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Professional indemnity for technology companies

Policy wording

The General terms and conditions and the following terms and conditions all apply to this section. **Your** schedule will state whether **your policy** includes this section.

Cover under this section is given on an each and every claim or loss basis unless **your** schedule or the special limits in **How much we will pay** below state that the limit of indemnity applies in the aggregate. Please check **your** schedule and **your** policy wording carefully. **Your** schedule will also state whether defence costs are included within the limit of indemnity.

Special definitions for this section

Additional insured	For the purposes of this section only, an additional insured means a **client** who contractually requires **you** to note them as an additional insured under **your policy**.
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 expressly fall within **your business activity**, including online.
AI agents	A text, video or audio based interface which autonomously uses **artificial intelligence** to proactively carry out tasks requested by a user or other system.
Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in **your** schedule.
Business activity(ies)	The activity(ies) stated in **your** schedule, which **you** perform in the course of **your business**.
Claim	Any written assertion of liability, any written demand for financial compensation, or any written demand for 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 fall within **your business activity**.
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 outsourcers will not be treated as **employees** under this section.
Generative AI	**Artificial intelligence** which relies upon an algorithm or mathematical model to identify patterns from existing data input in order to generate new output in the form of text, audio, video, images, code or other data.
Green technology	Any **computer or digital technology** that is specifically designed to minimise environmental impact, promote sustainability or conserve natural resources.
Liquidated damages	A sum of money, or mechanism for calculating such sum, agreed between **you** and **your client** by contract as the amount payable by **you** in the event of a specified breach of such contract provided that, at the time the sum or mechanism was agreed, it represented a fair and reasonable estimate of **your client's** loss in the event of **your** breach of contract.
Loss	Any financial harm caused to **your business**.

Overseas support staff or entity	An individual or entity domiciled outside of the **United Kingdom** who performs a **business activity** on **your** behalf under **your** direction and control.
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.
Retroactive date	The date stated as the retroactive date in **your** schedule. For any **subsidiary** acquired during the **period of insurance** the retroactive date will be the date of acquisition.
Subsidiary(ies)	An entity domiciled in the **United Kingdom**: 1. that was 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**; or 2. which **you** acquire during the **period of insurance**, provided that the acquired entity's **business activity** is the same as **yours**.
United Kingdom	The United Kingdom of Great Britain and Northern Ireland together with the Channel Islands, the Isle of Man and Gibraltar.
You/your	Also includes: 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; and 2. 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

Claims against you

A.

Claims brought by your client

If during the **period of insurance**, and as a result of **your business activity** for **clients** on or after the **retroactive date** within the **geographical limits**, **your client** brings a **claim** against **you** for any actual or alleged:

Breach of contract and liquidated damages

1. breach of any contract between **you** and **your client**, including any service level agreement forming part of such contract, or any **claim** for **liquidated damages**;

Artificial intelligence liability

2. act, error or omission by **you** in respect of:
    a. the delivery of a **business activity** where this involves **your** use of **artificial intelligence**, including **generative AI** and **AI agents**;
    b. **your** reliance upon text, audio, video, images, code or other data generated by or output by **generative AI** operated or accessed by **you**;
    c. **your** input of text, audio, video, image, code or other data into a **generative AI** system operated or accessed by **you**;
    d. the failure of any **artificial intelligence** designed by **you**; or
    e. advice provided by **you** in respect of the benefits or limitations of utilising a form of **artificial intelligence** for the purposes of a specific **client's** business;

Network security liability

3. act, error or omission by **you** which directly causes, or is alleged to have caused, a vulnerability which has resulted in:
    a. a **cyber attack**; or
    b. a **hacker**;

    affecting **computer or digital technology** or **green technology** that is:

i. owned, operated and controlled by **your client**; or

ii. owned, operated and controlled by **you**, but which **your client** accesses or uses as part of its business activities.

This includes any **claim** directly relating to any fear of threat of any such **cyber attack** or **hacker**, or any action taken in controlling, preventing, suppressing or responding in any way to such **cyber attack** or **hacker**;

Network interruption liability

4. act, error or omission by **you** in the:

a. creation, handling, entry, modification or maintenance of; or

b. on-going operation, maintenance (including but not limited to installation, upgrading or patching) or development of,

computer or digital technology or **green technology** that is:

i. owned, operated and controlled by **your client**; or

ii. owned, operated and controlled by **you**, but which **your client** accesses or uses as part of its business activities,

which has caused, or is alleged to have caused an interruption to **your client's** business;

Personal data claims

5. act, error or omission by **you** in the processing, acquisition, storage, destruction, erasure, loss, alteration, disclosure, use of or access to **personal data**; or

Injury and property damage

6. act, error or omission by **you** which results in:

a. **your computer or digital technology**; or

b. **your green technology**,

failing to perform the function or serve the purpose for which it was intended and which has directly led to:

i. death, bodily or mental injury or disease; or

ii. physical loss or destruction of tangible property;

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 claimant's lawyers' fees and costs.

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

B.

Claims brought by any party

If during the **period of insurance**, and as a result of **your business activity** for **clients** on or after the **retroactive date** within the **geographical limits**, any party including a **client**, brings a **claim** against **you** for any actual or alleged:

Intellectual property infringement

1. intellectual property infringement, (but not any patent infringement or trade secret misappropriation), including but not limited to:

a. infringement of copyright, trademark, trade dress, publicity rights, moral rights or design rights;

b. cyber-squatting violations;

c. any act of passing-off; or

d. misappropriation of formats, characters, trade names, character names, titles, plots, musical compositions, voices, slogans, graphic material or artwork,

including where such intellectual property infringement is alleged to have arisen due to use of **artificial intelligence** including **generative AI**, by **you** or anyone on **your** behalf;

Negligence

2. 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

3. breach of any duty of confidence, invasion of privacy, or violation of any other legal protections for personal information;

Defamation

4. defamation, including but not limited to libel, slander, trade libel, product disparagement, or malicious falsehood;

Dishonesty

5. dishonesty of **employees** or sub-contractors or outsourcers directly contracted to **you** or under **your** supervision; or

Civil liability

6. any other civil liability;

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 claimant's lawyers' fees and costs.

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

Sub-contractors or outsourcers

We will indemnify **you** against any **claim** falling within the scope of **What is covered**, **Claims against you**, **A**. **Claims brought by your client** or **B**. **Claims brought by any party** which is brought as a result of a **business activity** undertaken on **your** behalf by any sub-contractor or outsourcer.

Pre-claims assistance

If **you** first become aware of a **potential claim**, **we** may pay reasonable and necessary fees, costs and expenses incurred with **our** prior written agreement to investigate or monitor such **potential claim**. If a **claim** is subsequently brought and which arises from the same subject matter as the **potential claim**, **our** total payment, including what **we** have already paid to investigate or monitor the **potential claim**, will not exceed the applicable limit of indemnity in **your** schedule.

C.

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 physically 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.

Payments toward your rectification or mitigation 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** to rectify or mitigate that error, provided that **you**:

1. notify **us** of such act, error or omission as soon as reasonably possible;

2. satisfy **us** that a future **claim** would likely result from the act, error or omission if not rectified;

3. satisfy **us** that such future **claim** would likely be covered under this section of **your policy** and involve a demand for damages greater than the cost of rectifying the act, error or omission; and

4. 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.

The amount **we** pay will not include **your**:

a. loss of profit or mark up;

b. salaries or remuneration of any **employee** or anyone engaged by **you**, including any self-employed sub-contractor or freelancer;

c. management time or costs;

d. liability for taxes; or

e. any measure of lost business.

If 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

Payment towards your outstanding fees

If:

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 self-employed freelancers, sub-contractors or outsourcers at the date of the refusal; and

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,

we may, at **our** discretion, pay **you** the amount owed to **you** in respect of such fees, over and above the **excess,** provided that prior to **us** making any such payment, **you** obtain written confirmation from **your client** that they will not pursue a **claim** against **you** if **you** agree not to pursue them for such fees.

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**.

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**.

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

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 of **your policy**.

Joint ventures

We will indemnify **you** against any **claim** falling within the scope of **What is covered**, **Claims against you**, which is brought against **you** during the **period of insurance** as a result of a **business activity** undertaken on **your** behalf by a:

1. person, or group of people;
2. joint venture; or
3. consortium;

where 1., 2. or 3. are carrying out such **business activities** for the purpose of profit-sharing.

We will only pay either the corresponding percentage of the **claim** that **you** are directly liable to pay or the applicable limit of indemnity, whichever is the lesser.

Payments towards claims against additional insureds

If any party brings a claim against an **additional insured** during the **period of insurance** solely as a result of an act, error or omission by **you** during the course of **your business activities**, **we** will treat such claim as if it had been made against **you** and make the same payment to the **additional insured** that **we** would have made to **you** under the terms of **your policy**, provided that the **additional insured**:

a. has not, in our reasonable opinion, caused or contributed to the claim against them;

b. accepts that we can control the claim's defence and settlement in accordance with the terms of this **policy**;

c. has not admitted liability or prejudiced the defence of the claim before **we** are notified of it; and

d. gives **us** all the information and co-operation **we** reasonably require to deal with the claim.

We will not refuse cover for payments toward a claim against an **additional insured** due to any failure by **you** to comply with **Your obligations**, Notification of claims, where the failure is solely attributable to the **additional insured's** failure to notify **you** as soon as reasonably possible of the claim.

If **we** make any payment under this **policy** in respect of a claim against an **additional insured**, this **policy** will be primary and non-contributory to the **additional insured's** own insurance, provided that this is a requirement in **your** contract with such **additional insured**.

For the purposes of this section an **additional insured** will be treated as a third party and not a named insured to the **policy**.

Overseas support staff and entities

We will indemnify **you** against any **claim** falling within the scope of **What is covered, Claims against you**, which is brought against **you** directly as a result of an act, error or omission by an **overseas support staff or entity**.

Service credits

We may agree to **you** providing service credits in full or partial settlement of a covered **claim** against **you**. Where **we** agree to a settlement on that basis, **we** will pay the cost to **you** of providing such service credits, not including **your** profit or mark-up.

Key person cover

We will pay the reasonable and necessary costs incurred by **you** with **our** prior written agreement to engage a consultant to:

1. undertake the day-to-day work of a senior manager or director to the extent that such individual is unable to fulfil his or her usual responsibilities as a direct result of their time being diverted to the management of a **claim** covered under this section; or
2. manage **your** response to a covered **claim**, to enable a senior manager or director to fulfil his or her usual responsibilities.

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 stated in **your** 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 stated in **your** schedule.

What is not covered

In addition to the General exclusions set out in the General terms and conditions, the following exclusions also apply to this section of **your policy**.

A. **We** will not make any payment for any **claim** or **loss** or part of any **claim** or **loss** directly or indirectly due to:

Commercial disputes

1. a. any liability under a contract to anyone other than a **client**; or

   b. i. a commission or royalty, or any other term upon which any party is to be compensated in connection with doing business with **you**, or any compensation or remuneration promised or owed by **you** pursuant to those terms; or

   ii. **your** decision to cease doing business with any partner, associate or other party, other than **your client**.

Repair/replace/recall

2. any costs or expenses involved in the repair, upgrade, correction, recall or replacement of any software, hardware, firmware, **artificial intelligence** or associated network cabling, including any costs or expenses relating to **your** legal obligation to comply with an injunction.

Chargeback

3. any chargeback, liability, or fee incurred by **you** or **your client** as a result of a merchant service provider, including any credit card company or bank, wholly or partially reversing or preventing a payment transaction.

Legal and financial advice

4. any:

   a. reserved legal activity provided by or carried out by **you**, as defined in the Legal Services Act 2007, or any related, similar or successor legislation or regulation in any jurisdiction; or

   b. any activity regulated by the Financial Conduct Authority, the Prudential Regulation Authority or any other similar or successor regulatory bodies.

Injury

5. 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**:

   a. seeking damages for mental anguish or distress where such damages solely stem from a covered **claim** for defamation; or

   b. otherwise covered by **What is covered**, **Claims against you**, **A. Claims brought by your client**, 6. Injury and property damage, provided that such **claim** is brought within the **applicable courts**.

Communicable disease

6. or contributed to by, resulting from or in connection with any:

   a. **communicable disease**;

   b. fear or threat of 6.a. above; or

   c. any action taken in controlling preventing, suppressing, responding or in any way relating to 6.a. or 6.b. above.

Property damage

7. loss, damage or destruction or loss of use of any tangible property, including but not limited to bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.

   However this exclusion does not apply to any:

   a. **claim** directly arising from physical damage to a tangible document belonging to a third-party where covered under **What is covered**, **Claims against you**, **B. Claims brought by any party,** 2. Negligence;

   b. **loss** directly arising from any tangible document where covered under **What is covered**, **Your losses**, Loss of documents; or

HISCOX

		c. **claim** otherwise covered by **What is covered**, **Claims against you, A. Claims brought by your client**, 6. Injury and property damage, provided that such **claim** is brought within the **applicable courts**.
Non-fiat/virtual currency	8.	any purchase, use or development of any: a. non-fiat or virtual currency including but not limited to any crypto currency, asset, unit coin, token or balance that exists only in or predominantly in digital or virtual form; b. currency which is, itself, based on or utilises blockchain or any other distributed ledger technology; or c. initial coin offering or any other form of fundraising in respect of any new currency.
Unfair competition	9.	any unfair competition, deceptive trade practices, or restraint of trade or breach or alleged breach of any competition or antitrust statute, legislation or regulation.
Tax	10.	any breach or alleged breach of any taxation law or regulation.
Government investigation/ enforcement	11.	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	12.	or contributed to by, resulting from or in connection with any failure or interruption of service provided by an internet service provider, cloud services provider, telecommunications provider, utilities supplier or other infrastructure provider including but not limited to physical transmission lines, satellite networks, core DNS root servers, IP addressing systems and certificate authorities. However, this exclusion does not apply to a service where **you** directly control and provide such service as part of **your business activity**.
Sweepstakes, gambling or lotteries	13.	**your** provision of any sweepstakes, gambling activities or lotteries.
Land, animals and vehicles	14.	the ownership, possession or use of any land, building, animal, aircraft (including any drone or small unmanned aerial vehicle), watercraft or motor vehicle.
Employees	15.	anyone's employment with **you** or any breach of an obligation owed by **you** as an employer.
Discrimination	16.	any discrimination, victimisation, harassment or unfair treatment.
Disability discrimination	17.	any violation or alleged violation of the responsibilities, obligations, or duties imposed by any federal, state, or local statutory or common law anywhere in the world (including but not limited to the Americans With Disabilities Act or the Civil Rights Act of 1964), or any amendments to or regulations promulgated under any such law that governs the prohibition of discrimination on the basis of disability.
Insolvency	18.	**your** insolvency or the insolvency of **your** suppliers.
Directors and officers' liability	19.	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, financial statements, or **your advertising or branding**.
Personal liability	20.	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	21.	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

HISCOX

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

22. any conduct committed in reckless disregard of another person or business' rights, but not in respect of a covered defamation **claim**.

Organised crime

23. any:

a. violation or alleged violation of the responsibilities, obligations, or duties imposed by any racketeering or conspiracy law, including but not limited to violation of the Racketeer Influenced and Organizations Act (RICO) and all amendments to this Act or any rules or regulations promulgated under it; or

b. collusion, extortion, or threatened violence.

Pre-existing problems

24 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 the commencement of the **period of insurance**.

War, terrorism, civil commotion and nuclear

25. or contributed to by, resulting from or in connection with any:

a. **terrorism**;

b. **civil commotion**, strikes or industrial action;

c. **war**;

d. **nuclear risks**;

e. fear or threat of 25.a. to 25.d above; or

f. any action taken in controlling preventing, suppressing, responding or in any way relating to 25.a. to 25.e. above.

If there is any dispute between **you** and **us** over the application of clause 25.a. or 25.b. above, it will be for **you** to show that the clause does not apply.

Social engineering

26. or contributed to by, resulting from or in connection with any **social engineering communication**.

Cyber incidents

27. or contributed to by, resulting from or in connection with any:

a. **cyber attack**;

b. **hacker**;

c. any fear or threat of 27.a. to 27.b. above; or

d. any action taken in controlling, preventing, supressing, responding or in any way relating to 27.a. to 27.c. above.

However this does not apply to any covered **claim** under **What is covered**, **Claims against you**, **A. Claims brought by your client**, 3. Network security liability.

Computer or digital technology error

28. or contributed to by, resulting from or in connection with any **computer or digital technology error**. However, this does not apply to any covered **claim** under **What is covered, Claims against you**, **A. Claims brought by your client**, 2. Artificial intelligence liability or 4. Network interruption liability.

Personal data claims	29.	or relating to the actual or alleged processing, acquisition, storage, destruction, erasure, loss, alteration, disclosure, use of or access to **personal data**. However, this does not apply to any covered **claim** under **What is covered**, **Claims against you**, **A. Claims brought by your client**, 2. Artificial intelligence liability, 3. Network Security Liability or 5. Personal data claims.
Biometric and genetic information	30.	or contributed to by, resulting from or in connection with any actual or alleged failure to comply with any federal, state or local law of the United States of America or any federal, provincial, territorial or local law of Canada relating to the collection, processing, storage, or use of biometric data, biometric identifiers, biometric information, or genetic information, including, but not limited to the California Invasion of Privacy Act (CIPA), the Illinois Biometric Information Privacy Act (BIPA), the Texas Capture or Use of Biometric Identifier Act (CUBI), the Washington Biometric Identifiers Act, and the Genetic Information Privacy Act (GIPA) or any related, similar or successor legislation or regulation.
Unlawful tracking	31.	or relating to the actual or alleged processing, acquisition, storage, destruction, erasure, loss, alteration, disclosure, use of or access to **personal data** where such **claim** or **loss** is directly or indirectly due to or contributed to by, relating to, or in connection with actual or alleged unauthorised monitoring, tracking or profiling of **personal data** including, but not limited to, web-tracking, pixel-tracking, session recording, digital fingerprinting, behavioural monitoring, eavesdropping, wiretapping or audio or video recording.
VPPA	32.	or contributed to by, resulting from or in connection with any actual or alleged failure to comply with any federal, state or local law of the United States of America or any federal, provincial, territorial or local law of Canada, including the Video Privacy Protection Act of 1988 and California Civil Code section 1799.3, or any related, successor or similar legislation or regulation, concerning the disclosure of information related to rental, sale, access to, identity, delivery, contents or viewing of any type of video or similar audio visual materials.
Asbestos	33.	**asbestos risks**.
Pollution	34.	**Pollution**. However, this does not apply to any covered **claim** under **What is covered**, **Claims against you**, **A. Claims brought by your client**, 3. Network Security liability or 4. Network interruption liability.
Trademarks and false advertising	35.	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**.
Opioids	36.	opioid, opioid product, or product derived from opium or opiates, including but not limited to any liability arising out of the use, sale, promotion, manufacture, distribution, delivery, transport, transfer, or possession of any opioid, opioid product, or product derived from opium or opiate.
Perfluoroalkyl and polyfluoroalkyl substances	37.	or contributed to by, resulting from or in connection with any: a. perfluoroalkyl or polyfluoroalkyl substances; b. any fear or threat of 37.a. above; or c. any action taken in controlling, preventing, suppressing, responding or in any way relating to 37.a. or 37.b. above.
Pension and employee benefits schemes	38.	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, including but not limited to violation or alleged violation of any related legislation or regulation such as the Employee Retirement Income Security Act of 1974.
Patent/trade secret	39.	any actual or alleged infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.

B. **We** will not make any payment for:

Claims brought by a related party

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.

   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**.

Claims by current and former employees

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 outsourcers; however, this exclusion will not apply to any part of any **claim**:
   a. solely based on **business activity** performed when such person or entity was not working for **you**; or
   b. based on a liability to an independent third-party directly arising out of the performance of **your business activity**; or
   c. from an **employee**, sub-contractor or outsourcer that is brought entirely independently of that party's position as **your employee**, sub-contractor or outsourcer.

Punitive and exemplary damages

3. a. punitive or exemplary damages, unless insurable in the jurisdiction where such award was first ordered; or
   b. service credits, unless **we** agree to pay for such service credits as part of an agreed settlement in lieu of damages under **What is covered**, **Claims against you**. However, **we** will not make payment for any service credits **you** are obliged to provide under the terms of a contract between **you** and **your client**.

Fines and penalties

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.

Claims outside the applicable courts

5. any **claim**, including arbitration, brought outside the **applicable courts**.

   This applies to proceedings in the **applicable courts** to enforce, or which are based on, a judgment or award from outside the **applicable courts**.

Trading losses

6. any trading loss or trading liability including those arising from the loss of any **client**, account or business.

How much we will pay

Each and every claim

If **your** schedule states that the limit of indemnity applies to each and every claim or loss:

1. excluding **defence costs**; the most **we** will pay for each **potential claim**, **claim** and **losses** is the limit of indemnity stated in **your** schedule.

   We will also pay for **defence costs** in addition to the limit of indemnity stated in **your** schedule. However, if a payment greater than the limit of indemnity has to be made for a **potential claim**, **claim** or **loss**, **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid; or

2. including all costs; the most **we** will pay for each **potential claim**, **claim**, including **defence costs**, and **losses** is the overall limit of indemnity stated in **your** schedule,

unless limited below or in **your** schedule.

In the aggregate

If **your** schedule states that the limit of indemnity applies in the aggregate:

1. excluding **defence costs**; the most **we** will pay for the total of all **potential claims**, **claims** and **losses** is the overall limit of indemnity stated in **your** schedule, irrespective of the number of **potential claims**, **claims** or **losses**.

We will also pay for **defence costs** in addition to the limit of indemnity stated in **your** schedule. However, if a payment greater than the limit of indemnity has to be made for a **potential claim**, **claim**, or **loss**, **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid; or

2. including all costs; the most **we** will pay for the total of all **potential claims**, **claims**, including their **defence costs**, and **losses** is the overall limit of indemnity stated in **your** schedule, irrespective of the number of **potential claims**, **claims** or **losses**,

unless limited below or in **your** schedule.

Overheads and other business costs

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, production, recall, correction or reproduction costs, 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.

Excess

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

Multiple claims from a single source

If **your** schedule states that the limit of indemnity applies to each and every claim or loss, all **potential claims**, **claims** and **losses** which arise from:

1. the same original cause, a single source or a repeated or continuing problem in **your** work; or
2. 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 **potential claims**, **claims** and **losses**. All of the notifications which are related will be considered as having been made on the date of the first notification to **us**.

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**.

Claims and losses under more than one cover

If the same **claim** or **loss** or part of a **claim** or **loss** is insured under more than one cover under **What is covered** above, **we** shall only make payment for that **claim** or **loss** under one of the covers, being the cover that is most advantageous for **you**.

Waiver of subrogation

Where **you** are contractually required to waive **your** rights of recovery against a **client**, **we** agree to waive **our** right to pursue a recovery against such **client**, provided that such contract was entered into prior to the date on which the circumstance giving rise to the **claim** or loss arose. This does not apply to any **claim** or **loss** that arises due to any text, audio, video, images, code or other data supplied by such **client**, or where the **claim** or **loss** arises due to an act, error or omission committed by such **client**.

Special limits

There are claims arising from certain circumstances in which an aggregate limit will always apply, even if **your** schedule states that cover under this section applies to each and every claim or loss.

For **potential claims** or **claims** arising from or related to the items listed at 1. to 5. below, a single, separate, aggregate limit of indemnity will apply in respect of the total of all covered **potential claims** or **claims** made against **you** during the **period of insurance** arising from or relating to each such item. These special aggregate limits do not however mean that the overall limit of indemnity for any one **potential claim** or **claim** as stated on **your** schedule is increased.

Unless specified by **us** in the special limits section of **your** schedule, the amount of the separate aggregate limit of indemnity in respect of each item 1. to 5., shall be inclusive of **defence costs** and shall be the same amount as the limit of indemnity stated in **your** schedule.

Personal data

1. **personal data**.

Network security liability

2. the cover provided under **What is covered**, **Claims against you**, **A**. **Claims brought by your client**, 3. Network security liability.

Dishonesty

3. the dishonesty of **your employees**, sub-contractors or outsourcers.

Property damage

4. the physical loss or destruction of or damage to tangible property.

Injury

5. the death, disease or bodily or mental injury of anyone.

Where **your** schedule states that a special limit applies in respect of an item listed at 1. to 5. above, the most **we** will pay for the total of all **potential claims** or **claims**, including **defence costs** made against **you** during the **period of insurance** arising from or relating to such item is the aggregate special limit specified, irrespective of whether **your** schedule states that cover is given on an each and every claim or loss basis or an aggregate basis.

Key person cover

The most **we** will pay for the total key person cover is:

1. an equivalent sum of the senior manager's or director's contractual salary for the 12-month period prior to **you** receiving the **claim**; or
2. £250,000;

whichever is the lesser.

Your obligations

Notification of claims

1. **We** will not make any payment under this section unless **you** notify **us** of:
   a. any **claim** made against **you** or any **loss** as soon as reasonably possible and within the **period of insurance** or at the latest within 14 days at the end of that **period of insurance** 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 reasonably possible and within the **period of insurance** or at the latest within 14 days after the end of that **period of insurance**, 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 outsourcer has acted dishonestly, as soon as reasonably possible.

   If **you** renew this **policy** with **us** and it is not subsequently cancelled, **we** will accept notifications that **you** make to **us** under this **period of insurance** for **claims**, **potential claims** or **losses** that **you** became aware of within the 60 days immediately prior to the expiry of this **period of insurance**. **You** must make such notifications to **us** within a maximum period of 60 days after the expiry of this **period of insurance**.

2. **You** must:

Our rights of recovery

   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;

Not admitting liability

   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;

Not reveal the amount of cover

   c. not reveal the amount of cover available under this insurance, unless **you** had to give these details in negotiating a contract with **your client** (including negotiating any request for proposal), **you** are required by law or compelled by a court, or **you** otherwise have **our** prior written consent.

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.

Control of defence

We have the right, but not the obligation, to take control of and conduct in **your** name the investigation, settlement or defence of any **claim** or any part of a **claim**.

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.

Appointment of legal representation

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**.

Partially covered claims

If a **claim** is made which:

1. is not wholly covered by this section; or
2. is made against **you** and any other party who is not covered under this section;

then at the outset of the **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, or if the overall limit of indemnity stated in **your** schedule has been exhausted.

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 King'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 King'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**.