for this policy and of which you 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; or2. which you acquire during the period of insurance where the turnover at the date of acquisition is less than 20% of your turnover and the acquired entity's business activity is the same as yours.
You/your	Also includes: <ol style="list-style-type: none">1. any person who was, is or during the period of insurance becomes your partner, director, trustee, in-house counsel or senior manager in actual control of your operations; and2. any subsidiary, including any person who was, is or during the period of insurance becomes the partner, director, trustee or in-house counsel of any subsidiary or any senior manager in actual control of its operations.

What is covered

	A.
Claims against you	If during the period of insurance , and as a result of your business activity for a client on or after the retroactive date within the geographical limits , any party brings a claim against you for any actual or alleged:
Breach of contract	<ol style="list-style-type: none">1. breach of any contract between you and your client, where the claim is brought by your client;
Intellectual property infringement	<ol style="list-style-type: none">2. intellectual property infringement (but not any patent infringement or trade secret misappropriation), including but not limited to:

	<ul style="list-style-type: none"> a. infringement of copyright, trademark, trademark dilution, trade dress, publicity rights, moral rights or design rights; b. cyber-squatting violations; c. any act of passing-off; d. misappropriation of formats, characters, trade names, character names, titles, plots, musical compositions, voices, slogans, graphic material or artwork;
Negligence	<ul style="list-style-type: none"> 3. a. negligence or breach of any duty to use reasonable care and skill, including but not limited to negligent misrepresentation; or b. negligent loss of or physical damage to any third-party tangible document for which you are responsible;
Breach of confidentiality	<ul style="list-style-type: none"> 4. breach of any duty of confidence or invasion of privacy, including but not limited to false light, intrusion upon a person's seclusion, public disclosure of a person's private information, misappropriation of a person's picture, name, voice or identity for commercial gain;
Defamation	<ul style="list-style-type: none"> 5. defamation, including but not limited to libel, slander, trade libel, product disparagement, or malicious falsehood;
Dishonesty	<ul style="list-style-type: none"> 6. dishonesty of employees or sub-contractors or self-employed freelancers directly contracted to you or under your supervision;
Breach of license	<ul style="list-style-type: none"> 7. breach of a license you have acquired to use a third-party's trademark and/or copyrighted material, but only to the extent your use inadvertently exceeds express limitations in the license regarding the territory, duration, or media in which the material may be used and only if such breach is asserted in conjunction with and based on the same factual allegations as a claim for infringement of intellectual property rights in 2. above;
Comparative advertising	<ul style="list-style-type: none"> 8. breach of a comparative advertising statute;
Advertising codes	<ul style="list-style-type: none"> 9. unintentional breach of the CAP, BCAP or ASAI codes, consumer protection regulations or other legislation related to advertising, where the claim is brought by your client;
Civil liability	<ul style="list-style-type: none"> 10. any other civil liability; <p>unless excluded under What is not covered below, we will pay the amount agreed by you and us 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 you including any judgment or award ordering the payment of claimants' lawyers' fees and costs.</p> <p>We will also pay defence costs, but we will not pay costs for any part of a claim not covered by this section.</p>
Sub-contractors or self-employed freelancers	<p>We will indemnify you against any claim falling within the scope of What is covered, A. Claims against you, which is brought as a result of business activity undertaken on your behalf by any sub-contractor or self-employed freelancer.</p>
Payments toward your outstanding fees	<p>If:</p> <ul style="list-style-type: none"> 1. your client has reasonable grounds for being dissatisfied with the work you have done or which has been done on your behalf and refuses to pay for any or all of it, including amounts you legally owe to sub-contractors or self-employed freelancers at the date of the refusal; 2. your client threatens to bring a claim against you for more than the amount owed, and we are satisfied that the threatened claim has reasonable prospects of success; and 3. we believe that it may be possible to settle the dispute with the client by your agreeing not to press for the disputed amount; <p>we may, in our discretion, pay you the amount owed to you over and above the excess. If we do, you must agree not to press your client for the disputed amount.</p> <p>Alternatively, if it is not possible to reach agreement with the client on this basis but we still believe that by not pressing for the disputed amount you will avoid a legitimate claim or counterclaim for a greater amount, we may pay the amount owed to you at that time, over and above the excess.</p>



If a claim is still brought, we will deal with it but our total payment, including what we have already paid you or on your behalf, will not exceed the applicable limit of indemnity in the schedule. You must return the amount we have paid if you eventually recover the debt, less your reasonable expenses.

Once **we** agree to make any payment above, **you** will assign to **us** such rights as **you** have in relation to the amounts owed to **you**.

We will not make any payment for any money owed to **you** if the **claim** or threatened **claim**, or part of the **claim** or threatened **claim**, is not covered by this section.

B.

Advertising claims

If during the **period of insurance**, and as a result of **your advertising or branding** on or after the **retroactive date** within the **geographical limits**, any party brings a claim, including any injunctive proceedings, against **you** for:

1. infringement of copyright or moral rights; or
2. defamation;

unless excluded under **What is not covered** below, **we** will indemnify **you** against the sums **you** have to pay as compensation, including any liability for claimants' legal costs and expenses.

We will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Your own losses

Loss of documents

If during the **period of insurance** any tangible document of **yours** which is necessary for the performance of **your business activity** is lost, damaged or destroyed while in **your** possession, **we** will pay the reasonable expenses **you** incur with **our** prior written agreement in restoring or replacing it. The most **we** will pay for the total of all such expenses is the relevant amount in the schedule.

Acting outside your authority

If a **client** refuses to pay for media space that **you** are legally committed to pay for in the performance of **your business activity**, **we** will pay the amount **you** are committed to pay which **you** satisfy **us** cannot legally be recovered from **your client**. **We** will only do this provided:

- a. the **client** is not liable to **you**;
- b. **you** made this commitment in good faith in the belief that **you** had **your client's** authority to do so; and
- c. **you** have taken all reasonable steps to reduce **your loss**.

Payments toward your rectification costs

If **you** become aware of a **potential claim** with or without your **client's** knowledge, which directly arises from an act, error or omission occurring during the course of **your business activity**, then **we** will pay any reasonable and necessary costs exceeding the amount of the **excess** that **you** incur during the **period of insurance** (excluding **your** lost profits, management costs, mark-up, liability for taxes, or any measure of lost business) to rectify that error provided **you**:

- a. notify **us** of the error as soon as practicable;
- b. satisfy **us** that a future **claim** would likely result from that error if not rectified;
- c. satisfy **us** that such future **claim** would likely be covered under this **policy** and involve a demand for damages greater than the cost of rectifying the error; and
- d. obtain **our** prior written agreement before incurring such rectification costs, or incur such costs within ten days of first learning of the error and later provide **us** with all information and documentation that **we** require to support the rectification costs **you** have incurred and the actions **you** have taken.

If subsequently a **claim** is still made against **you** following **our** payment of these rectification costs then these payments will be deducted from the amount **we** will pay toward resolution of that **claim** as well as the remaining limit of indemnity available for that **claim**.

Additional cover

Court attendance compensation

If any person within the definition of **you**, or any **employee** of **yours**, has to attend court as a witness in connection with a **claim** against **you** covered under this section, **we** will pay **you** the amount shown in the schedule as compensation for each day or part of a day that their attendance is required by **us**. The most **we** will pay for the total of all court attendances is the amount shown in the schedule.

What is not covered

Insufficient resources	A. We will not make any payment for any claim or loss or part of any claim or loss directly or indirectly due to:
Injury	1. your failure to take all reasonable steps to ensure that you have sufficient technical, logistical and financial resources to perform a contract.
Property damage	2. any death of or any bodily or mental injury or disease suffered or alleged to be suffered by anyone. However, this exclusion does not apply to any part of any claim seeking damages for mental anguish or distress where such damages solely and directly arise from a covered claim for defamation, breach of privacy, negligent publication or negligent broadcast. that is based upon or arising out of media content resulting from your business activity
Government investigation/enforcement	3. loss, damage or destruction or loss of use of any tangible property. However this exclusion does not apply to any loss directly arising from any tangible document of yours which is necessary for the performance of your business activity and which is lost, damaged or destroyed while in your possession.
Patent/trade secret	4. any governmental enforcement of any legislation, regulation or order from any regulatory authority. However, this exclusion shall not apply to any otherwise covered claim from a national, local, federal, state or foreign government, agency or entity that is a client and has asserted the claim in its capacity as a client and not in its official governmental capacity.
Infrastructure interruption	5. any actual or alleged infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.
Stocks, accounts, taxation and fiduciary	6. or contributed to by, resulting from or in connection with any failure or interruption of service provided by an internet service provider, telecommunications provider, utility provider or other infrastructure provider.
Pension and employee benefit schemes	7. any: <ul style="list-style-type: none"> a. liability or breach of any duty or obligation owed by you regarding the sale or purchase of any stocks, shares, or other securities, or the misuse of any information relating to them, including breach or alleged breach of any related legislation or regulation; b. liability or breach of any duty or obligation owed by you regarding any statement or representation (express or implied) contained in your accounts, reports or financial statements, or concerning your financial viability; c. violation of any taxation, competition, restraint of trade or anti-trust law or regulation; d. breach of any fiduciary duty owed by you.
Insolvency	8. any liability or breach of any duty or obligation owed by you in connection with the operation or administration of any health, pension or employee benefit scheme, plan, trust or fund.
Sweepstakes, gambling or lotteries	9. your insolvency or the insolvency of your suppliers.
Land, animals and vehicles	10. your provision of any sweepstakes, gambling activities or lotteries.
	11. the ownership, possession or use of any land, building, animal, aircraft (including any drone or small unmanned aerial vehicle), watercraft or motor vehicle.



- Negotiable instruments 12. the loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.
- Employees 13. anyone's employment with **you** or any breach of an obligation owed by **you** as an employer.
- Discrimination 14. any discrimination, harassment or unfair treatment.
- Directors and officers' liability 15. any liability or breach of any duty or obligation owed to **you** or **your** shareholders by any of **your** directors, officers, trustees or board members, including but not limited to any:
a. allegation of insider trading;
b. breach of any duty of corporate loyalty;
c. liability for any statement, representation or information concerning **you** or **your business** contained in **your** accounts, reports or financial statements.
- Personal liability 16. any personal liability incurred by any director, officer, trustee, or board member of **yours** when acting in that capacity or managing **your business** other than when performing a **business activity** for a **client** or **advertising or branding**.
- Dishonest or criminal conduct 17. any fraudulent, dishonest, malicious or criminal conduct intended to cause harm to another person or business (but not in respect of a defamation **claim**), or any knowing or wilful violation of a law, whether committed by **you** or committed by another whose conduct or violation of the law **you** have ratified or actively condoned, or any act **you** knew, at the time **you** performed it, would give rise to a **claim** or **loss**.
However, this exclusion will not apply unless:
a. such conduct or wilful violation of the law has been established by a final adjudication in any judicial, administrative, or alternative dispute resolution proceeding; or
b. such conduct or wilful violation of the law has been established by **your** admission in a proceeding or otherwise; or
c. **you** or **we** discover evidence of such conduct or wilful violation of the law;
at which time **you** shall reimburse **us** for all payments made by **us** in connection with such conduct or wilful violation of the law and all of **our** duties in respect of that entire **claim** shall cease.
- Reckless conduct 18. any conduct committed in reckless disregard of another person or business' rights, but not in respect of a defamation **claim**.
- Pre-existing problems 19. anything, including any **potential claim** or any actual or alleged shortcoming in **your** work, likely to lead to a **claim** or **loss**, which **you** knew or ought reasonably to have known about before **we** agreed to insure **you**.
- War, terrorism and nuclear 20. or contributed to by, resulting from or in connection with any:
a. **war**;
b. **terrorism**;
c. **nuclear risks**;
d. fear or threat of 20.a. to 20.c above; or
e. any action taken in controlling preventing, suppressing, responding or in any way relating to 20.a. to 20.d. above.
If there is any dispute between **you** and **us** over the application of clause 20.a. or 20.b. above, it will be for **you** to show that the clause does not apply.
- Asbestos 21. **asbestos risks**.
- Pollution 22. **pollution**.
- Trademarks and false advertising 23. any actual or alleged:
a. act of passing-off, unauthorised use of another's trademark, name or logo; or
b. false or misleading advertising;
in relation to **your advertising or branding**.



Product design	24. from any liability for any product design, industrial design, architectural design, or architectural services;
Redemption level estimates	25. any: <ul style="list-style-type: none">a. prize, coupon, or voucher redemption level estimates or forecasts being exceeded or not met; orb. over redemption or under redemption of coupons, discounts, awards or prizes from advertisements, promotions, contests or other games of chance; unless we have specifically agreed to cover this by an endorsement to this policy .
Product liability	26. from any product liability, safety or health-related liability, or any other liability arising out of the sale, manufacture, use or consumption of any product.
Inaccurate information supplied by a client	27. from any inaccuracy of any material or information supplied to you by a client or the agent of a client , including but not limited to competitor comparisons and nutritional information statements.
Payment owed under licence	28. from any payment owed to a licensor under a licence; however, this exclusion will not apply to any covered portion of any copyright and/or trademark claim that results in a damage award that is measured by the amount a claimant would have received had you paid for a licence to use the claimant's infringed work and/or mark.
Property owners liability	29. for, alleging, or arising from property owner's liability.
Personal data claims	30. or relating to the actual or alleged processing, acquisition, storage, destruction, erasure, loss, alteration, disclosure, use of or access to personal data . However, this exclusion will not apply to any otherwise covered claim or part of a claim : <ul style="list-style-type: none">a. made against you by a client which arises directly from your performance of your business activities for that client and which is not otherwise excluded by paragraphs 31. to 34. below but the most we will pay in relation to any and all such claim(s), including defence costs, is the sub-limit stated in the schedule for personal data; orb. for any actual or alleged breach of any duty of confidentiality or invasion of privacy, false light, intrusion upon a person's seclusion, or misappropriation of a person's picture, name, voice or identity for commercial gain where such claim or portion of a claim or loss arises solely out of media content resulting from your business activities, provided that, notwithstanding the foregoing, we will not in any event make any payment under this policy where such claim or portion of a claim or loss arises from any actual or alleged breach of the security of or other custodial obligations concerning personal data in your care, custody or control;
Cyber incidents	31. or contributed to by, resulting from or in connection with any: <ul style="list-style-type: none">a. cyber attack;b. hacker;c. any fear or threat of 31.a. to 31.b. above; ord. any action taken in controlling, preventing, suppressing, responding or in any way relating to 31.a. to 31.c. above. 32. or contributed to by, resulting from or in connection with any social engineering communication .
Computer or digital technology error	33. or contributed to by, resulting from or in connection with any computer or digital technology error . However, this exclusion does not apply to any otherwise covered claim made against you by a client which arises directly out of your act, error or omission affecting your client's computer or digital technology in your performance of business activities for that client .
Log4j vulnerability	34. or contributed to by, resulting from or in connection with the Common Vulnerability and Exposure (CVE) reference CVE-2021-44228 listed in the National Vulnerability Database operated by the National Institute of Standards and Technology.

Claims brought by a related party	<p>B. We will not make any payment for:</p> <p>1. any claim brought by any person or entity falling within the definition of you or any party with a financial, executive or managerial interest in you, including any parent company or any party in which you have a financial, executive or managerial interest, including any subsidiary company.</p> <p>However, this does not apply to a claim based on a liability to an independent third-party directly arising out of the performance of your business activity.</p>
Claims by current and former employees	<p>2. any claim made against you by any person or entity that you currently employ or formerly employed, including but not limited to employees, sub-contractors or self-employed freelancers.</p> <p>However, this exclusion will not apply to any part of any claim:</p> <p>a. solely based on business activity performed when such person or entity was not working for you; or</p> <p>b. based on a liability to an independent third-party directly arising out of the performance of your business activity.</p> <p>However, this exclusion shall not apply to any otherwise covered claim from an employee, subcontractor or self-employed freelancer that is brought entirely independently of that party's position as your employee, subcontractor or self-employed freelancer.</p>
Non-compensatory payments	<p>3. punitive or exemplary damages, which you are legally obliged to pay. However we will pay an award of such damages if insurable in the jurisdiction where such award was first ordered.</p>
Fines and penalties	<p>4. criminal, civil, or regulatory sanctions, fines, penalties, disgorgement of profits, treble damages or multiple damages which you are legally obliged to pay, including but not limited to those imposed by any national, local, federal, state or foreign governmental body or by the Mechanical Copyright Protection Society (MCPS)-Performing Rights Society (PRS) Alliance, American Society of Composers Authors and Publishers (ASCAP), Broadcast Music Inc. (BMI), Society of European Stage Authors and Composers (SESAC), or any other similar licensing organisation.</p>
Claims outside the applicable courts	<p>5. any claim, including arbitration, brought outside the applicable courts.</p> <p>This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.</p>
Trading losses	<p>6. any trading loss or trading liability including those arising from the loss of any client, account or business.</p>

How much we will pay

We will pay up to the limit of indemnity for this section stated in the schedule unless limited below or otherwise stated in the schedule. **We** will also pay for **defence costs**. However, if a payment greater than the limit of indemnity has to be made for a **claim our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid.

Any amounts to be paid by **us** shall not include or be calculated based on any of **your** overhead expenses, **your** liability for debt, taxes, lost costs or profits, salaries or wages, or any future cost of doing business, including but not limited to the cost of any future licence or royalty, or costs of improving **your** security, or performing audits.

You must pay the relevant **excess** stated in the schedule. The **excess** will only be eroded by the covered part of the **claim**.

Multiple claims from a single source

All **claims, losses** and **potential claims** which arise from:

- a. the same original cause, a single source or a repeated or continuing problem in your work; or
- b. in relation to defamatory statements, a single or continuing investigation or a common set of facts or state of affairs;

will be treated as a single **claim, loss** or **potential claim**. **You** will pay a single **excess** and **we** will pay a maximum of a single limit of indemnity for these related **claims**. All of the notifications which are related will be considered as having been made on the date of the first notification to **us**.

Special limits

Dishonesty	The most we will pay for claims brought against you arising from the dishonesty of your employees , sub-contractors and self-employed freelancers, unless otherwise stated in the schedule, is a single limit of indemnity, which is an aggregate limit, for the total of all claims (including their defence costs).
Personal data claims	The most we will pay for the total of all claims or parts of claims against you by a client including defence costs , which arise directly from your performance of a business activity for that client relating to personal data is the relevant amount stated in the schedule, which is included within, and not in addition to, the overall limit of indemnity for this section. You must pay the relevant excess stated in the schedule.
Paying out the limit of indemnity	At any stage of a claim we can pay you the applicable limit of indemnity or what remains after any earlier payment from that limit. We will pay defence costs already incurred at the date of our payment. We will then have no further liability for that claim or its defence costs .

Your obligations

If a problem arises	<ol style="list-style-type: none">1. We will not make any payment under this section unless you notify us of:<ol style="list-style-type: none">a. any claim made against you or any loss as soon as practicable and within the period of insurance or at the latest within 14 days after the policy expires for any claim or loss you first became aware of in the seven days before expiry;b. potential claims under this section, such notification must be as soon as practicable and within the period of insurance or at the latest within 14 days after the policy expires, and must to the fullest extent possible identify the particulars of the potential claim, including identifying any potential claimant, the likely basis for liability, the likely demand for relief and any additional information about the potential claim that we reasonably request. If such a potential claim notification is made to us then we will treat any claim arising from the same particulars as that notification as if it had first been made against you on the date you properly notified us of it as a potential claim, even if that claim is first made against you after the period of insurance has expired;c. your discovery, or the existence of reasonable grounds for your suspicion, that any employee or sub-contractor or self-employed freelancer has acted dishonestly, as soon as reasonably practicable.2. You must:<ol style="list-style-type: none">a. ensure that our rights of recovery, including but not limited to any subrogated rights of recovery, against a third-party are not unduly restricted or financially limited by any term in any of your contracts;b. not admit that you are liable for what has happened or make any offer, deal or payment, unless you have our prior written agreement. <p>If you fail to comply with these obligations, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.</p>
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Control of defence

Defence arrangements	<p>We have the right, but not the obligation, to take control of and conduct in your name the investigation, settlement or defence of any or any part of a claim.</p> <p>You must give us the information and co-operation which we may reasonably require and take all reasonable steps to defend any claim. You should not do anything which may prejudice our position.</p>
Appointment of legal representation	<p>We have the right, but not the obligation, to select and appoint an adjuster, lawyer or any other appropriate person of our choosing to deal with the claim.</p>
Partially covered claims	<p>We will not pay any part of a claim and its associated costs which is not covered by this section. If a claim is made which is not wholly covered by this section or is brought against you and any other party who is not covered under this section, then at the outset of the</p>



claim, we and you agree to use best efforts to determine a fair allocation of covered and non-covered parts of any **claim** or associated costs, including **defence costs** on the basis of the relative legal and financial exposures

Advancement of defence costs

We will pay **defence costs** covered by this section on an ongoing basis prior to the final resolution of any **claim**. However, **we** will not pay any **defence costs** in connection with any **claim** or part of a **claim** which is not covered under this section. **You** must reimburse **us** for any **defence costs** paid where it is determined there is no entitlement under this section.

Payment of full limit of indemnity

We have no further duty to indemnify **you** against any **claim** where **we** pay **you** the applicable limit of indemnity as described in **How much we will pay**, Paying out the limit of indemnity.

Payment of excess

Our duty to make any payment under this section arises only after the applicable **excess** is fully paid. The **excess** will only be eroded by the covered parts of a **claim**.

Disputes

For the purposes of **Control of defence** in this section of the **policy**, **General condition 14**, Arbitration, within the **General terms and conditions** is amended to read as follows:

Any dispute as to whether to settle or to continue the defence of a **claim** or as to the fair allocation of any partially covered **claim** and its associated costs, will be referred to a single Queen's Counsel (or equivalent in this or any other jurisdiction) to be mutually agreed or in the absence of such agreement to be nominated by the President of the Law Society of England and Wales. The opinion of such Queen's Counsel shall be binding on **you** and **us** in relation to matters referred under this clause. The costs of such opinion shall be met by **us**.