



Professional insurance portfolio

Important information

This document contains the policy wordings for each of the available covers for this insurance. However, you should **carefully read your policy schedule in full** and ensure that you understand which of the covers you have selected.

If you have any questions about your policy or the covers you have selected, you should contact Hiscox or your insurance advisor, if you have one.



Professional insurance portfolio

Policy wording

A seamless integrated insurance solution for professionals.

Please read this policy wording, together with any **endorsements** and **your** schedule, very carefully and keep them in a safe place. If anything is incorrect or changes, please notify **us** immediately.

This wording is fully protected by the laws of copyright. No unauthorised use or reproduction is permitted.

Our promise to you

In return for the premium **you** have paid, **we** agree to insure **you** in accordance with the terms and conditions of the **policy**.

Ben Horton

Executive Director, Hiscox Underwriting Ltd
Chief Underwriting Officer, Hiscox UK

Complaints procedure

Hiscox aims to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times Hiscox are committed to providing **you** with the highest standard of service. If **you** have any concerns about **your policy** or **you** are dissatisfied about the handling of a claim and wish to complain **you** should, in the first instance, contact Hiscox Customer Relations in writing at:

Hiscox Customer Relations
The Hiscox Building
Peasholme Green
York YO1 7PR
United Kingdom

or by telephone on +44 (0)800 116 4627 or +44 (0)1904 681 198
or by email at customer.relations@hiscox.com

Where **you** are not satisfied with the final response from Hiscox, **you** also have the right to refer **your** complaint to the Financial Ombudsman Service to review **your** case. This does not affect **your** legal rights.

Address:
Financial Ombudsman Service
Exchange Tower
London E14 9SR

Telephone: 0800 023 4567 or +44 20 7964 0500 from outside the United Kingdom

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

If you contact them or us, please quote the policy number shown in your policy schedule.

General terms and conditions

General definitions	<p>We use some words throughout this policy with the same meaning wherever they appear. These are shown in bold type and we explain what they mean below.</p> <p>Any other definitions when used in particular sections of the policy are shown in bold and have the same meaning whenever they appear in that section. We explain what they mean in the 'Special definitions' section of that part of the policy.</p>
Artificial intelligence	<p>Any machine learning, logical, statistical or other algorithm in computer or digital technology that can:</p> <ol style="list-style-type: none"> 1. perform tasks or generate outputs, including but not limited to, actions, content, decisions, predictions or recommendations; or 2. adapt or vary its operation proactively, or in response to inputs.
Asbestos risks	<ol style="list-style-type: none"> 1. The mining, processing, manufacturing, use, testing, ownership, sale or removal of asbestos, asbestos fibres or material containing asbestos; or 2. exposure to asbestos, asbestos fibres or materials containing asbestos; or 3. the provision of instructions, recommendations, notices, warnings, supervision or advice given, or which should have been given, in connection with asbestos, asbestos fibres or structures or materials containing asbestos.
Business	Your business or profession as shown in your schedule.
Civil commotion	<p>Where 12 or more persons are present together, whether in a public or private place, with a common purpose (which may be inferred from conduct):</p> <ol style="list-style-type: none"> 1. to use, or threaten to use, physical force to inflict personal injury on any person or to damage property; or 2. which causes a person of reasonable firmness, had such person been present at the scene, to fear for their safety. For the purposes of this definition, no person of reasonable firmness need actually be, or be likely to be, present at the scene.
Communicable disease	Any communicable, infectious or contagious disease, including any related variation, strain, virus, complex or syndrome.
Computer or digital technology	Any programs , computer network, hardware, software, operational technology, internet-connected device, network-connected device, electronic device, information technology, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet, website or cloud computing services.
Computer or digital technology error	<p>Any negligent act, error or omission by anyone in the:</p> <ol style="list-style-type: none"> 1. creation, handling, entry, modification or maintenance of; or 2. on-going operation, maintenance (including but not limited to installation, upgrading or patching) or development of, <p>any computer or digital technology.</p>
Confiscation	Confiscation, nationalisation, requisition, expropriation, deprivation, destruction of or damage to property by or under the order of any government or public or local authority.
Cyber attack	<p>Any digital attack or interference, whether by a hacker or otherwise, attempting or resulting in:</p> <ol style="list-style-type: none"> 1. access to; 2. extraction of information from; 3. disruption of access to or the operation of; or 4. damage to: <p>any data or computer or digital technology, including but not limited to any:</p>

- 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; or
- b. denial of service attack or distributed denial of service attack.

Endorsement	A change to the terms of the policy .
Excess	The amount you must bear as the first part of each agreed claim or loss.
Geographical limits	The geographical area shown in your schedule.
Hacker	Any artificial intelligence , entity or person, including any employee of yours , who gains or attempts to gain unauthorised access to or use of any: <ol style="list-style-type: none"> 1. computer or digital technology; or 2. data held electronically by you or on your behalf.
Nuclear risks	<ol style="list-style-type: none"> 1. Any sort of nuclear material, nuclear reaction, nuclear radiation or radioactive contamination; 2. any products or services which include, involve or relate in any way to anything in a. above, or the storage, handling or disposal of anything in a. above; 3. all operations carried out on any site or premises on which anything in a. or b. above is located.
Period of insurance	The time for which this policy is in force as shown in your schedule.
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.
Policy	This insurance document and your schedule, including any endorsements .
Program(s)	Code or instructions which tell computer or digital technology how to process data or interact with ancillary equipment, systems or devices.
Social engineering communication	Any request directed to you or someone on your behalf by any artificial intelligence , entity or person improperly seeking to obtain possession or the transfer to a third-party of virtual currency, money, securities, data or property to which such third-party is not entitled.
Solar weather	Solar flares, solar eruptions or bursts including plasma bubbles or ejections, magnetic field or magnetosphere fluctuations or disruptions.
Terrorism	An act, or the threat of an act, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, that: <ol style="list-style-type: none"> 1. is committed for political, religious, ideological, racial or similar purposes; and 2. is intended to influence any government or an international governmental organisation or to put the public, or any section of the public, in fear; and <ol style="list-style-type: none"> a. involves violence against one or more persons; or b. involves damage to property; or c. endangers life other than that of the person committing the action; or d. creates a risk to health or safety of the public or a section of the public; or e. is designed to interfere with or to disrupt an electronic system.
War	War (whether declared or not), invasion, act of foreign enemies, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power.
We/us/our	The insurers named in your schedule.
You/your	The insured named in the schedule.

General conditions

The following conditions apply to the whole of this **policy**. Any other conditions are shown in the section to which they apply.

Presentation of the risk

1. In agreeing to insure **you** and in setting the terms and premium, **we** have relied on the information **you** have given **us**. **You** must provide a fair presentation of the risk and must take care when answering any questions **we** ask by ensuring that all information provided is true, accurate and complete. A fair presentation is one which clearly discloses in a reasonably clear and accessible manner all material facts which **you** (including **your** senior management and those responsible for arranging this insurance) know or ought to know following a reasonable search.

If you fail to make a fair presentation

2.
 - a. If **we** establish that **you** deliberately or recklessly failed to present the risk to **us** fairly, **we** may treat this **policy** as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us** and **we** will be entitled to retain all premiums paid.
 - b. If **we** establish that **you** failed to present the risk to **us** fairly but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** made a fair presentation of the risk, as follows:
 - i. if **we** would not have provided this **policy**, **we** may treat it as if it never existed and refuse to make any payment under it. **You** must reimburse all payments already made by **us**. **We** will refund any premiums **you** have paid; or
 - ii. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the start of the **period of insurance**. This may result in **us** making no payment for a particular claim or loss. **You** must reimburse any payment made by **us** that **we** would not have paid if such terms had been in effect.

Change of circumstances

3. **You** must tell **us** as soon as reasonably possible of any change in circumstances during the **period of insurance** which may materially affect this **policy** (a material fact or circumstance is one which might affect **our** decision to provide insurance or the conditions of that insurance). **We** may then change the terms and conditions of this **policy** or cancel it in accordance with the cancellation condition.

If you fail to notify us of a change of circumstances

4.
 - a. If **we** establish that **you** deliberately or recklessly failed to:
 - i. notify **us** of a change of circumstances which may materially affect the **policy**; or
 - ii. comply with the obligation in 1. above to make a fair presentation of the risk to **us** when providing us with information in relation to a change of circumstances;

we may treat this **policy** as if it no longer existed from the date of such change of circumstances and refuse to make any payment under it in respect of any claim made or any loss occurring after that date. **You** must reimburse all payments already made by **us** relating to claims made or losses occurring after such date. **We** will be entitled to retain all premiums paid.
 - b. If **we** establish that **you** failed to notify **us** of a change of circumstances or to make a fair presentation of the risk to **us** when providing **us** with information in relation to a change of circumstances, but that **your** failure was not deliberate or reckless, the remedy **we** will have available to **us** will depend upon what **we** would have done had **you** fairly presented the change of circumstances to **us**, as follows:
 - i. if **we** would have cancelled this **policy**, **we** may treat it as cancelled from the date that such cancellation would have been effective and refuse to make any payment under it in respect of any claim made or any incident occurring after that date. **You** must reimburse any payments already made by **us** relating to claims made or losses occurring after such date. **We** will refund any premiums **you** have paid in respect of any period after the date when cancellation would have been effective; or
 - ii. if **we** would have provided this **policy** on different terms (other than as to premium), **we** will treat it as if it had been provided on such different terms from the date when **your** circumstances changed. This may result in **us** making no payment for a particular claim or loss.

Reasonable precautions

5. **You** must take reasonable steps to prevent accident or injury and to protect **your** property against loss or damage. **You** must keep any property insured under this **policy** in good condition and repair. **We** will not make any payment under this **policy** in respect of any

incident occurring whilst **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the loss, damage, accident or injury occurring in the circumstances in which it occurred.

Premium payment	6. We will not make any payment under this policy until you have paid the premium.
Cancellation	<p>7. You or we can cancel the policy by giving 30 days' written notice. We will give you a pro-rata refund of the premium for the remaining portion of the period of insurance after the effective date of cancellation for which you have already paid. However, we will not refund any premium:</p> <ul style="list-style-type: none"> a. under £20; or b. if we have accepted any notification of any claim, potential claim or loss before the cancellation takes effect. <p>If we have agreed that you can pay us the premium by instalments and we have not received an instalment 14 days after the due date, we may cancel the policy. In this event, the period of insurance will equate to the period for which premium instalments have been paid to us. We will confirm the cancellation and amended period of insurance to you in writing.</p>
Multiple insureds	<p>8. The most we will pay is the relevant amount shown in your schedule.</p> <p>If more than one insured is named in your schedule, the total amount we will pay will not exceed the amount we would be liable to pay to any one of you.</p> <p>You agree that the insured named in your schedule, or if there is more than one insured named in your schedule the first of them, is authorised to receive all notices and agree any amendments to the policy.</p>
Aggregate limit	9. Where a section of this policy specifies an aggregate limit, this means our maximum payment for all relevant claims or losses covered under that section of your policy during the period of insurance .
Rights of third parties	10. You and we are the only parties to this policy . Nothing in this policy is intended to give any person any right to enforce any term of this policy which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.
Other insurance	11. We will not make any payment under this policy where you would be entitled to be paid under any other insurance if this policy did not exist except in respect of any amount in excess of the amount that would have been payable under such other insurance had this policy not been effected. If such other insurance is provided by us the most we will pay under this policy will be reduced by the amount payable under such other insurance.
Cover under multiple sections	12. Where you , including anyone within the meaning of 'you' or 'insured person' in any section of the policy , are entitled to cover under more than one section of the policy in respect of the same claim or loss, or any part of a claim or loss, we shall only provide cover under one section of the policy , being the section that provides the most advantageous cover to you or the party entitled to cover.
Governing law	13. Unless some other law is agreed in writing, this policy will be governed by the laws of England.
Arbitration	14. Any dispute arising out of or relating to this insurance, including over its construction, application and validity, will be referred to a single arbitrator in accordance with the Arbitration Act then in force.
Non-admitted	15. This policy is negotiated and made in the United Kingdom between you and us . We are authorised to conduct insurance business in the United Kingdom and in certain other jurisdictions. You acknowledge that no solicitation for the policy has been made by us outside of the United Kingdom, that unless otherwise agreed in writing the policy is subject to English Law and jurisdiction and that claims are payable in the United Kingdom. You acknowledge that any applicable local taxes outside of the United Kingdom, Channel Islands, Isle of Man, Gibraltar, the European Economic Area, or other jurisdiction in which we have informed you that we are authorised to conduct insurance business, will be paid by you directly to the appropriate authority.

Several liability

16. This clause applies if more than one insurer and/or a Lloyd's syndicate is party to this **policy**.

The liability of an insurer or syndicate under this **policy** is several and not joint with any other insurers or syndicates party to this **policy**. An insurer is liable only for the proportion of liability it has underwritten. **We** will provide **you**, on request, with details of the insurers/syndicates who are party to this **policy** and the proportions of liability they have underwritten.

Sanctions

17. **We** shall not be deemed to provide cover and shall not be liable to pay any claim or loss or provide any benefit under this **policy** to the extent that the provision of such cover, payment of such claim or loss or provision of such benefit would expose **us**, or would in **our** reasonable view give rise to any appreciable risk of exposing **us**, to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, or of any other relevant jurisdiction.

General claims conditions

The following claims conditions apply to the whole of this **policy**. **You** must also comply with the conditions shown in each section of the **policy** under the heading **Your obligations**.

Your obligations

1. **We** will not make any payment under this **policy** unless **you**:
 - a. give **us** prompt notice of anything which is likely to give rise to a claim under this **policy** in accordance with the terms of each section; and
 - b. give **us**, at **your** expense, any information which **we** may reasonably require and co-operate fully in the investigation of any claim under this **policy**.
2. **You** must:
 - a. make every reasonable effort to minimise any loss, damage or liability and take appropriate emergency measures immediately if they are required to reduce any claim; and
 - b. give **us** all assistance which **we** may reasonably require to pursue recovery of amounts **we** may become legally liable to pay under this **policy**, in **your** name but at **our** expense.

If **you** fail to do so, **you** shall be liable to **us** for an amount equal to the detriment **we** have suffered as a result of **your** failure to comply with this obligation, which **we** may deduct from any payment **we** make under this **policy**.

Fraud

3. If **you** or anyone entitled to cover in respect of any claim or loss, or anyone on behalf of you or such other person, tries to deceive **us** by deliberately giving **us** false information or making a fraudulent claim under this **policy** then:
 - a. **we** shall be entitled to give **you** notice of termination of the **policy** with effect from the date of any fraudulent act or claim or the provision of such false information;
 - b. **we** shall be entitled to refuse to make any payment under the **policy** in respect of any claim made or any loss occurring after the date of any fraudulent act or claim or the provision of such false information;
 - c. **you** must reimburse all payments already made by **us** relating to claims made or losses occurring after the date of any fraudulent act or claim or the provision of such false information; and
 - d. **we** shall be entitled to retain all premiums paid.

This does not affect **your** rights in relation to any claim made or loss occurring before the date of any fraudulent act or claim or the provision of such false information.

4. Where this **policy** provides cover for any individual who, or entity that, is not a party to the **policy**, and where such an individual or entity (or anyone on their behalf) tries to deceive **us** by deliberately giving **us** false information or making a fraudulent claim under this **policy**, **our** rights set out in 3. above apply only to any individual or entity that gave the false information or made the fraudulent claim.

General exclusions

The exclusions set out below apply to each and every section of this **policy** and shall not be varied by any other provision in this **policy**. Where the exclusions below are not consistent with any other provision in this **policy**, these exclusions apply and shall override the inconsistent provision.

In addition, other exclusions apply to this **policy** and these are included in the particular sections of the **policy** to which they apply.

1. We will not make any payment for any damage, loss, cost, expense or claim directly or indirectly caused by, contributed to by, resulting from or in connection with:
 - a. **solar weather**;
 - b. any fear or threat of 1.a.; or
 - c. any action taken in controlling, preventing, suppressing, responding or in any way relating to 1.a.

Professional indemnity for coaching, training and education

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. Please check **your** schedule and **your** policy wording carefully.

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

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 .
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	Costs incurred with our prior written agreement to investigate, settle or defend: <ol style="list-style-type: none"> 1. a claim against you; or 2. any complaint about you referred to arbitration or an ombudsman.
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.
Joint venture	A commercial arrangement that you are a member of, with at least one other party, created for the purpose of profit sharing.
Loss	Any financial harm caused to your business .
Pollutants	Any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance or contaminant, including but not limited to asbestos, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste. Such waste includes, but is not limited to materials to be recycled, reconditioned or reclaimed.
Pollution	Any pollution or contamination, including from noise, electromagnetic fields, radiation, radio waves and any pollutants .
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.
Subsidiary(ies)	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. 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 or create during the period of insurance where the entity's turnover for the 12-month period leading up to the date of acquisition is:

- a. less than 20% of **your** turnover;
- b. not more than £5,000,000;
- c. claims free for the last three years prior to the date of acquisition; and
- d. free from any circumstances that might lead to a claim,

and the entity's **business activity** is the same as **yours**.

An entity in which **you** no longer own more than 50% of the book value of the assets or of the outstanding voting rights is not included in this definition.

You/your

Also includes:

- 1. any person who was, is or during the **period of insurance** becomes **your** governor, 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.

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 brings a **claim** against **you** for **any actual or alleged**:

Negligence

- 1.
 - a. negligence or breach of any duty to use reasonable care and skill, failure in a duty to educate or failure in a duty to supervise;
 - b. negligent loss of or physical damage to any third-party tangible document for which **you** are responsible; or
 - c. negligent misstatement or negligent misrepresentation;

Intellectual property infringement

- 2. 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;

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** and under **your** supervision; or

Civil liability

- 6. any other civil liability;

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.

Complaints referred to an Ombudsman

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 refers any complaint arising directly from **your** breach of a duty to use reasonable care and skill to any Ombudsman, including The Local Government Ombudsman of the Office for Standards in Education

(OFSTED), or to arbitration, including arbitration through the Independent Adjudicator for Higher Education, with legal jurisdiction over **you**, **we** will indemnify **you** against:

- a. the sums **you** have to pay as compensation; and
- b. any additional costs in respect of any steps **you** are required to do;

provided that the Ombudsman or arbitrator has operated within any terms of reference or rule applicable to their appointment.

We will pay the reasonable and necessary costs incurred with **our** prior written agreement to investigate, settle or defend any complaint about **you** referred to an Ombudsman or arbitration. **We** will not pay costs for any part of a complaint or arbitration not covered by this section.

The most **we** will pay is the amount shown in **your** schedule.

Representation costs

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**, **you** are subject to an examination, inquiry or other proceeding by a governmental, professional or trade body or agency that is not criminal, **we** will pay the reasonable and necessary costs incurred with **our** prior written agreement to represent **you** if, in **our** opinion, such representation may avoid a **claim** which would be covered by this section.

The most **we** will pay is the amount shown in **your** schedule.

Criminal proceedings costs

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**, **you** are subject to criminal proceedings, **we** will pay the reasonable and necessary costs incurred with **our** prior written agreement to defend **you** if, in **our** opinion, a successful defence may avoid a **claim** which would be covered by this section.

However, **we** will not pay any costs following a plea or finding of guilt, or in the event that a King's Counsel advises that there are no reasonable prospects of successfully defending the criminal proceedings, except for costs incurred solely for the purpose of making a plea in mitigation before sentencing or costs incurred in making an appeal if a King's Counsel advises that the prospects of a successful appeal following a finding of guilt is likely.

The most **we** will pay is the amount shown in **your** schedule.

Mitigation

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**, **you** become aware of a **potential claim**, **we** will pay for reasonable and necessary costs **you** incur, with **our** prior written consent, to avoid the **claim**, or reduce the severity of the **claim**, as long as the costs incurred are less than the likely costs for the **potential claim** being mitigated.

If a **claim** is subsequently brought and which arises from the same subject matter as the **potential claim**, **our** total payment will not exceed the applicable limit of indemnity in **your** schedule.

Sub-contractors or outsourcers

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 any **business activity** undertaken on **your** behalf by any sub-contractor or outsourcer.

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** 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.

Infringement of your copyright If **you** discover during the **period of insurance** that someone has infringed any copyright **you** own in work **you** have created in the performance of your **business activity**, **we** will pay **your** legal costs incurred with **our** prior written agreement in pursuing a claim for the infringement, provided that **we** are satisfied that **your** claim has a reasonable chance of success and **you** do not settle the claim without **our** prior approval.

If the claim is settled, or finally determined, on the basis that you are entitled to:

- a. payment of **your** own legal costs;
- b. payment of any damages, compensation, ongoing royalties fees or licence fees; or
- c. any injunction, undertaking or non-financial relief;

we will be entitled to the reimbursement of any legal costs **we** have paid on **your** behalf from any payment **you** receive from **your** opponent.

Additional cover

Joint ventures

If during the **period of insurance**, on or after the **retroactive date** and within the **geographical limits**, a client of any **joint venture** brings a **claim** against **you** as a direct result of **business activity you** carried out as a member of that **joint venture**, **we** will treat that client as if they were **your client** and **we** will indemnify **you** against sums **you** have to pay as compensation under this section.

However, **we** will not make any payment for any liability arising from any:

- a. work undertaken by any party other than **you**;
- b. activity other than those listed in the **business activities**;
- c. **joint venture** that has its own professional indemnity policy.

You must declare all material information relating to **your** work undertaken in the name of a **joint venture** as part of the declaration for this **policy**, including activities, income generated and adherence to the statement of fact, otherwise **we** may provide no indemnity under this section.

We will only pay either the corresponding percentage of the **claim** that **you** are directly liable to pay as a result of **you** being a member of the **joint venture** or the applicable limit of indemnity shown in **your** schedule, whichever is the lesser.

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.

Professional disciplinary tribunal attendance compensation

If any person within the definition of **you**, or any **employee** of **yours**, has to attend a professional disciplinary tribunal hearing by a professional body who regulates **you** 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 attendances is required by **us**.

The most **we** will pay for the total of all professional disciplinary tribunal attendance 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:

Investments

1. any investment advice, financial advice, investment of **client** funds or any activity regulated by the Financial Conduct Authority, Prudential Regulation Authority or any other similar or successor regulatory body.

Survey and valuation	2. any survey or valuation of physical property or any construction or erection work, other than heating, lighting, electrical, venting and other work normally undertaken by a building services engineer.
Legal advice	3. any 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.
Injury	4. any death of or any bodily or mental injury or disease suffered by anyone, unless arising directly from your breach of a duty to use reasonable care and skill in the performance of a business activity .
Employees	5. anyone's employment with or work for you , or any breach of an obligation owed by you as an employer.
Discrimination and harassment	6. any discrimination, victimisation, harassment or unfair treatment, unless arising directly from your breach of a duty to use reasonable care and skill in the performance of a business activity .
Supplied personnel	7. the work of any personnel supplied by you to a client , unless you have breached a duty of care in supplying them.
Property damage	8. the 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, unless arising directly from your breach of a duty to use reasonable care and skill in the performance of a business activity . However this exclusion does not apply to any loss directly arising from any tangible document where covered under What is covered, Your losses , Loss of documents.
Product liability	9. any supply, manufacture, sale, installation or maintenance of any product.
Cyber incidents	10. or contributed to by, resulting from or in connection with any: <ul style="list-style-type: none"> a. cyber attack; b. hacker; c. social engineering communication; d. any fear or threat of 10.a. to 10.c. above; or e. any action taken in controlling, preventing, suppressing, responding or in any way relating to 10.a. to 10.d. above.
Computer or digital technology error	11. or contributed to by, resulting from or in connection with any computer or digital technology error .
Personal data claims	12. 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 or part of a covered claim made against you by a client which arises directly from your performance of a business activity for that client and which is not otherwise excluded by What is not covered, A. 10. Cyber incidents above. The most we will pay in relation to any such covered claim is the special limit stated in your schedule for personal data claims.
Infrastructure interruption	13. 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.
Land, animals and vehicles	14. the ownership, possession or use of any land, or building, any animal, any aircraft (including any drone or small unmanned aerial vehicle), any watercraft or any motor vehicle; However, this exclusion will not apply to a covered claim under What is covered, A. 3. Breach of confidentiality for use of any drone or small unmanned aerial vehicle.
Contractual liability	15. any liability under any contract which is greater than the liability you would have at law without the contract;

Patent/trade secret	16. any actual or alleged infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.
Trademarks and false advertising	17. any actual or alleged: <ul style="list-style-type: none"> 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 .
Deliberate, reckless or dishonest acts	18. any act, breach, omission or infringement you deliberately, spitefully, dishonestly, recklessly, or criminally commit, condone or ignore. However this does not apply to any claim covered under: <ul style="list-style-type: none"> a. What is covered, A. Claims against you, Dishonesty, but we will not in any event provide cover to any party who actually commits, condones or ignores any dishonesty; or b. What is covered, A. Criminal proceedings costs, where costs incurred are solely for the purpose of making a plea in mitigation before sentencing or costs incurred in making an appeal if a King's Counsel advises that the prospects of a successful appeal following a finding of guilt is likely.
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 the commencement of the period of insurance .
Unfair competition	20. 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	21. any breach or alleged breach of any taxation law or regulation.
Insolvency	22. your insolvency, bankruptcy, receivership, administration, or liquidation.
Pension and employee benefits schemes	23. 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.
Directors and officers' liability	24. 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: <ul style="list-style-type: none"> 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	25. 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 .
Asbestos	26. asbestos risks ;
Pollution	27. pollution .
Communicable disease	28. or contributed to by, resulting from or in connection with any: <ul style="list-style-type: none"> a. communicable disease; b. fear or threat of 28.a. above; or c. any action taken in controlling preventing, suppressing, responding or in any way relating to 28.a. or 28.b. above.
War, terrorism, civil commotion and nuclear	29. or contributed to by, resulting from or in connection with any: <ul style="list-style-type: none"> a. terrorism;

- b. **civil commotion**, strikes or industrial action;
- c. **war**;
- d. **nuclear risks**;
- e. fear or threat of 29.a. to 29.d. above; or
- f. any action taken in controlling preventing, suppressing, responding or in any way relating to 29.a. to 29.e. above.

If there is any dispute between **you** and **us** over the application of clause 29.a. or 29.b. above, it will be for **you** to show that the clause does not apply.

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 .
Restricted recovery rights	2. that part of any claim where your right of recovery is restricted by any contract.
Lost profit and VAT	3. your lost profit, mark-up or liability for VAT or its equivalent.
Trading losses	4. any trading loss or trading liability including those arising from the loss of any client , account or business.
Non-compensatory payments	5. criminal, civil, or regulatory sanctions, fines, penalties, disgorgement of profits or treble, multiple, aggravated, punitive or exemplary damages.
Claims outside the applicable courts	6. 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 .

How much we will pay

Each and every claim	<p>If your schedule states that the limit of indemnity applies to each and every claim or loss:</p> <ul style="list-style-type: none"> 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	<p>If your schedule states that the limit of indemnity applies in the aggregate:</p> <ul style="list-style-type: none"> 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** 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**.

Special limits

Personal data claims

The most **we** will pay for the total of all **potential claims or claims**, including **defence costs**, made against **you** by a **client**, which arise directly from **your** performance of a **business activity** for that **client** relating to **personal data**, is a single limit of indemnity stated in **your** schedule, which is an aggregate limit.

Each and every claim

If **your** schedule states that the limit of indemnity applies to each and every **claim or loss**, the most **we** will pay for each item below is a single limit of indemnity, equivalent to the same amount, but which instead is an aggregate limit, for the total of all **potential claims, claims, including their defence costs, and losses** made against **you** arising from:

Dishonesty

1. the dishonesty of **your** partners, directors, **employees**, sub-contractors or outsourcers;

Property damage

2. the physical loss or destruction of or damage to tangible property; and

Injury

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

Your obligations

If a problem arises

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 practicable and within the **period of insurance** or at the latest no later than 14 days after 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 notifications must be as soon as practicable and within the **period of insurance** or at the latest no later than 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**, sub-contractor or outsourcer has acted dishonestly; as soon as reasonably practicable.

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 no later than the 60 days immediately prior to the expiry of this **period of insurance**. **You** must make such notifications to **us** no later than 60 days after the end of this **period of insurance**.

2. You must:

- 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;
- 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**.

Public and products liability (Office, workspace and professions)

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.

Special definitions for this section

Abuse or molestation	<ol style="list-style-type: none"> Physical, mental or financial abuse, assault, battery, mistreatment or maltreatment; sexual exploitation or any actual or attempted sexual relations, sexual contact or intimacy; discrimination, victimisation, harassment, voyeurism, invasion of privacy or any use or distribution of images, in whatever manner, without the consent of any person shown; or any other act of a sexual nature or undertaken with a sexual motive.
Abuse or molestation retroactive date	The date stated as the retroactive date in the Abuse or molestation cover section of your schedule.
Activities	<p>Any activities you have declared to us and which are stated in the Business field of your schedule.</p> <p>The following are also included where they are incidental to such activities:</p> <ol style="list-style-type: none"> the maintenance of property or premises owned or occupied by you; the provision or management of: <ol style="list-style-type: none"> canteen, social, sports, education or welfare organisations; or first aid or security services, for the benefit of your employees; and attendance at conferences and promotional events within the geographical limits which directly relate to your activities.
Bodily injury	Death, or any bodily injury, illness, disease or mental injury.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Denial of access	<p>Nuisance, trespass or interference with any legal right:</p> <ol style="list-style-type: none"> to access or use land or water; or of air or light.
Drone	Any remotely controlled un-manned aerial vehicle and any accessories used with such craft.
Employee	<p>Any person working for you in connection with your activities who is:</p> <ol style="list-style-type: none"> employed by you under a contract of service or apprenticeship; hired to or borrowed by you; self-employed or working on a labour-only basis under your control or supervision; engaged by labour-only sub-contractors; a labour master or a person supplied by them; engaged under a work experience or training scheme; or a voluntary worker engaged with your permission.
Inefficacy	The failure of any of your products to perform the function or serve the purpose for which it was intended.
Personal injury	<ol style="list-style-type: none"> False arrest, detention or imprisonment;

2. malicious prosecution; or
3. wrongful entry into, or eviction of a person from, a room, dwelling or premises which they occupy.

Pollution	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
Products	Any goods which are: <ol style="list-style-type: none"> 1. sold, supplied, distributed, manufactured, constructed, installed, altered, tested, serviced, maintained, repaired, cleaned or treated by you; and 2. not in your care, custody or control at the time of any occurrence giving rise to a claim under this section of your policy.
Property damage	Physical loss of or damage to or destruction of tangible property including the resulting loss of use of such property.
Tool of trade	Land-based mobile plant or equipment being used where insurance or security is not required under the provisions of any road traffic legislation.
United Kingdom	The United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man.
You/your	The insured named in your schedule. This also includes any person who was, is or during the period of insurance becomes your director, partner, trustee, committee member, senior manager or officer in actual control of your operations.

What is covered

Claims against you	<p>If, as a result of your activities, any party brings a claim against you for:</p> <ol style="list-style-type: none"> 1. bodily injury, other than abuse or molestation, or property damage occurring during the period of insurance; or 2. personal injury or denial of access committed during the period of insurance, <p>we will indemnify you against the sums you have to pay as compensation, including your liability for any claimants' legal costs and expenses. This includes a claim against any employee when they are acting on your behalf in whatever capacity.</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>
Abuse or molestation claims	<p>If, as a result of your activities, any party brings a claim against you during the period of insurance for abuse or molestation committed after the abuse or molestation retroactive date, we will indemnify you against the sums you have to pay as compensation. This includes a claim against any employee when they are acting on your behalf in whatever capacity.</p> <p>However, we will not in any event provide cover:</p> <ol style="list-style-type: none"> 1. in respect of any allegation of slavery or people trafficking; or 2. to any party who commits, condones or ignores any abuse or molestation. <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>
Overseas personal liability	<p>We will indemnify you and if you so request, any of your directors, partners, trustees, committee members, employees or the spouse, domestic or civil partner of any such person against legal liability as a result of bodily injury, property damage or personal injury, which falls within the scope of What is covered, Claims against you, and which is incurred in a personal capacity while temporarily outside the United Kingdom. However, we will not make any payment where such liability:</p> <ol style="list-style-type: none"> 1. arises out of: <ol style="list-style-type: none"> a. any loss of a third party's key or electronic pass card; b. any failure to secure a third party's premises; c. the ownership or occupation of land or buildings; or

2. is covered by any other insurance.

Claims against principals

If, as a result of **your activities**, any party brings a claim which falls within the scope of **What is covered**, Claims against you, against any:

1. named third party as stated in the Public and products liability section of **your** schedule; or
2. other third party with whom **you** have entered into a contract or agreement in connection with **your activities**,

and **you** would have been liable for that claim had it been brought against **you**, **we** will treat such claim as if it had been made against **you** and make the same payment to the party stated in 1. or 2. above which **we** would have made to **you**, provided that the party stated in 1. or 2. above:

- a. has not, in **our** reasonable opinion, caused or contributed to the claim against them;
- b. accepts that **we** can control the defence and settlement of the claim in accordance with the terms of this section;
- c. has not admitted liability or prejudiced the defence of the claim before **we** are notified of it; and
- d. gives **us** the information and co-operation **we** reasonably require for dealing with the claim.

Cross liabilities

If more than one insured is named in **your** schedule, **we** will deal with any claim as though a separate policy had been issued to each of them, provided that **our** liability in the aggregate shall not exceed the applicable limit of indemnity stated in **your** schedule.

Loss of third party keys

If, during the **period of insurance** and as a result of **your activities**, **you** lose any key or electronic pass card belonging to a third party for which **you** are legally responsible, and that party brings a claim against **you**, **we** will pay the reasonable costs to replace the relevant locks, keys or electronic pass cards.

Failure to secure third party premises

If, during the **period of insurance**, **you** fail to secure the premises of a third party where **you** have been carrying out **your activities**, and that party brings a claim against **you**, **we** will pay the sums **you** have to pay as compensation to such third party, provided that **you** have taken reasonable steps to secure the premises as required by that third party.

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

Unauthorised use of third party telephones by your employees

If, during the **period of insurance** and as a result of **your activities**, any of **your employees** uses a third party's telephone system without authority, including any mobile or internet-based telephone network, and that party brings a claim against **you**, **we** will pay the sums **you** have to pay as compensation to such third party, provided that **we** are notified within three months of the unauthorised use.

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

Defective Premises Act

If, during the **period of insurance**, **you** dispose of any premises in connection with **your activities** and any party brings a claim against **you** under Section 3 of the Defective Premises Act 1972) or Section 5 of the Defective Premises Measure (Northern Ireland) Order 1975, **we** will pay for the sums **you** have to pay as compensation. **We** will also pay **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

We will not in any event make any payment for any:

1. liability where **you** are entitled to cover under any other insurance; or
2. costs of remedying any actual or alleged defect, which if not remedied may result in a claim.

Additional cover

Representation costs

At **your** request, **we** will pay **your** reasonable costs to:

1. defend **you** or any **employee** if any governmental, administrative or regulatory body brings any criminal action against **you** or such **employee** for any breach of statute or regulation;
2. represent **you** or any **employee** at any properly constituted external investigation, inquiry or professional disciplinary proceeding, including representation at a coroner's inquest or equivalent; and

3. assist **you** or any **employee** in responding to a request made by a coroner or equivalent, the police or a member of the judiciary for documentation or other assistance,

within the **United Kingdom**. This includes any related appeal which **we** consider has reasonable prospects of success.

We will only pay these costs:

- a. if the costs relate directly to any actual or potential claim covered under this section;
- b. if the payment of such costs is likely, in **our** reasonable opinion, to reduce the amount of any actual or potential claim;
- c. if **you** have **our** prior written agreement before such costs are incurred; and
- d. up to the date of any admission by or final adjudication against **you** or the relevant **employee** that any breach of statute or regulation occurred.

However, **we** will not in any event pay any representation costs for any **employee** bringing a claim under this section.

Court attendance compensation

If **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 compensation stated in **your** schedule for each day, or part of a day, that their attendance is required by **us**.

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**.

Property for which you are responsible

- A. **We** will not make any payment for any claim or part of a claim or loss directly or indirectly due to:
 1. **property damage** to any item belonging to **you** or which at the time of the loss, damage or destruction is in **your** care, custody or control. This does not apply to:
 - a. vehicles or personal effects belonging to **your employees** or visitors, while on **your** premises;
 - b. premises, including their contents, fixtures and fittings, which are not owned or rented by **you**, where **you** are temporarily carrying out **your activities**;
 - c. premises, including their contents, fixtures and fittings, which are rented to **you**, unless **you** are obliged by lease or other agreement to maintain property insurance cover in respect of these;
 - d. property belonging to **your** clients or customers, provided that the loss or damage to such property occurs while it is in the process of being installed, altered, tested, serviced, maintained, repaired, cleaned or treated by **you**; or
 - e. loss of a third party's keys or electronic pass cards.

Vehicles and craft

2. the ownership, possession, maintenance or use by **you** or on **your** behalf of any aircraft or other aerial device, **drone**, hovercraft, watercraft (other than hand propelled or sailing craft less than 20 feet in length in inland or territorial waters), electric or motorised scooter or cycle, hoverboard or any mechanically propelled vehicle or its trailer.

This does not apply to:

 - a. any **tool of trade**; or
 - b. the loading or unloading of any vehicle off the highway.

Injury to employees

3. **bodily injury** to any:
 - a. **employee**; or
 - b. person supplied by **you** to a client under contract which occurs anywhere other than at **your** premises.

Defamation and intellectual property

4.
 - a. defamation, including but not limited to libel, slander, trade libel, product disparagement and malicious falsehood; or
 - b. any infringement of intellectual property rights including but not limited to copyright, trademark or moral rights or any act of passing-off.

Personal data

5. any actual or alleged processing, acquisition, storage, destruction, erasure, loss, alteration, disclosure, use of or access to **personal data**.

Confidential corporate information	6.	any actual or alleged negligent or intentional misuse, unauthorised disclosure, dissemination or improper use of corporate confidential information, including but not limited to trade secrets, financial data, client lists, marketing strategies, proprietary technology, or any other sensitive information which you are legally required to keep confidential.
Pollution	7.	<p>a. i. any pollution; or</p> <p>ii. any bodily injury or property damage directly or indirectly caused by any pollution, unless the pollution is caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the period of insurance; or</p> <p>b. any pollution occurring in the United States of America or Canada.</p>
Cyber incidents	8.	<p>or contributed to by, resulting from or in connection with any:</p> <p>a. cyber attack;</p> <p>b. hacker;</p> <p>c. social engineering communication;</p> <p>d. computer or digital technology error;</p> <p>e. any fear or threat of 8.a. to 8.c. above; or</p> <p>f. any action taken in controlling, preventing, suppressing, responding or in any way relating to 8.a. to 8.e. above.</p>
Professional advice	9.	<p>the provision or preparation of, or the failure to provide or prepare any:</p> <p>a. technical drawing, blueprint or plan;</p> <p>b. design, specification or formula;</p> <p>c. program or automated system; or</p> <p>d. instruction, training, direction or advice, by you or on your behalf.</p> <p>However, this exclusion does not apply to any accompanying printed safety advice relating to your products.</p>
Treatment, care, diagnosis or prescription	10.	<p>a. the provision of or failure to provide any treatment, remedy, therapy or care of a person or animal, other than the provision of first aid to a person in connection with your activities;</p> <p>b. the medical, dental or veterinary diagnosis of or failure to diagnose any person or animal;</p> <p>c. the prescription of or failure to prescribe any drug or medicine; or</p> <p>d. the administration of or failure to administer any drug, medicine, vaccination or any medical, dental or veterinary test.</p>
Tour operator's liability	11.	<p>any of your activities where you are deemed in law to be liable, solely as a result of:</p> <p>a. the Package Travel and Linked Travel Arrangements Regulations 2018;</p> <p>b. any similar or successor legislation; or</p> <p>c. any other legislation specifically imposing liability upon tour operators, travel agents, travel facilitators, travel organisers or similar organisations or activities.</p>
Product recall	12.	the costs of recalling, removing, repairing, reconditioning or replacing any product or any of its parts.
Your products	13.	<p>any products:</p> <p>a. classed as aircraft, drones, missiles, spacecraft or any other aerial device, including any associated ground support or control equipment;</p> <p>b. installed in aircraft, drones, missiles, spacecraft or any other aerial device, or which are used in connection with such items;</p> <p>c. used as tooling in the manufacture of aircraft, drones, missiles, spacecraft or any other aerial device, including ground-handling tools and equipment;</p>

	<ul style="list-style-type: none"> d. i. classed as; or ii. designed for use in and which affect the driving or riding capabilities of, any vehicle, scooter or cycle where such item has an integral source of power to enable movement or operation; e. designed for medical purposes and which are permanently implanted into the human body; or f. i. classed as cigarettes, e-cigarettes, cigars, e-cigars or vapes; or ii. which contain, use or are derived from tobacco or nicotine, including any related by-products.
Opioids	14. or contributed to by, resulting from or in connection with the use, sale, promotion, manufacture, supply, distribution, delivery, transport, transfer, possession or prescription of any opioid, opioid product or product derived from or containing opium or opiates.
Inefficacy	15. inefficacy.
Deliberate or reckless acts	16. any act, breach, omission or infringement you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore which could reasonably be expected to cause injury or damage to another party even if such injury or damage is of a different degree or type than could reasonably have been anticipated.
Placed personnel	17. the actions of any person supplied by you to a client under contract.
Railways and aircraft	18. the operation, maintenance or construction of any: <ul style="list-style-type: none"> a. railway, rail track, rail signalling or rolling stock; or b. aircraft, drone, missile, spacecraft or any other aerial device.
Contracts	19. your liability under any contract which is greater than the liability you would have at law without the contract.
Terrorism, civil commotion, war or nuclear	<p>20. or contributed to by, resulting from or in connection with any:</p> <ul style="list-style-type: none"> a. terrorism; b. civil commotion, strike or industrial action; c. war; d. nuclear risks; e. fear or threat of 20.a. to 20.d. above; or f. action taken in controlling, preventing, suppressing, responding or in any way relating to 20.a. to 20.e. above. <p>If there is any dispute between you and us over the application of 20.a. or 20.b. above, it will be for you to show that the exclusion does not apply.</p>
Confiscation	21. confiscation.
Asbestos	22. asbestos risks.
Perfluoroalkyl and polyfluoroalkyl substances	<p>23. or contributed to by, resulting from or in connection with any:</p> <ul style="list-style-type: none"> a. perfluoroalkyl or polyfluoroalkyl substances; b. any fear or threat of 23.a. above; or c. any action taken in controlling, preventing, suppressing, responding or in any way relating to 23.a. or 23.b. above.
	B. We will not make any payment for:
Restricted recovery	1. that part of any claim where your right of recovery is restricted by any contract.
Non-compensatory payments	2. any fines, penalties, punitive or exemplary damages, or compensation ordered or awarded by a criminal court.
Claims outside the applicable courts	3. any claim, including arbitration, brought outside the countries stated in the Applicable courts field of the Public and products liability section of your schedule. This also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or

award from outside the countries stated in the Applicable courts field of the Public and products liability section of **your** schedule.

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| Geographical limits | 4. any claim brought against you or representation costs arising from any: <ul style="list-style-type: none"> a. activities carried out by you or on your behalf; or b. bodily injury or property damage arising from any products which occurs, in any country outside the geographical limits. |
| Excess | 5. the amount of any excess . |

How much we will pay

We will pay up to the limit of indemnity stated in **your** schedule for each and every claim or loss, unless limited below or 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 claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid.

You must pay the amount of any **excess** stated in **your** schedule for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing breach of duty in connection with **your activities** will be regarded as one claim.

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| 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 such claims or their defence costs . |
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Special limits

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| Abuse or molestation | For claims brought against you for abuse or molestation , the most we will pay is the amount stated in your schedule for the total of all such claims and their defence costs . |
| Products | For claims arising from your products , the most we will pay is a single limit of indemnity for the total of all such claims and their defence costs . |
| Pollution | For claims arising from pollution , the most we will pay is a single limit of indemnity for the total of all such claims and their defence costs . The most we will pay for defence costs in relation to pollution claims is the amount stated in your schedule. |
| Claims brought against you in USA or Canada | If it is stated in your schedule that cover is provided for claims brought in the United States of America or Canada, the most we will pay is a single limit of indemnity for the total of all such claims and their defence costs . |
| Unauthorised use of third party telephones by your employees | The most we will pay for the total of all claims and their defence costs arising from the unauthorised use of a third party's telephone system is the amount stated in your schedule. |

Additional cover

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| Representation costs | The most we will pay for the total of all representation costs covered under this section of the policy is the amount stated in your schedule. |
| Court attendance compensation | The most we will pay for the total of all court attendance covered under this section of the policy is stated in your schedule. |

Your obligations

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| Notification of claims | A. We will not make any payment under this section unless you notify us : <ul style="list-style-type: none"> 1. as soon as possible and in any event within seven days of: <ul style="list-style-type: none"> a. a claim or anything which may give rise to a claim for or arising out of bodily injury or abuse or molestation; |
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- b. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any director, partner, trustee, committee member or **employee** has committed **abuse or molestation**; or
 - c. anything which may give rise to a request for **us** to pay representation costs under **What is covered, Additional cover**, Representation costs.
2. promptly of any other claim or anything which may give rise to any other claim against **you**, including **your** discovery that **your products** are defective.

At **our** request, **you** must confirm the facts in writing within 30 days with as much information as is available.

You should make this notification directly to **us** (and **your** insurance adviser, if **you** have one) as follows:

by email to: liability.claims@hiscox.com; or

by post to: UKSC Liability Claims, The Hiscox Building, Peasholme Green, York YO1 7PR.

Please ensure **you** quote **your** policy number.

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| Not admitting liability | B. 1. When dealing with your client or any third party, you must not admit that you are liable for what has happened or make any offer, deal or payment, unless you have our prior written agreement. |
| Our rights of recovery | 2. You must ensure that our rights of recovery against any third party, including but not limited to any subrogated rights of recovery, are not restricted or financially limited by any term in any contract or agreement into which you have entered, unless you have our prior agreement in writing. |
| Correcting problems | 3. You must take reasonable steps to remedy or rectify, at your expense, any defect or failure in the goods or services you have supplied to any client, customer or distributor. |

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with the conditions stated under **Your obligations**, B.1. to B.3. above, unless **you** can demonstrate that such non-compliance could not have increased the risk of the claim arising or the loss occurring or the amount of the claim or loss.

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

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:

1. not wholly covered by this section; or
2. 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 and 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**.

Employers' liability

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.

Special definitions for this section

Activities	<p>Any activities you have declared to us and which are stated in the Business field of your schedule.</p> <p>The following are also included where they are incidental to such activities:</p> <ol style="list-style-type: none">1. the maintenance of property or premises owned or occupied by you;2. the provision or management of:<ol style="list-style-type: none">a. canteen, social, sports, education or welfare organisations; orb. first aid or security services,for the benefit of your employees; or3. attendance at conferences and promotional events which directly relate to your activities within the geographical limits.
Bodily injury	Death or any bodily injury, illness, disease or mental injury.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Employee	<p>Any person working for you in connection with your activities who is:</p> <ol style="list-style-type: none">1. employed by you under a contract of service or apprenticeship;2. hired to or borrowed by you;3. self-employed and working on a labour-only basis under your control or supervision;4. engaged by labour-only sub-contractors;5. a labour master or a person supplied by them;6. engaged under a work experience or training scheme; or7. a voluntary worker engaged with your permission, <p>provided such person is:</p> <ol style="list-style-type: none">a. normally resident in the United Kingdom or the Republic of Ireland; orb. working for you in the United Kingdom for a continuous period of at least 14 consecutive days.
United Kingdom	The United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man.

What is covered

Claims against you	<p>If any employee brings a claim against you for bodily injury and such bodily injury:</p> <ol style="list-style-type: none">1. occurs during the period of insurance;2. arises out of their work for you in connection with your activities; and3. occurs within the geographical limits, <p>we will indemnify you against the sums you have to pay as compensation, including your liability for any claimants' legal costs and expenses.</p> <p>This includes any claim which is otherwise covered under this section where such claim arises from a cyber attack, a hacker or any computer or digital technology error.</p>
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The amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Claims against principals

If, as a result of **your activities**, any **employee** brings a claim which falls within the scope of **What is covered**, Claims against you, against any:

1. named third party as stated in the Employers' liability section of **your** schedule; or
2. other third party with whom **you** have entered into a contract or agreement in connection with **your activities**,

and **you** would have been liable for that claim had it been brought against **you**, **we** will treat such claim as if made against **you** and make the same payment to the party stated in 1 or 2 above which **we** would have made to **you**, provided that the party stated in 1 or 2 above:

- a. has not, in **our** reasonable opinion, caused or contributed to the claim against them;
- b. accepts that **we** can control the defence and settlement of the claim in accordance with the terms of this section;
- c. has not admitted liability or prejudiced the defence of the claim before we are notified of it; and
- d. gives **us** the information and co-operation **we** reasonably require for dealing with the claim.

Unsatisfied court judgments

If any **employee** obtains a judgment for damages following **bodily injury** against any company or individual operating from premises within the **United Kingdom** and that judgment remains unpaid for more than six months, **we** will pay to the **employee** at **your** request the amount of any unpaid damages and awarded costs provided that:

1. the **bodily injury** is caused during the **period of insurance** and arises out of and in the course of their employment in connection with **your activities**;
2. **we** would have covered **your** liability if **you** had caused the **bodily injury**;
3. there is no appeal outstanding; and
4. the **employee** assigns their judgment to **us**.

Additional cover

Representation costs

At **your** request, **we** will pay **your** reasonable costs to:

1. defend **you** or any **employee** if any governmental, administrative or regulatory body brings any criminal action against **you** or such **employee** for any breach of statute or regulation;
2. represent **you** or any **employee** at any properly constituted external investigation, inquiry or professional disciplinary proceeding, including representation at a coroner's inquest or equivalent; and
3. assist **you** or any **employee** in responding to a request made by a coroner or equivalent, the police or a member of the judiciary for documentation or other assistance,

within the **United Kingdom**. This includes any related appeal which **we** consider has reasonable prospects of success.

We will only pay these costs:

- a. if the costs relate directly to any actual or potential claim covered under this section;
- b. if the payment of such costs is likely, in **our** reasonable opinion, to reduce the amount of any actual or potential claim; and
- c. if **you** have **our** prior written agreement before such costs are incurred; and
- d. up to the date of any admission by or final adjudication against **you** or the relevant **employee** that any breach of statute or regulation occurred.

However, **we** will not in any event pay any representation costs for any **employee** bringing any claim against **you** under this section.

If **you** or any **employee** of **yours** has to attend court as a witness in connection with a claim against **you** which is covered under this section, **we** will pay **you** the compensation stated in **your** schedule for each day, or part of a day that their attendance is required by **us**.

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**.

We will not make any payment for:

1. any claim or part of a claim or loss directly or indirectly due to:
 - a. any act, breach or omission **you** deliberately or recklessly commit, condone or ignore. However, this exclusion will only apply to the extent permitted by the laws of the **United Kingdom** in relation to compulsory employers' liability insurance.
 - b. any **bodily injury** caused to any of **your employees** while they are offshore. An **employee** is regarded as being offshore from the moment they board any form of transport at the departure point for an offshore rig or platform until the moment they disembark on their return from the rig or platform;
 - c. any **bodily injury** to any **employee** while being carried in or upon, or entering or getting onto, or alighting from a vehicle as a passenger, for which insurance or security is required under any road traffic legislation; or
 - d. any **bodily injury** to any person supplied by **you** to a client under contract.
2. any fines, penalties, punitive or exemplary damages, or compensation ordered or awarded by a criminal court.
3. any claim, including arbitration, brought outside the countries stated in the Applicable courts field of the Employers' liability section of **your** schedule.

This also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the countries stated in the Applicable courts field of the Employers' liability section of **your** schedule.

For any claim, including arbitration, brought against **you** under this section by any **employee** normally resident in the Republic of Ireland, the countries stated in the Applicable courts field of the Employers' liability section of **your** schedule include the Republic of Ireland.

How much we will pay

We will pay up to the limit of indemnity stated in **your** schedule, including **defence costs**, unless limited below or in **your** schedule.

All claims, losses and **defence costs** relating to one or more **employees** which arise from the same original cause or source, or a repeated or continuing series of events will be regarded as one claim.

Special limits

War, terrorism and nuclear risks

The most **we** will pay for the total of all claims, losses and **defence costs** arising from **war**, **terrorism** and **nuclear risks** covered under this section is the amount stated in **your** schedule. If **we** decide that this limit applies to a claim in respect of **terrorism**, it is **your** responsibility to prove that the claim does not arise from **terrorism**.

Additional cover

Representation costs

The most **we** will pay for the total of all representation costs covered under this section of the **policy** is the amount stated in **your** schedule.

Court attendance compensation

The most **we** will pay for the total of all court attendances covered under this section of the **policy** is the amount stated in **your** schedule.

Your obligations

1. **You** must notify **us** as soon as possible and in any event within seven days of a claim or anything which may give rise to a claim under this section, including any request for **us** to

pay representation costs.

You should make this notification directly to **us** and **your** insurance adviser, if **you** have one, as follows:

by email to: liability.claims@hiscox.com; or

by post to: Hiscox Liability Claims, The Hiscox Building, Peasholme Green, York YO1 7PR.

Please ensure **you** quote **your** policy number.

At **our** request, **you** must confirm the facts in writing within 30 days with as much information as is available.

2. When dealing with **your employee** or a third party, **you** must not admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement.

If **you** do not comply with these obligations **we** may seek recovery from **you** of any payment **we** make under this section by an amount equal to the detriment that **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. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the claim. **We** may appoint **your** own solicitor but on a similar-fee basis as **our** solicitor and only for work done with **our** prior written approval. Proceedings will only be defended if there is a reasonable prospect of success and taking into account the commercial considerations of the costs of defence.

Compulsory insurance

This insurance is in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the **United Kingdom** or the Continental Shelf around these countries. **You** must repay all payments **we** make which **we** would not have been liable to pay in the absence of such law.

Employers' Liability Tracing Office

Your policy details will be added to the employers' liability database, managed by the Employers' Liability Tracing Office (ELTO). This data will be available for search by registered users as well as individual claimants on a limited basis, who wish to verify the employers' liability insurer of an employer at a particular point in time.

You can find out more:

1. from **your** insurance adviser, if **you** have one;
2. by contacting **us**; or
3. at www.elto.org.uk.

You must also provide **us** with the following information for each entity insured under this section of the **policy**:

- a. employer name;
- b. full address of employer including postcode; and
- c. HMRC Employer Reference Number (ERN).

If any insured entity does not have an ERN, **you** must confirm to **us** which of the following reasons applies:

- i. the entity has no employees;
- ii. all staff employed earn below the current Pay As You Earn (PAYE) threshold; or
- iii. the entity is not registered in England, Wales, Scotland or Northern Ireland.

You must inform **us** immediately of any changes to the above information.

Management liability – directors and officers’ liability

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 costs are included within the limit of indemnity.

Special definitions for this section

Applicable courts	The courts of competent jurisdiction and any persons, tribunals or other bodies with the legal power to determine a claim or investigation in those countries stated as the applicable courts in your schedule.
Acquired entity	Any entity acquired by you during the period of insurance that is: <ol style="list-style-type: none"> 1. domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and which performs the same business activities that you declared to us that you perform in the information provided to us before we agreed to insure you, other than any entity: <ol style="list-style-type: none"> a. which, prior to such acquisition, but within the period of insurance, has been the subject of a claim, investigation or loss with a value greater than the excess, which would have been covered by this policy; or b. that trades any of its securities on any United States of America exchange; or 2. domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and created or acquired during the period of insurance, which we have agreed to cover you for. We will consider providing cover under this section at our discretion if you provide us with all information that we request in relation to that entity. If we agree to provide cover we may amend the terms and conditions of this section for that entity and may charge a reasonable additional premium.
Bail costs	Costs incurred with our prior written agreement to pay for a bond or other financial instrument to guarantee an insured person's bail or equivalent in any other jurisdiction.
Bodily injury	Mental or emotional distress, sickness, disease, bodily injury or death suffered by anyone.
Claim	<ol style="list-style-type: none"> 1. Any written demand or civil, criminal, regulatory or arbitration proceeding first made against an insured person during the period of insurance alleging a wrongful act and seeking monetary damages or other legal relief or penalty. 2. Any extradition proceeding made against an insured person during the period of insurance.
Claim mitigation costs	Any reasonable and necessary: <ol style="list-style-type: none"> 1. costs, fees or expenses incurred by an insured person; or 2. payments made by an insured person, incurred with our prior written agreement, in order to: <ol style="list-style-type: none"> a. prevent or minimise the likelihood, if such steps were not taken, of a claim being brought against an insured person that would be covered by this section of your policy; or b. reduce the value of any such claim.
Data recovery costs	Any costs incurred to regain access to any data, personal data or computer or digital technology or to replace, restore, update or repair any data, personal data or computer or digital technology .

Data subject	Any natural person identified or identifiable by personal data .
Defence costs	<ol style="list-style-type: none"> 1. Reasonable costs, not including any overheads, additional costs or remuneration, incurred with our prior written agreement to investigate, settle or defend any claim made against an insured person or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any claim. 2. Emergency defence costs.
Deprivation of assets expenses	<p>The amounts which an insured person is contractually committed to pay for:</p> <ol style="list-style-type: none"> 1. school fees for the insured person's immediate family; 2. rent or mortgage payments on the insured person's principal residence, not including any mortgage overpayments; 3. utilities supplied to the insured person's principal residence; and 4. insurance premiums that are personal to the insured person and their immediate family.
Emergency defence costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, to investigate or defend any claim (other than an employment claim) made against an insured person , where it is not possible to obtain our prior written agreement, provided that you or the insured person notify us as soon as possible after such sums are incurred.
Emergency legal representation costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, to investigate or respond to any investigation , where it is not possible to obtain our prior written agreement, provided that you or the insured person notify us as soon as possible after such sums are incurred.
Employee	<ol style="list-style-type: none"> 1. Any person under a contract of service with you. 2. Any independent person seconded to you. 3. Any applicant or candidate for employment with you.
Employee contract benefits	<p>Any amounts awarded to an employee in respect of:</p> <ol style="list-style-type: none"> 1. remuneration, including incentives, bonus, commission, health benefits, holiday or notice pay, whether under statute or contract; 2. family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under contract or statute; 3. amounts due under an employee benefit or pension scheme; 4. share or stock options; 5. deferred compensation; or 6. equal pay or redundancy pay.
Employment claim	<p>Any claim by any employee for any actual or alleged:</p> <ol style="list-style-type: none"> 1. wrongful, unfair or constructive dismissal, discharge or termination of employment; 2. breach of written or implied contract of employment; 3. employment related misrepresentation; 4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation; 5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies; 6. retaliation; or 7. defamation or invasion of privacy, <p>arising solely as a result of the employment or non-employment by you of such employee.</p>
Extradition proceeding	Any proceeding commenced under the provisions of the United Kingdom Extradition Act 2003 or any similar or successor legislation in any other jurisdiction, including any associated appeals.



**Health and safety/
manslaughter claim**

Any **claim** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

**Health and safety/
manslaughter
investigation**

Any **investigation** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

Insured person

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

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

Investigation

An official examination, official inquiry or official investigation into **your business** activities, or into an **insured person**, arising from activities performed in their capacity as an **insured person**, first notified as being required during the **period of insurance** and conducted by any regulator, government department or other body legally empowered.

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

**Investigation mitigation
costs**

Any reasonable and necessary:

1. costs, fees or expenses incurred by an **insured person**; or
2. payments made by an **insured person**,

incurred with **our** prior written agreement, in order to:

- a. prevent or minimise the likelihood, if such steps were not taken, of an **investigation** being brought against an **insured person** that would be covered by this section of **your policy**; or
- b. reduce the value of any such **investigation**.

**Legal representation
costs**

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

Loss

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

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

This definition does not include any criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes (except for personal tax liability), **data recovery costs**, remuneration, **employee contract benefits**, or punitive, exemplary and multiplied damages in relation to an **employment claim**.

Outside entity

Any organisation other than **you**:

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

This definition does not include:

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

Pollution

Any actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any solid, liquid, gaseous or thermal contaminant or irritant, including, but not limited to, lead, smoke, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals or waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed), or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any such material.

Potential claim

Anything likely to lead to a **claim** covered under this section.

Potential investigation

Anything likely to lead to an **investigation** covered under this section.

Pre-investigation costs

Reasonable and necessary costs incurred by an **insured person** with **our** prior written agreement to notify a regulator, government department or other body legally empowered of any material breach, incident or event occurring within the **geographical limits** where such notice is obligatory and it is likely that a covered **investigation** will be brought as a result of the notification.

Prior and pending date

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

Property damage

The loss, damage or destruction of any tangible property including loss of use of such property.

Public relations expenses

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

Securities

Any debt or equity interest in **you**.

Subsidiaries

1. Any entity, wherever domiciled, in which **you**:
 - a. own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have or had the right to appoint or remove a majority of the entity's board of directors; or
 - b. control or controlled a majority of its voting rights under a written agreement with other shareholders or members,
 and provided always that:
 - i. such entity does not trade any of its securities on any United States of America exchange; and
 - ii. all material information relating to such entity, including any information **we** specifically requested, was fairly and accurately presented to **us** before **we** agreed to insure **you**; or

2. any **acquired entity**.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover under this section will continue but only for a **claim** alleging, or an **investigation** arising from, a **wrongful act** committed, attempted or proposed to be committed by an **insured person** before such entity ceased to be a **subsidiary** provided that this **policy** was in force at the time that such entity ceased to be a **subsidiary**.

If an entity ceased to be a **subsidiary** prior to the commencement of the **period of insurance**, cover under this section will apply only for a **claim** alleging, or an **investigation** arising from, a **wrongful act** committed, attempted or proposed to be committed by an **insured person** before such entity ceased to be a **subsidiary**.

Wrongful act

Any actual or alleged act, error or omission committed or attempted by an **insured person** arising from the performance of the **insured person's** duties solely in their capacity as a director, partner, member, officer or **employee** of:

1. **you**; or
2. for the purposes of the cover in **What is covered**, Outside entity, an **outside entity**, including:
 - a. breach of any duty, including fiduciary or statutory duty, breach of confidence;
 - b. breach of trust;
 - c. negligence, negligent misstatement, misleading statement or negligent misrepresentation;
 - d. defamation;
 - e. wrongful trading under Section 214 of the Insolvency Act 1986 or any similar or successor legislation, including its equivalent legislation in any other jurisdiction;
 - f. breach of warranty of authority; or
 - g. any other act, error or omission attempted or allegedly committed or attempted by an **insured person** solely because of their status as a director, partner, member, officer or **employee** of **you**.

You/your

Also includes any **subsidiaries**.

What is covered

1. Claims against an insured person

Losses including defence costs

Health and safety/
manslaughter

Pollution

Employment claims

Outside entity

Cyber incidents

- a. **We** will pay on behalf of any **insured person** the **loss** arising from a **claim** for any **wrongful act** within the **geographical limits**, including any:
 - i. **health and safety/manslaughter claim**;
 - ii. **claim** arising from **pollution**;
 - iii. **employment claim**. This cover does not apply if the **insured person** is covered under the **Management liability – employment practices liability** section of **your policy**;
 - iv. **claim** arising directly from any activity performed by an **insured person** in their capacity as a director or officer of an **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its directors, partners, members or officers or any other insurance available to such individuals for such **claim**; or
 - v. **claim** arising from the management of, or response to, any **cyber attack** or other cyber-related incident or event.

- Emergency defence costs** b. **We** will pay **emergency defence costs** in relation to a covered **claim**.
- Claim mitigation costs** c. **We** will also pay **claim mitigation costs** provided that any costs, fees or expenses incurred by the **insured person** and any payments made by the **insured person**, do not exceed the amount of **loss** that would be covered by this section of **your policy** if a **claim** had been brought against the **insured person**, or the special limit stated in **your** schedule, whichever is the lower.

2. Investigations

- Losses including legal representation costs** a. **We** will pay on behalf of any **insured person** the **loss** arising from an **investigation** arising from any **wrongful act** performed, taking place, or alleged to have taken place within the **geographical limits**, including any:
- Health and safety/ manslaughter i. **health and safety/ manslaughter investigation**;
- Pollution ii. **investigation** arising from **pollution**; or
- Outside entity iii. **investigation** arising directly from any activity performed by an **insured person** in their capacity as a director or officer of an **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its directors or officers or any other insurance available to such individuals for such **investigation**.
- Investigation mitigation costs** b. **We** will also pay **investigation mitigation costs** in relation to a covered **investigation**, provided that:
- i. where reasonably possible, the **insured person** obtained **our** prior written agreement before incurring such costs. Where it was not possible to obtain **our** prior written agreement, the **insured person** must notify **us** as soon as possible after such sums are incurred; and
- ii. **we** will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an **investigation** if not complied with.

We will not make any payment for any part of an **investigation** not covered by this section.

- Pre-investigation costs** c. **We** will pay **pre-investigation costs** in relation to a covered **investigation**.
- Emergency legal representation costs** d. **We** will pay **emergency legal representation costs** in relation to a covered **investigation**.

- 3. Entity reimbursement** **We** will pay on **your** behalf the **loss** which **you** are legally obliged or permitted to pay on behalf of an **insured person** arising from a covered **claim** or **investigation**. If **you** are permitted or obliged to provide such payment but fail to do so for any reason other than **your** insolvency, regardless of whether **you** advanced payment or indemnified an **insured person** for such **loss**, **we** will pay the amount of the **claim** or **investigation** less any relevant **excess**.

4. Additional covers

- Extradition proceedings a. **We** will pay on behalf of any **insured person**:
- i. the **loss** arising from any **extradition proceeding** against any **insured person** during the **period of insurance** arising from any **wrongful act**, act, incident or occurrence performed, taking place or alleged to have taken place within the **geographical limits**;
- Deprivation of assets expenses ii. their **deprivation of assets expenses**, if, as a direct result of a covered **claim** or **investigation**, an interim or interlocutory order:
- a. confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **insured person**; or
- b. creating a charge over real property or the personal assets of the **insured person**;

	is made, other than where the court has made an allowance for the insured person in respect of such sums;
Public relations expenses	iii. public relations expenses following a covered claim or investigation to mitigate the actual or potential adverse effect on their reputation by disseminating news of a final adjudication that absolved them of any fault. The insured person must obtain our prior written agreement before incurring such costs;
Bail costs	iv. bail costs arising from a covered claim or investigation ;
Personal tax liability	v. their liability occurring in the period of insurance within the geographical limits under any insolvency rules or insolvency legislation to pay your unpaid taxes following your insolvency, dissolution, administration or winding up, where such liability arises solely as a result of the insured person's status as your director, partner, member or officer;
Additional defence costs and legal representation costs	vi. additional defence costs and legal representation costs in the event that the limit of indemnity for this section is exhausted, provided that the insured person has previously not been the subject of a claim or investigation that led to the exhaustion of the limit of indemnity for this section. Where an insured person has been the subject of such a claim or investigation , any amount we will pay on behalf of that individual will be reduced by an amount equal to the amount of that claim or investigation or the part of that claim or investigation relating to such individual. We will only pay in excess of any other insurance available to such individuals.
Court attendance compensation	b. If any insured person has to attend court as a witness in connection with a claim or investigation covered under this section, we will pay you compensation for each day, or part of a day that their attendance is required by us .
Loss of data resulting from a cyber incident	c. We will pay on behalf of any insured person the loss arising from a claim against that insured person , including any claim by any data subjects relating to personal data , where any such claim is directly based upon, attributable to or arising from any loss or misuse of data as a direct result of a cyber attack or that insured person's own unintentional error in respect of the: i. creation, handling, entry, modification or maintenance of; or ii. on-going operation, maintenance (including but not limited to installation or patching) or development of, any computer or digital technology . We will not cover defence costs in relation to such claims .

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**.

We will not make any payment for any or any part of a **claim**, **loss**, **investigation**, or any other liability under this section:

- | | |
|------------------------------|---|
| Deliberate or dishonest acts | <p>1. against, incurred by or involving an insured person based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation; b. an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled; or c. an act intended to secure or which does secure a profit for any other company or entity to which that company or entity was not legally entitled, <p>where such act, omission or breach was committed or condoned by that insured person.</p> <p>However, this exclusion will only apply:</p> <ul style="list-style-type: none"> i. after a judgment or other final adjudication or an admission by the insured person that such act or omission did occur: or |
|------------------------------|---|

- ii. if **we** obtain an opinion from a mutually agreed King's Counsel (or equivalent in this or any other jurisdiction), that there is no realistic prospect of a court finding that an act or omission referred to in a. to c. above did not occur.

In the event of such finding, admission or opinion, the **insured person** must reimburse all payments made by **us** in relation to the corresponding **claim, loss or investigation**.

Prior claims and litigation	2.	based upon, attributable to or arising out of: <ul style="list-style-type: none"> a. anything that has been reported to and accepted under any policy existing or expired, before the start of the period of insurance; or b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an insured person, you or an outside entity, initiated before the prior and pending date.
Securities offerings	3.	based upon, attributable to or arising out of any claim or investigation in relation to any actual public offering of your securities . This exclusion does not apply to a failed public offering of your securities .
Claims brought by a related party in the United States of America	4.	based upon, attributable to or arising out of any claim brought or maintained by you , an outside entity or an insured person within or subject to the laws of the United States of America. This exclusion does not apply to: <ul style="list-style-type: none"> a. defence costs; b. any shareholder derivative proceedings brought in your name without your or any insured person's solicitation, assistance or participation; c. any claim brought by your liquidator, receiver or administrative receiver or similar body; d. any employment claim; e. any claim made by a former insured person; or f. any claim seeking a contribution or indemnity if such claim would otherwise be covered by this section.
Bodily injury and property damage	5.	for bodily injury or property damage . This exclusion does not apply to any cover provided under What is covered, Claims against an insured person , Health and safety/manslaughter or What is covered, Investigations , Health and safety/manslaughter. However, we will not in any event make any payment for any health and safety/manslaughter claim or health and safety/manslaughter investigation arising from: <ul style="list-style-type: none"> a. any claim for bodily injury brought by an injured party; or b. the use, ownership or possession of any motor vehicle in relation to which the insured person is obliged under any compulsory insurance law to maintain insurance.
Pollution clean-up costs	6.	based upon, attributable to or arising out of any: <ul style="list-style-type: none"> a. statutory, contractual or common law obligation you or an insured person have to clean up or remedy any pollution or contamination; or b. land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.
Change of control, including insolvency	7.	based upon, attributable to or arising out of any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place, after: <ul style="list-style-type: none"> a. you merge or consolidate with another company; or b. any party acquires: <ul style="list-style-type: none"> i. more than 50% of your issued share capital; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors.
Changes to subsidiaries	8.	based upon, attributable to or arising out of any wrongful act committed by an insured person , or any investigation or other liability first notified as being required:

- a. before the date of creation or acquisition by **you** of such **subsidiary**; or
 - b. after an entity ceases to be a **subsidiary**.
- Financial advantage 9. based upon, attributable to or arising out of the gaining of any financial advantage to which the **insured person** was not entitled, including the repayment of any wrongfully received monies.
- Pension or employee benefit schemes 10. based upon, attributable to or arising out of an **insured person's** operation or administration of any pension, retirement or superannuation scheme, profit sharing scheme, employee benefit scheme or trust fund.
- Claims outside the applicable courts 11. first brought outside the **applicable courts**.
This exclusion also applies to proceedings in the **applicable courts** to enforce, or which are based on, a judgment or award from outside the **applicable courts**.
- Cyber incidents 12. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any:
 - a. **cyber attack**;
 - b. **hacker**;
 - c. **social engineering communication**;
 - d. **computer or digital technology error**;
 - e. any fear or threat of a. to c. above;
 - f. any action taken in controlling, preventing, suppressing, responding or in any way relating to a. to e. above; or
 - g. **claims** by any **data subjects** relating to **personal data** arising from a. to d. above.

This exclusion does not apply to any **claim**:

 - i. covered under **What is covered, Claims against an insured person**, Cyber incidents;
 - ii. brought by **you**, any shareholder or creditor of **yours** or any **insured person**, directly due to the **insured person's** management of or response to, a. to d. above; or
 - iii. covered under **What is covered, Additional covers**, Loss of data resulting from a cyber incident.

In the event that i. and iii., or ii. and iii., apply to a **claim**, we will treat that **claim** as covered under **What is covered, Additional covers**, Loss of data resulting from a cyber incident. We will not cover **defence costs** in relation to such **claims**, and the special limit stated in **your** schedule will apply.
- Infrastructure failure 13. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any failure or interruption of service provided by an internet service provider, cloud service provider, telecommunications provider, utilities supplier or other infrastructure provider. However, this exclusion does not apply to any **claim** or **investigation** arising directly from the management of, or response to, any such incidents.
- Terrorism, civil commotion, war and nuclear 14. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any:
 - a. **terrorism**;
 - b. **civil commotion**;
 - c. **war**;
 - d. **nuclear risks**;
 - e. fear or threat of a. to d. above; or
 - f. any action taken in controlling preventing, suppressing, responding or in any way relating to a. to e. above.

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

Non-fiat/virtual currency	<p>15. based upon, attributable to or arising out of any:</p> <ul style="list-style-type: none"> 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 technology; or c. initial coin offering or any other form of fundraising in respect of any new currency.
Opioids	<p>16. based upon, attributable to or arising out of or directly or indirectly relating to any 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.</p>

Special conditions

Severability of information provided by an insured person	<p>All information which any insured person provided before we agreed to insure you will be considered as a separate application for each insured person and as such the knowledge of or any statement made by an insured person will not be imputed to any other insured person for the purposes of determining whether cover is available for any claim, investigation or any other liability against such other insured person.</p>						
Change of circumstances	<p>General conditions 3. and 4. of the General terms and conditions shall not apply to this section.</p>						
Payment of premium	<p>You agree to act on behalf of all the insured persons as regards paying the premium and giving or receiving notice of all matters relevant to this section.</p>						
Cancellation	<p>For the purposes of this section of your policy, General conditions 7., Cancellation, within the General terms and conditions is amended to read as follows:</p> <p>You can cancel the policy by giving 30 days' written notice to us. We can cancel the policy if the premium has not been paid in full by giving 30 days' written notice to you. Where the policy is cancelled we will give you a pro-rata refund of the premium for the remaining portion of the period of insurance after the effective date of cancellation for which you have already paid, provided that no claim, loss, investigation or other payment has been made under this section and no problem has been notified to us. However, we will not refund any premium under £20.</p> <p>If we have agreed that you can pay us the premium by instalments and we have not received an instalment 14 days after the due date, we may cancel the policy. In this event, the period of insurance will equate to the period for which premium instalments have been paid to us. We will confirm the cancellation and amended period of insurance to you in writing.</p>						
Severability of exclusions	<p>When determining the applicability of the exclusions within What is not covered, the wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place of one insured person shall not be imputed onto any other insured person who neither committed nor condoned such wrongful act, act, incident or occurrence.</p>						
Extended notification period	<p>If:</p> <ol style="list-style-type: none"> 1. we or you refuse to renew this section of your policy for any reason other than non-payment of premium, administration, liquidation or insolvency; or 2. you merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or the majority of your voting rights during the period of insurance, <p>you or any insured person may make a request to us in writing for an extended notification period, which will be granted at our sole discretion. If we agree to such request, the extended notification period will be granted in accordance with the options stated below:</p> <table> <tr> <td>One-year period</td><td>100% of the annual premium for this section</td></tr> <tr> <td>Three-year period</td><td>175% of the annual premium for this section</td></tr> <tr> <td>Six-year period</td><td>250% of the annual premium for this section</td></tr> </table>	One-year period	100% of the annual premium for this section	Three-year period	175% of the annual premium for this section	Six-year period	250% of the annual premium for this section
One-year period	100% of the annual premium for this section						
Three-year period	175% of the annual premium for this section						
Six-year period	250% of the annual premium for this section						



The premium for any extended notification period to which **we** agree must be paid to **us** within 90 days following the end of the **period of insurance**.

If **you** or an **insured person** does so:

1. **we** will cover an **insured person** for any covered **claim, loss** or **investigation** arising during the extended notification period, subject to the terms and conditions of this section. **We** will not cover any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place after the end of the original **period of insurance**; and
2. the first paragraph of 1.a. under **Your obligations** in this section will then be amended to:
unless **you** or any **insured person** notifies **us** as soon as reasonably practicable and within the **period of insurance** or the extended notification period of the following:

The limit of indemnity for any extended notification period will be part of and not in addition to the limit of indemnity stated in **your** schedule.

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

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

1. cover under this section is continued solely as a result of the former directors special condition or an extended notification period;
2. this section of **your policy** is replaced or succeeded by any other policy providing directors' and officers' liability cover; or
3. this section or **your policy** is cancelled, other than by **you** on an anniversary date.

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

Management buy-outs

If during the **period of insurance** the existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of **your policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place by any individual **insured person** subsequent to the buy-out.

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

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

Former directors

In the event that **you** do not renew or replace this section of **your policy**, and only in respect of any **insured person** who ceases to be a director, partner, member or officer of **you** prior to the date of non-renewal for reasons other than disqualification from holding such position or **your** insolvency, administration or liquidation, this section shall continue in force indefinitely from the date of non-renewal, provided that:

1. this section shall only apply to **claims** or **investigations** arising from any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place prior to the date that the **insured person** ceased to be a director, partner, member or officer of **you**;
2. no similar insurance is effected elsewhere; and
3. this section or **your policy** has not been cancelled, other than by **you** on an anniversary date.

How much we will pay

Each and every claim, loss or investigation	If your schedule states that the limit of indemnity applies to each and every claim, loss or investigation , including all costs, the most we will pay for each potential claim, claim, potential investigation, investigation , including defence costs and legal representation costs, losses and other covered liabilities 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, including all costs, the most we will pay for the total of all potential claims, claims, potential investigations, investigations , including their defence costs and legal representation costs, losses and other covered liabilities is the overall limit of indemnity stated in your schedule, irrespective of the number of potential claims, claims made, losses, potential investigations, investigations or other covered liabilities arising, unless limited below or in your schedule.
Excess	You must pay the relevant excess stated in your schedule.
Multiple claims from a single source	<p>If your schedule states that the limit of indemnity applies to each and every claim, loss or investigation, all potential claims, claims, losses, potential investigations, investigations or other covered liability which arise from:</p> <ol style="list-style-type: none"> 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, <p>will be treated as a single potential claim, claim, loss, potential investigation, investigation or other covered liability. You will pay a single excess and we will pay a maximum of a single limit of indemnity for these related potential claims, claims, losses, potential investigations, investigations or other covered liabilities. All of the notifications which are related will be considered as having been made on the date of the first notification to us.</p>
Paying out the limit of indemnity	At any stage of a claim, investigation , or any other covered liability, we can pay the insured person the applicable limit of indemnity or what remains after any earlier payment from that limit. We will then have no further liability for that claim, loss, investigation or any other covered liability.
Claims and losses under more than one cover	If the same claim, loss, investigation or other covered liability is insured under more than one cover under What is covered above, we will only make payment for that claim, loss, investigation or other covered liability under one of the covers, being the cover that is most advantageous for the insured person .
Special limits	<p>All special limits below are included within, and not in addition to, the limit of indemnity stated on your schedule.</p> <p>The most we will pay in total for each item below is the corresponding amount stated in your schedule, regardless of the number of claims, losses, investigations, or any other covered liabilities:</p>
Emergency defence costs	1. emergency defence costs;
Claim mitigation costs	2. claim mitigation costs;
Investigation mitigation costs	3. investigation mitigation costs;
Pre-investigation costs	4. pre-investigation costs;
Emergency legal representation costs	5. emergency legal representation costs;
Deprivation of assets expenses	6. deprivation of assets expenses;
Public relations expenses	7. public relations expenses;

Bail costs	8. bail costs;
Personal tax liability	9. cover under What is covered, Additional covers , Personal tax liability;
Court attendance compensation	10. court attendance compensation, including any court attendance compensation payable under any Management liability sections of your policy ; and
Loss of data resulting from a cyber incident	11. cover under What is covered, Additional covers , Loss of data resulting from a cyber incident.
Additional cover	The limit below is in addition to the limit of indemnity stated on your schedule.
Additional defence costs and legal representation costs	The most we will pay in total for all defence costs and legal representation costs under What is covered, Additional covers , Additional defence costs and legal representation costs, is the amount stated in your schedule, regardless of the number of claims and investigations .

Your obligations

Notification	<ol style="list-style-type: none"> We will not make any payment under this section: <ol style="list-style-type: none"> unless you or any insured person notifies us as soon as reasonably practicable of the following within the period of insurance or at the latest within 90 days after it expires in respect of any problem you or such insured person becomes aware of within the 30 days before expiry: <ol style="list-style-type: none"> the insured person's first awareness of any wrongful act that is likely to lead to a claim; any claim or potential claim against an insured person; any investigation, including a potential investigation, into you or an insured person; the threat or commencement of any disqualification proceedings against any insured person; or the insured person's first awareness of any act, omission or occurrence that is likely to lead to any other covered liability, to any insured person if, prior to the period of insurance, such insured person had knowledge of a material misstatement in or omission from the information provided to us upon which we agreed to insure you. When dealing with a third party, you or the insured person must not admit that you or the insured person are liable for what has happened, or make any offer, deal or payment without our prior written agreement. If you or an insured person does, we may reduce any payment we make under your policy by an amount equal to the detriment we have suffered as a result.
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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 or the name of any insured person, the investigation, settlement, mitigation or defence of any claim, loss, investigation or other liability.</p> <p>You or any insured person must give us the information and co-operation which we may reasonably require and take all reasonable steps to mitigate or defend any claim, loss, investigation or other liability. You or any insured person should not do anything which may prejudice our position.</p>
Appointment of legal representation	We have the right, but not the obligation, to select and appoint an adjuster, lawyer, cyber security consultant, forensic investigator, PR consultant or any other appropriate person of our choosing to deal with the claim, loss, investigation or other liability.
Partially covered claims	We will not pay any part of a claim, loss, investigation or other liability or any associated costs or expenses which are not covered by this section.

If a **claim, loss, investigation** or other liability is made which:

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

then at the outset, **we** and **you** agree to use best efforts to determine a fair allocation of covered and non-covered parts of any **claim, loss, investigation** or other liability or associated costs and expenses, including **defence costs** on the basis of the relative legal and financial exposures.

Advancement of
defence costs and legal
representation costs

We will pay **defence costs, legal representation costs** and costs or expenses associated with a **loss** or any other liability covered by this section on an ongoing basis prior to the final resolution. However, **we** will not pay any **defence costs, legal representation costs**, costs or expenses in connection with any **claim, loss, investigation** or other liability or partial **claim, loss, investigation** or other liability which is not covered under this section. **You** or any **insured person** must reimburse **us** for any **defence costs, legal representation costs**, costs or expenses paid where it is determined there is no entitlement to cover under this section.

Payment of full limit
of indemnity

We have no further duty to indemnify **you** or any **insured person** against any **claim, loss, investigation** or other liability under this section where **we** pay **you** or any **insured person** 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, investigation** or **loss**.

Disputes

For the purposes of **Control of defence** in this section of **your 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 or mitigation of a **claim, loss, investigation** or other liability or as to the fair allocation of any partially covered **claim, loss, investigation** or other liability and any associated costs or expenses, 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 will be binding on **us** and **you** and any **insured person** in relation to matters referred under this clause. The costs of such opinion will be met by **us**.

Management liability – corporate legal liability

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 costs are included within the limit of indemnity.

Special definitions for this section

Applicable courts	The courts of competent jurisdiction and any persons, tribunals or other bodies with the legal power to determine a claim or investigation in those countries stated as the applicable courts in your schedule.
Acquired entity	<p>Any entity acquired by you during the period of insurance that is:</p> <ol style="list-style-type: none"> 1. domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and which performs the same business activities that you declared to us that you perform in the information provided to us before we agreed to insure you, other than any entity: <ol style="list-style-type: none"> a. which, prior to such acquisition, but within the period of insurance, has been the subject of a claim, investigation or loss with a value greater than the excess, which would have been covered by this policy; or b. that trades any of its securities on any United States of America exchange; or 2. domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and created or acquired during the period of insurance, which we have agreed to cover you for. We will consider providing cover under this section at our discretion if you provide us with all information that we request in relation to that entity. If we agree to provide cover we may amend the terms and conditions of this section for that entity and may charge a reasonable additional premium.
Bodily injury	Mental or emotional distress, sickness, disease, bodily injury or death suffered by anyone.
Claim	Any written demand or civil, criminal, regulatory or arbitration proceeding first made against you during the period of insurance alleging a wrongful act and seeking monetary damages or other legal relief or penalty.
Claim mitigation costs	<p>Any reasonable and necessary:</p> <ol style="list-style-type: none"> 1. costs, fees or expenses incurred by you; or 2. payments made by you, <p>incurred with our prior written agreement, in order to:</p> <ol style="list-style-type: none"> a. prevent or minimise the likelihood, if such steps were not taken, of a claim being brought against you that would be covered by this section of your policy; or b. reduce the value of any such claim.
Data recovery costs	Any costs incurred to regain access to any data, personal data or computer or digital technology or to replace, restore, update or repair any data, personal data or computer or digital technology .
Data subject	Any natural person identified or identifiable by personal data .
Defence costs	<ol style="list-style-type: none"> 1. Reasonable costs, not including any overheads, additional costs or remuneration, incurred with our prior written agreement to investigate, settle or defend any claim made against you or to fund an appeal, including any premium paid for an appeal

bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any **claim**.

2. **Emergency defence costs.**

Emergency defence costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, to investigate or defend any claim , where it is not possible to obtain our prior written agreement, provided that you notify us as soon as possible after such sums are incurred.
Emergency legal representation costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, to investigate or respond to any investigation , where it is not possible to obtain our prior written agreement, provided that you notify us as soon as possible after such sums are incurred.
Employee	<ol style="list-style-type: none"> 1. Any person under a contract of service with you. 2. Any independent person seconded to you. 3. Any applicant or candidate for employment with you.
Employee dishonesty loss	Your direct financial loss discovered during the period of insurance in the performance of your business within the geographical limits , arising from the dishonesty of an employee , where there was a clear intention to cause you financial loss or damage and to obtain a personal financial gain in addition to salary, bonus or commission.
Employment claim	<p>Any claim by any employee for any actual or alleged:</p> <ol style="list-style-type: none"> 1. wrongful, unfair or constructive dismissal, discharge or termination of employment; 2. breach of written or implied contract of employment; 3. employment related misrepresentation; 4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation; 5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies; 6. retaliation; or 7. defamation or invasion of privacy; <p>arising solely as a result of the employment or non-employment by you of such employee.</p>
Health and safety/ manslaughter claim	Any claim under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.
Health and safety/ manslaughter investigation	Any investigation under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.
Identity crime	An agreement entered into by any third party representing themselves as you .
Investigation	<p>An official examination, official inquiry or official investigation into you first notified as being required during the period of insurance and conducted by any regulator, government department or other body legally empowered.</p> <p>This definition does not include any routine regulatory supervision, inquiry or compliance review, any internal investigation or any investigation or inquiry into the business activities of your industry which is not solely related to your conduct.</p>
Investigation mitigation costs	<p>Any reasonable and necessary:</p> <ol style="list-style-type: none"> 1. costs, fees or expenses incurred by you; or 2. payments made by you, <p>incurred with our prior written agreement, in order to:</p> <ol style="list-style-type: none"> a. prevent or minimise the likelihood, if such steps were not taken, of an investigation being brought against you that would be covered by this section of your policy; or b. reduce the value of any such investigation.

Legal representation costs	<ol style="list-style-type: none"> 1. Reasonable and necessary legal costs, fees or expenses, not including any overheads, additional costs or remuneration, for which you are legally liable, incurred with our prior written agreement for legal representation directly in relation to an investigation. 2. Emergency legal representation costs.
Loss	<p>In respect of a claim or investigation the amount you become legally liable to pay, including following a settlement entered into with our prior written agreement, for:</p> <ol style="list-style-type: none"> 1. awards of damages, including punitive, exemplary and multiplied damages, and civil fines and penalties if insurable in the jurisdiction where such award was first ordered; 2. claimants' legal costs and expenses; 3. defence costs and legal representation costs; and 4. public relations expenses. <p>This definition does not include any criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes, data recovery costs or remuneration.</p>
Pollution	Any actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any solid, liquid, gaseous or thermal contaminant or irritant, including, but not limited to, lead, smoke, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals or waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed), or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any such material.
Potential claim	Anything likely to lead to a claim covered under this section.
Potential investigation	Anything likely to lead to an investigation covered under this section.
Pre-investigation costs	Reasonable and necessary costs incurred by you with our prior written agreement to notify a regulator, government department or other body legally empowered of any material breach, incident or event occurring within the geographical limits where such notice is obligatory and it is likely that a covered investigation will be brought as a result of the notification.
Prior and pending date	The date on which you first purchased corporate legal liability or other equivalent entity insurance that has run continuously without a break in cover. If during such period you have merged or consolidated with another company or entity, or any party has acquired more than 50% of your issued share capital or the majority of your voting rights, the 'prior and pending date' will be the date of such merger, consolidation or acquisition.
Property damage	The loss, damage or destruction of any tangible property including loss of use of such property.
Public relations expenses	The reasonable and necessary costs incurred with our prior written agreement in utilising the services of a public relations consultant.
Relevant person	<ol style="list-style-type: none"> 1. Any natural person who was, is, or during the period of insurance becomes a director, partner, member or officer of you. 2. Any de facto director of you whilst acting in such capacity for you. 3. Any shadow director as defined under Section 251 of the Companies Act 2006 or any similar or successor legislation in any other jurisdiction. 4. Any employee. 5. The lawful spouse, civil or unmarried partner of any person in 1. to 4., but only in respect of any claim or investigation against that person which has arisen solely because of their spousal, civil or unmarried partner relationship with a person listed in 1. to 4. above. 6. The estates, heirs or legal representatives of any person in 1. to 5. above who has died or become incapacitated, insolvent or bankrupt but only in respect of a claim or investigation against that person. <p>This definition does not include any external auditor or any liquidator, receiver, administrative receiver or other insolvency practitioner or officer of you or your assets.</p>
Securities	Any debt or equity interest in you .

Subsidiaries

1. Any entity, wherever domiciled, in which **you**:
 - a. own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have or had the right to appoint or remove a majority of the entity's board of directors; or
 - b. control or controlled a majority of its voting rights under a written agreement with other shareholders or members,
 and provided always that:
 - i. such entity does not trade any of its securities on any United States of America exchange; and
 - ii. all material information relating to such entity, including any information **we** specifically requested, was fairly and accurately presented to **us** before **we** agreed to insure **you**; or
2. any **acquired entity**.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover under this section will continue but only for a **claim** alleging, or an **investigation** arising from a **wrongful act** committed, attempted or proposed to be committed by **you** before such entity ceased to be a **subsidiary** provided that this **policy** was in force at the time that such entity ceased to be a **subsidiary**.

If an entity ceased to be a **subsidiary** prior to the commencement of the **period of insurance**, cover under this section will apply only for a **claim** alleging, or an **investigation** arising from, a **wrongful act** committed, attempted or proposed to be committed by **you** before such entity ceased to be a **subsidiary**.

Wrongful act

Any actual or alleged act, error or omission committed or attempted by **you** including:

1. breach of any duty, including fiduciary or statutory duty, breach of confidence or data loss;
2. breach of trust;
3. negligence, negligent misstatement, misleading statement or negligent misrepresentation;
4. breach of warranty of authority; or
5. any other act, error or omission attempted or allegedly committed or attempted by **you**.

You/your

Also includes any **subsidiaries**.

What is covered

1. Claims against you

Losses including defence costs

Health and safety/
manslaughter

Shareholder pollution claims

Cyber incidents

Identity crime

Taxation

Defence costs only

- a. **We** will pay on **your** behalf the **loss** arising from a **claim** for any **wrongful act** within the **geographical limits**, including any:
 - i. **health and safety/manslaughter claim**;
 - ii. **claim** arising from **pollution** brought by any shareholder of **yours** either directly or derivatively;
 - iii. **claim** arising from the management of, or response to, any **cyber attack** or other cyber-related incident or event;
 - iv. **claim** arising from **identity crime**; or
 - v. **claim** arising from **your** failure to comply with any taxation regulations.
- b. **We** will pay on **your** behalf the **defence costs** only arising from a **claim** against **you** for any **wrongful act** within the **geographical limits**:

Pollution	i.	arising from pollution , other than for a claim brought by any shareholder of yours either directly or derivatively.
Emergency defence costs	c.	We will pay emergency defence costs in relation to a covered claim .
Claim mitigation costs	d.	We will also pay claim mitigation costs provided that any costs, fees or expenses incurred by you and any payments made you , do not exceed the amount of loss that would be covered by this section of your policy if a claim had been brought against you , or the special limit stated in your schedule, whichever is the lower.

2. Investigations

Losses including legal representation costs	a.	We will pay on your behalf the loss arising from an investigation arising from any wrongful act performed, taking place, or alleged to have taken place within the geographical limits , including any:
Health and safety/manslaughter	i.	health and safety/manslaughter investigation ;
Pollution	ii.	investigation arising from pollution ; or
Taxation	iii.	investigation arising from your failure to comply with any taxation regulations; or
Investigation mitigation costs	b.	We will also pay investigation mitigation costs in relation to a covered investigation , provided that: <ul style="list-style-type: none"> i. where reasonably possible, you obtained our prior written agreement before incurring such costs. Where it was not possible to obtain our prior written agreement, you must notify us as soon as possible after such sums are incurred; and ii. we will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an investigation if not complied with. We will not make any payment for any part of an investigation not covered by this section.
Pre-investigation costs	c.	We will pay pre-investigation costs in relation to a covered investigation .
Emergency legal representation costs	d.	We will pay emergency legal representation costs in relation to a covered investigation .

3. Additional covers

Public relations expenses	a.	We will pay public relations expenses on your behalf following a covered claim or investigation which, without the incurrence of public relations expenses , would in the reasonable opinion of your Chief Financial Officer or equivalent be likely to result in the imminent reduction in your gross annual revenue of more than 20%, by reference to your most recent financial forecast. You must obtain our prior written agreement before incurring such costs.
Court attendance compensation	b.	If any relevant person has to attend court as a witness in connection with a claim or investigation covered under this section, we will pay you compensation for each day, or part of a day that their attendance is required by us .
Dishonesty of employees	c.	We will pay your employee dishonesty loss .
Loss of documents	d.	If during the period of insurance any tangible document of yours which is necessary for the performance of your business is physically lost, damaged or destroyed while in your possession within the geographical limits , we will pay the reasonable expenses you incur with our prior written agreement in restoring or replacing it.

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 or any part of a **claim**, **loss**, **investigation**, or any other liability under this section:

Deliberate or dishonest acts	<p>1. against, incurred by or involving you based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation; b. an act intended to secure or which does secure profit or advantage to which the individual concerned is not legally entitled; or c. an act intended to secure or which does secure a profit for any other company or entity to which the company or entity was not legally entitled, <p>where such act, omission or breach was committed or condoned by you or any individual who falls within paragraphs 1. to 3. of the definition of relevant person.</p> <p>However, this exclusion will only apply:</p> <ul style="list-style-type: none"> i. after a judgment or other final adjudication or an admission by you or the relevant person that such act or omission did occur: or ii. if we obtain an opinion from a mutually agreed King's Counsel (or equivalent in this or any other jurisdiction), that there is no realistic prospect of a court finding that an act or omission referred to in a. to c. above did not occur. <p>In the event of such finding, admission or opinion, you must reimburse all payments made by us in relation to the corresponding claim, loss or investigation.</p>
Prior claims and litigation	<p>2. based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. anything that has been reported to and accepted under any policy existing or expired, before the start of the period of insurance; or b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving a relevant person or you, initiated before the prior and pending date.
Defamation	<p>3. based upon, attributable to or arising out of defamation.</p>
Claims by you or a relevant person	<p>4. based upon, attributable to or arising out of any claim brought or maintained by:</p> <ul style="list-style-type: none"> a. you; or b. a relevant person within or subject to the laws of the United States of America. <p>This exclusion does not apply to:</p> <ul style="list-style-type: none"> i. defence costs; ii. any shareholder derivative proceedings brought in your name without your or any relevant person's solicitation, assistance or participation; iii. any claim brought by your liquidator, receiver or administrative receiver or similar body; or iv. any claim seeking a contribution or indemnity if such claim would otherwise be covered by this section.
Bodily injury and property damage	<p>5. for bodily injury or property damage. This exclusion does not apply to any:</p> <ul style="list-style-type: none"> a. cover provided under What is covered, Claims against you, Health and safety/manslaughter or What is covered, Investigations, Health and safety/manslaughter. However, we will not in any event make any payment for any health and safety/manslaughter claim or health and safety/manslaughter investigation arising from: <ul style="list-style-type: none"> i. any claim for bodily injury brought by an injured party; or ii. the use, ownership or possession of any motor vehicle in relation to which you are obliged under any compulsory insurance law to maintain insurance; or b. loss directly arising from any tangible document where covered under What is covered, Additional covers, Loss of documents.

Pollution clean-up costs	6.	based upon, attributable to or arising out of any: <ul style="list-style-type: none"> a. statutory, contractual or common law obligation you have to clean up or remedy any pollution or contamination; or b. land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.
Change of control, including insolvency	7.	based upon, attributable to or arising out of any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place, after: <ul style="list-style-type: none"> a. you merge or consolidate with another company; or b. any party acquires: <ul style="list-style-type: none"> i. more than 50% of your issued share capital; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors.
Changes to subsidiaries	8.	based upon, attributable to or arising out of any wrongful act or any investigation or other liability first notified as being required: <ul style="list-style-type: none"> a. before the date of creation or acquisition by you of such subsidiary; or b. after an entity ceases to be a subsidiary.
Financial advantage	9.	based upon, attributable to or arising out of the gaining of any financial advantage to which the you were not entitled, including the repayment of any wrongfully received monies.
Pension or employee benefit schemes	10.	based upon, attributable to or arising out of your : <ul style="list-style-type: none"> a. operation or administration of any pension, retirement or superannuation scheme, profit sharing scheme, employee benefit scheme or trust fund; or b. failure to fund any pension, employee benefit scheme or trust fund.
Employment claims	11.	based upon, attributable to or arising out of any employment claim .
Products	12.	based upon, attributable to or arising out of the manufacture, sale, supply, installation or maintenance of any product.
Medical services	13.	based upon, attributable to or arising out of the provision of or failure to provide any medical services required in the treatment or care of any person.
Securities offerings	14.	based upon, attributable to or arising out of any claim or investigation in relation to any actual public offering of your securities .
Infringement of intellectual property	15.	based upon, attributable to or arising out any actual or alleged infringement, including but not limited to: <ul style="list-style-type: none"> a. use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret; b. infringement of copyright, trademark, trademark dilution, trade dress, publicity rights, moral rights or design rights; c. cyber-squatting violations; d. any act of passing-off; e. plagiarism, including the unauthorised use or reproduction of text, ideas, creative works or other intellectual property without proper acknowledgment; f. misappropriation of formats, characters, trade names, character names, titles, plots, musical compositions, voices, slogans, graphic material or artwork; or g. intellectual property right or registered design.

Contractual liability	16. based upon, attributable to or arising out of any claim or investigation in respect of a breach of contract, whether actual or implied, written or oral which is greater than the liability you would have at law without the contract.
Market fluctuation	17. based upon, attributable to or arising out of any market trends or fluctuations over which you or any relevant person have no control.
Anti-competitive practices	18. based upon, attributable to or arising out of any breach of anti-competition laws or regulations.
Breach of professional duty	19. based upon, attributable to or arising out of any breach or failure to provide professional duties or services or other duties or services to a customer or client or any wrongful act , act, incident or occurrence performed, taking place or alleged to have taken place solely as a result of your professional duties or services. This exclusion does not apply to any cover under What is covered, Claims against you , Health and safety/manslaughter. However, we will not in any event cover any claim for bodily injury brought by an injured party.
Claims outside the applicable courts	20. first brought outside the applicable courts . This exclusion also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts .
Defence costs only	21. other than defence costs for any claim covered under What is covered, Claims against you, Defence costs only .
Cyber incidents	22. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any: <ul style="list-style-type: none"> a. cyber attack; b. hacker; c. social engineering communication; d. computer or digital technology error; e. any fear or threat of a. to c. above; or f. any action taken in controlling, preventing, suppressing, responding or in any way relating to a. to e. above. <p>This exclusion does not apply to any claim brought by any shareholder or creditor of you either directly or derivatively, directly due to your management of or response to a. to d. above. However, we will not, in any event, make any payment for any claims by data subjects relating to personal data arising from a. to d. above.</p>
Infrastructure failure	23. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any failure or interruption of service provided by an internet service provider, cloud service provider, telecommunications provider, utilities supplier or other infrastructure provider. However, this exclusion does not apply to any claim or investigation arising directly from the management of, or response to, any such incidents.
Personal data claims	24. where any claim is brought by a data subject arising from the processing, acquisition, destruction, loss, alteration, disclosure, use of or access to personal data and which arises: <ul style="list-style-type: none"> a. from your breach of duty to that data subject; or b. in the performance of your business activities.
Terrorism, civil commotion, war and nuclear	25. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any: <ul style="list-style-type: none"> a. terrorism; b. civil commotion; c. war;

- d. **nuclear risks**;
- e. fear or threat of a. to d. above; or
- f. any action taken in controlling preventing, suppressing, responding or in any way relating to a. to e. above.

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

Non-fiat/virtual currency	<p>26. based upon, attributable to or arising out of any:</p> <ul style="list-style-type: none"> 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 technology; or c. initial coin offering or any other form of fundraising in respect of any new currency.
Opioids	<p>27. based upon, attributable to or arising out of or directly or indirectly relating to any 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.</p>
Matters specific to dishonesty of employees	<p>B. We will not make any payment under What is covered, Additional covers, Dishonesty of employees for any employee dishonesty loss based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> 1. any accounting or arithmetical error or omission or unexplained shortage; 2. any default or non-payment of any loan or other credit arrangement; 3. your or any relevant person's expenses incurred in establishing the amount of any financial loss; 4. any loss of interest, loss of profit or any any indirect losses which result from the incident which caused you to claim; or 5. any act, breach, omission or infringement deliberately, spitefully, dishonestly or recklessly committed, condoned or ignored by any director, officer or partner of yours.

Special conditions

Extended notification period	<p>If:</p> <ul style="list-style-type: none"> 1. we or you refuse to renew this section of your policy for any reason other than non-payment of premium, administration, liquidation or insolvency; or 2. you merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or the majority of your voting rights during the period of insurance, <p>you may make a request to us in writing for an extended notification period, which will be granted at our sole discretion. If we agree to such request, the extended notification period will be granted in accordance with the options stated below:</p> <table> <tr> <td>One-year period</td><td>100% of the annual premium for this section</td></tr> <tr> <td>Three-year period</td><td>175% of the annual premium for this section</td></tr> <tr> <td>Six-year period</td><td>250% of the annual premium for this section</td></tr> </table> <p>If we agree to grant you an extended notification period, this section will remain in force but only in respect of any covered claim, loss, investigation or any other covered liability arising from any wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place before the end of the original period of insurance.</p> <p>This extended notification period is only available if we receive written notice of purchase from you and the premium is paid to us within 90 days following the end of the period of insurance.</p>	One-year period	100% of the annual premium for this section	Three-year period	175% of the annual premium for this section	Six-year period	250% of the annual premium for this section
One-year period	100% of the annual premium for this section						
Three-year period	175% of the annual premium for this section						
Six-year period	250% of the annual premium for this section						

If **you** do so, the first paragraph of 1.a. under **Your obligations** in this section will then be amended to:

- a. unless **you** notify **us** as soon as reasonably practicable of the following, and within the **period of insurance** or the extended notification period:

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity stated in **your** schedule.

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

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

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

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

Management buy-outs

If during the **period of insurance** the existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place subsequent to the buy-out.

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

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

How much we will pay

Each and every claim, loss or investigation

If **your** schedule states that the limit of indemnity applies to each and every **claim, loss or investigation**, including all costs, the most **we** will pay for each **potential claim, claim, potential investigation, investigation**, including **defence costs** and **legal representation costs, losses** and other covered liabilities 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, including all costs, the most **we** will pay for the total of all **potential claims, claims, potential investigations, investigations**, including their **defence costs** and **legal representation costs, losses** and other covered liabilities is the overall limit of indemnity stated in **your** schedule, irrespective of the number of **potential claims, claims** made, **losses, potential investigations, investigations** or other covered liabilities arising, unless limited below or in **your** schedule.

Excess

You must pay the relevant **excess** stated in **your** schedule.

Multiple claims from a single source

If **your** schedule states that the limit of indemnity applies to each and every **claim, loss or investigation**, all **potential claims, claims, losses, potential investigations, investigations** or other covered liability 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 **potential claim, claim, loss, potential investigation, investigation** or other covered liability. **You** will pay a single **excess** and **we** will pay a maximum of a single limit of indemnity for these related **potential claims, claims, losses, potential investigations,**

	<p>investigations or other covered liabilities. All of the notifications which are related will be considered as having been made on the date of the first notification to us.</p>
Paying out the limit of indemnity	<p>At any stage of a claim, investigation, or any other covered liability we can pay you the applicable limit of indemnity or what remains after any earlier payment from that limit. We will then have no further liability for that claim, loss, investigation or any other covered liability.</p>
Claims and losses under more than one cover	<p>If the same claim, loss, investigation or other covered liability is insured under more than one cover under What is covered above, we will only make payment for that claim, loss, investigation or other covered liability under one of the covers, being the cover that is most advantageous for relevant person.</p>
Dishonesty of employees	<p>When we settle employee dishonesty loss under What is covered, Additional covers, Dishonesty of employees, for losses perpetrated by any individual or group of individuals who own or control any shares in you or who are entitled to participate in your profits, the amount we pay will be reduced by proportion to such person or persons' share in your business or entitlement to participate in your profits.</p>
Special limits	<p>All special limits below are included within, and not in addition to, the limit of indemnity stated on your schedule.</p> <p>The most we will pay in total for each item below is the corresponding amount stated in your schedule, regardless of the number of claims, losses, investigations or other covered liabilities:</p>
Pollution defence costs and legal representation costs	<p>1. defence costs under What is covered, Claims against you, Defence costs only, Pollution and cover under What is covered, Investigations, Losses including legal representation costs, Pollution. This limit does not apply to shareholder pollution claims;</p>
Emergency defence costs	<p>2. emergency defence costs;</p>
Claim mitigation costs	<p>3. claim mitigation costs;</p>
Investigation mitigation costs	<p>4. investigation mitigation costs;</p>
Pre-investigation costs	<p>5. pre-investigation costs;</p>
Emergency legal representation costs	<p>6. emergency legal representation costs;</p>
Public relations expenses	<p>7. public relations expenses;</p>
Court attendance compensation	<p>8. court attendance compensation, including any court attendance compensation payable under any Management liability section of this policy;</p>
Dishonesty of employees	<p>9. employee dishonesty loss under What is covered, Additional covers, Dishonesty of employees; and</p>
Loss of documents	<p>10. losses under What is covered, Additional covers, Loss of documents.</p>

Your obligations

Notification	<p>1. We will not make any payment under this section:</p> <p>a. unless you notify us as soon as reasonably practicable of the following within the period of insurance or at the latest within 90 days after it expires in respect of any problem you become aware of within the 30 days before expiry:</p> <ul style="list-style-type: none"> i. your first awareness of any wrongful act that is likely to lead to a claim; ii. any claim or potential claim against you; iii. any investigation, including any potential investigation, into you; or iv. your first awareness of any act, omission or occurrence that is likely to lead to any other covered liability.
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2. When dealing with a third party, **you** must not admit that **you** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** do, **we** may reduce any payment **we** make under **your policy** by an amount equal to the detriment **we** have suffered as a result.

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, mitigation or defence of any claim, loss, investigation or other liability.</p> <p>You must give us the information and co-operation which we may reasonably require and take all reasonable steps to mitigate or defend any claim, loss, investigation or other liability. 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, cyber security consultant, forensic investigator, PR consultant or any other appropriate person of our choosing to deal with the claim, loss, investigation or other liability.</p>
Partially covered claims	<p>We will not pay any part of a claim, loss, investigation or other liability or any associated costs or expenses which are not covered by this section.</p> <p>If a claim, loss, investigation or other liability is made which:</p> <ol style="list-style-type: none"> 1. is not wholly covered by this section; or 2. is brought against you and any other party who is not covered under this section, <p>then at the outset, we and you agree to use best efforts to determine a fair allocation of covered and non-covered parts of any claim, loss, investigation or other liability or associated costs and expenses, including defence costs on the basis of the relative legal and financial exposures.</p>
Advancement of defence costs and legal representation costs	<p>We will pay defence costs, legal representation costs and costs or expenses associated with a loss or any other liability covered by this section on an ongoing basis prior to the final resolution. However, we will not pay any defence costs, legal representation costs, costs or expenses in connection with any claim, loss, investigation or other liability or partial claim, loss, investigation or other liability which is not covered under this section. You must reimburse us for any defence costs, legal representation costs, costs or expenses paid where it is determined there is no entitlement to cover under this section.</p>
Payment of full limit of indemnity	<p>We have no further duty to indemnify you against any claim, loss, investigation or other liability under this section 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.</p>
Payment of excess	<p>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, investigation or loss.</p>
Disputes	<p>For the purposes of Control of defence in this section of your policy, General condition 14., Arbitration, within the General terms and conditions is amended to read as follows:</p> <p>Any dispute as to whether to settle or to continue the defence or mitigation of a claim, loss, investigation or other liability or as to the fair allocation of any partially covered claim, loss, investigation or other liability and any associated costs or expenses, 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 will be binding on you and us in relation to matters referred under this clause. The costs of such opinion will be met by us.</p>

Management liability – employment practices liability

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 costs are included within the limit of indemnity.

Special definitions for this section

Applicable courts	The courts of competent jurisdiction and any persons, tribunals or other bodies with the legal power to determine a claim or investigation in those countries stated as the applicable courts in your schedule.
Acquired entity	<p>Any entity acquired by you during the period of insurance that is:</p> <ol style="list-style-type: none">1. domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and which performs the same business activities that you declared to us that you perform in the information provided to us before we agreed to insure you, other than any entity:<ol style="list-style-type: none">a. which, prior to such acquisition, but within the period of insurance, has been the subject of a claim, investigation or loss with a value greater than the excess, which would have been covered by this policy; orb. that trades any of its securities on any United States of America exchange; or2. domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and created or acquired during the period of insurance, which we have agreed to cover you for. We will consider providing cover under this section at our discretion if you provide us with all information that we request in relation to that entity. If we agree to provide cover we may amend the terms and conditions of this section for that entity and may charge a reasonable additional premium.
Benefits	<p>Any amounts awarded to an employee in respect of:</p> <ol style="list-style-type: none">1. remuneration, including incentives, bonus, commission, health benefits, holiday pay, sick pay or notice pay, whether under statute or contract;2. family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under statute or contract;3. amounts due under an employee benefit or pension scheme;4. share or stock options;5. deferred compensation; or6. equal pay or redundancy pay.
Claim	Any written demand or civil, criminal, regulatory or arbitration proceeding first made against you or an insured person during the period of insurance alleging an employment practice wrongful act seeking monetary damages or other legal relief or penalty.
Data recovery costs	Any costs incurred to regain access to any data, personal data or computer or digital technology or to replace, restore, update or repair any data, personal data or computer or digital technology.
Defence costs	Reasonable costs, not including any overheads, additional costs or remuneration, incurred with our prior written agreement to investigate, settle or defend any claim made against you or an insured person or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any claim .

Emergency legal representation costs

Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or respond to any **investigation**, where it is not possible to obtain **our** prior written agreement, provided that **you** or the **insured person** notify **us** as soon as possible after such sums are incurred.

Employee

1. Any person currently or formerly under a contract of service with **you**, including part-time workers.
2. Any independent person currently or formerly seconded or contracted to work for **you**.
3. Any current or former volunteer solely under **your** control and supervision in connection with **your business**.
4. Any current or former applicant or candidate for employment with **you**.

Employment practice wrongful act

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

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

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

Insured person

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

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

Investigation

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

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

Legal representation costs

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

Loss	<p>In respect of a claim the amount you become or any insured person becomes legally liable to pay, including following a settlement entered into with our prior written agreement, for:</p> <ol style="list-style-type: none"> 1. awards of damages, including punitive, exemplary and multiplied damages, and civil fines and penalties if insurable in the jurisdiction where such award was first ordered; 2. claimants' legal costs and expenses; 3. defence costs and legal representation costs; and 4. public relations expenses. <p>This definition does not include any civil, regulatory or criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes, data recovery costs or benefits.</p>
Outside entity	<p>Any organisation other than you:</p> <ol style="list-style-type: none"> 1. that is tax exempt and not for profit; or 2. in which you hold any issued share, <p>This definition does not include:</p> <ol style="list-style-type: none"> a. any company which is registered or domiciled outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar; b. any company whose securities are traded on any stock exchange in the USA or Canada; or c. any bank, investment company, investment advisor or manager, hedge or mutual fund, private equity or venture capital company, stock brokerage, insurer, or any similar financial organisation or institution including any organisation regulated by the FCA, PRA or any similar regulator.
Prior and pending date	<p>The date on which you first purchased employment practices liability insurance that has run continuously without a break in cover. If during such period you have merged or consolidated with another company or entity, or any party has acquired more than 50% of your issued share capital, assets, or the majority of your voting rights, the 'prior and pending date' will be the date of such merger, consolidation or acquisition.</p>
Public relations expenses	<p>The reasonable and necessary costs incurred with our prior written agreement in utilising the services of a public relations consultant.</p>
Retaliation	<p>Any employment related action taken against an employee in connection with such employee whistleblowing or exercising their employment rights.</p>
Social engineering communication	<p>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.</p>
Subsidiaries	<ol style="list-style-type: none"> 1. Any entity, wherever domiciled, in which you: <ul style="list-style-type: none"> own directly or through one or more of your subsidiaries more than 50% of the share capital or a majority of the voting rights or have or had the right to appoint or remove a majority of the entity's board of directors, trustees, governors or equivalent; or control or controlled a majority of its voting rights under a written agreement with other shareholders or members. <p>and provided always that:</p> <ol style="list-style-type: none"> i. such entity does not trade any of its securities on any United States of America exchange; and ii. all material information relating to such entity, including any information we specifically requested, was fairly and accurately presented to us before we agreed to insure you; or 2. any acquired entity. <p>If an entity ceases to be a subsidiary during the period of insurance, cover under this section will continue but only for a claim alleging, or an investigation arising from, an employment practice wrongful act committed, attempted or proposed to be committed by</p>

you or an **insured person** before such entity ceased to be a **subsidiary** provided that this **policy** was in force at the time that such entity ceased to be a **subsidiary**.

If an entity ceased to be a **subsidiary** prior to the commencement of the **period of insurance**, cover under this section will apply only for a **claim** alleging, or an **investigation** arising from, any **employment practice wrongful act** committed, attempted or proposed to be committed by an **insured person** before such entity ceased to be a **subsidiary**.

You/your

Also includes any **subsidiaries**.

What is covered

1. Claims against you or an insured person

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

Claims by employees

a. **your employee**;

Outside entities

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

2. Investigations

Legal representation costs

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

3. Additional cover

Court attendance compensation

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

Injunctions brought by EHRC

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

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**.

Deliberate or dishonest acts

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

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

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

However, this exclusion will only apply:

- i. for **claims** or **investigations** against **you**, where such act or omission was committed or condoned by **you** or any individual who falls within paragraphs 1. to 3. of the definition of **insured person**;
- ii. for **claims** or **investigations** against an **insured person**, where such act or omission was committed or condoned by that **insured person**;

- iii. after a judgment or other final adjudication or an admission that such act did occur; and
- iv. if **we** obtain an opinion from a mutually agreed Kings's Counsel (or equivalent in this or any other jurisdiction), that there is no realistic prospect of a court finding that an act or omission referred to in a. to c. above did not occur.

In the event of such finding or admission, **you** or the **insured person**, as appropriate, must reimburse all payments made by **us** in relation to the corresponding **claim, loss or investigation**.

Prior claims and litigation	2.	based upon, attributable to or arising out of: <ul style="list-style-type: none"> a. anything that has been reported to and accepted under any policy existing or expired, before the start of the period of insurance; or b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an insured person, you or an outside entity, initiated before the prior and pending date.
Trade Unions, collective bargaining and consultations	3.	based upon, attributable to or arising out of: <ul style="list-style-type: none"> a. membership or non-membership of any trade union or equivalent labour organisation or any involvement in trade union activities; b. your failure to act in accordance with any collective bargaining agreement; c. your failure to collectively consult with employees, employee representatives, trade unions or any other relevant parties in connection with redundancies; or d. your failure to consult under the Transfer of Undertakings (Protection of Employment Regulations 2006, including any similar or successor legislation or regulation. <p>This exclusion does not apply to any claim for retaliation.</p>
Minimum wage legislation	4.	based upon, attributable to or arising out of your non-compliance with any minimum wage, overtime or other wage and hours legislation or regulations.
Claims in the United States of America or Canada	5.	based upon, attributable to or arising out of any: <ul style="list-style-type: none"> a. claim brought or investigation commenced; or b. employment practice wrongful act taking place, or alleged to have taken place; in the United States of America or Canada.
Bodily injury and property damage	6.	for the death or any bodily or mental injury or emotional distress suffered by anyone, or the loss, damage or destruction of any tangible property. This exclusion does not apply to any claim for emotional distress arising from an employment practice wrongful act . However, we will not in any event make payment for any claim in relation to which the insured person is obliged under any compulsory insurance law to maintain insurance in respect of any liability arising from the use, ownership or possession of any motor vehicle.
Change of control, including insolvency	7.	based upon, attributable to or arising out of any employment practice wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place after: <ul style="list-style-type: none"> a. you merge or consolidate with another company or entity; or b. any party acquires: <ul style="list-style-type: none"> i. more than 50% of your issued share capital or assets; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors or board of trustees or equivalent.
Changes to subsidiaries	8.	based upon, attributable to or arising out of any employment practice wrongful act or any investigation or other liability first notified as being required: <ul style="list-style-type: none"> a. before the date of creation or acquisition by you of such subsidiary; or

	<ul style="list-style-type: none"> b. after an entity ceases to be a subsidiary.
Employer obligations	<p>9. based upon, attributable to or arising out of any responsibility, duty or obligation imposed by law in relation to health and safety, unemployment, social security, retirement or disability benefits or any similar law whether statutory or common law.</p> <p>This exclusion does not apply to any claim for retaliation.</p>
Claims outside the applicable courts	<p>10. first brought outside the applicable courts.</p> <p>This exclusion also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.</p>
Cyber incidents	<p>11. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with:</p> <ul style="list-style-type: none"> a. cyber attack; b. hacker; c. social engineering communication; d. computer or digital technology error; e. any fear or threat of a. to c. above; or f. any action taken in controlling, preventing, suppressing, responding or in any way relating to a. to e. above.
Infrastructure failure	<p>12. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any failure or interruption of service provided by an internet service provider, cloud service provider, telecommunications provider, utilities supplier or other infrastructure provider.</p>
Terrorism, civil commotion, war and nuclear	<p>13. based upon, attributable to or arising out of, contributed to by, resulting from or in connection with any:</p> <ul style="list-style-type: none"> a. terrorism; b. civil commotion; c. war; d. nuclear risks; e. fear or threat of a. to d. above; or f. any action taken in controlling preventing, suppressing, responding or in any way relating to a. to e. above. <p>If there is any dispute between you and us over the application of clause a. or b. above, it will be for you to show that the clause does not apply.</p>
Non-fiat/virtual currency	<p>14. based upon, attributable to or arising out of any:</p> <ul style="list-style-type: none"> 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 technology; or c. initial coin offering or any other form of fundraising in respect of any new currency.
Opioids	<p>15. based upon, attributable to or arising out of or directly or indirectly relating to any 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.</p> <p>B. We will not make any payment other than defence costs for any claim or legal representation costs for any investigation based upon, attributable to or arising out of:</p>
Benefits and contractual payments	<p>1. your failure to pay any amount you are contractually committed to pay to an employee, including but not limited to benefits.</p>

Pensions and benefit schemes	2. the loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme or the operation or administration of any pension or employee benefit scheme or trust fund, or your breach of any legislation or regulation related to these activities.
Failure to pay taxes	3. your failure to pay taxes.
Liabilities assumed under contract	4. anyone else's liability which you are legally obliged to assume under any contract or agreement. This does not apply to any claim that would have resulted in the absence of such contract or agreement.
Non-pecuniary relief	5. any non-pecuniary or injunctive relief.
Employee reinstatement	6. the costs of complying or refusing to comply with a court or other order for the reinstatement of an employee .
Modification of property	7. the costs of modifying any building or property in order to make such building or property more accessible to any disabled persons.

Special conditions

General terms	The General definitions, General conditions and General claims conditions set out in the General terms all apply equally to each insured person and to you , except for General condition 6. Premium payment which applies only to you . You agree to act on behalf of all the insured persons as regards paying the premium and giving or receiving notice of all matters relevant to this section.						
Information provided by an insured person	All information which any insured person provided before we agreed to insure you will be considered as a separate application for each insured person and as such the knowledge of or any statement made by an insured person will not be imputed to any other insured person for the purposes of determining whether cover is available for any claim or investigation against such other insured person .						
Severability of exclusions	When determining the applicability of the exclusions within What is not covered , the wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place of one insured person shall not be imputed onto any other insured person who neither committed nor condoned such wrongful act , act, incident or occurrence.						
Extended notification period	<p>If:</p> <ol style="list-style-type: none"> we or you refuse to renew this section of your policy for any reason other than non-payment of premium, administration, liquidation or insolvency; or you merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or assets or the majority of your voting rights during the period of insurance, <p>you or any insured person may make a request to us in writing for an extended notification period, which will be granted at our sole discretion. If we agree to such request, the extended notification period will be granted in accordance with the options stated below:</p> <table> <tr> <td>One-year period</td><td>100% of the annual premium for this section</td></tr> <tr> <td>Three-year period</td><td>175% of the annual premium for this section</td></tr> <tr> <td>Six-year period</td><td>250% of the annual premium for this section</td></tr> </table> <p>The premium for any extended notification period to which we agree must be paid to us within 90 days following the end of the period of insurance.</p> <p>If you or an insured person does so:</p> <ol style="list-style-type: none"> this section will remain in force but only in respect of any covered claim, loss or investigation arising from any wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place before the end of the original period of insurance; and the first paragraph of item 1.a. under Your obligations in this section will then be amended to: 	One-year period	100% of the annual premium for this section	Three-year period	175% of the annual premium for this section	Six-year period	250% of the annual premium for this section
One-year period	100% of the annual premium for this section						
Three-year period	175% of the annual premium for this section						
Six-year period	250% of the annual premium for this section						

unless **you** or any **insured person** notifies **us** promptly of the following, and within the **period of insurance** or the extended notification period:

The limit of indemnity for any extended notification period will be part of and not in addition to the limit of indemnity stated in **your** schedule.

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

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

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

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

Management buy-outs

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

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

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

How much we will pay

Each and every claim, loss or investigation

If **your** schedule states that the limit of indemnity applies to each and every **claim, loss or investigation**, including all costs, the most **we** will pay for each **claim, investigation**, including their **defence costs** and **legal representation costs**, or **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, including all costs, the most **we** will pay for the total of all **claims, investigations**, including their **defence costs** and **legal representation costs**, or **losses** is the overall limit of indemnity stated in **your** schedule, irrespective of the number of **claims** made, **losses** or **investigations** arising, unless limited below or in **your** schedule.

Excess

You must pay the relevant **excess** stated in **your** schedule.

Multiple claims from a single source

If **your** schedule states that the limit of indemnity applies to each and every **claim, loss or investigation**, all **claims, losses or investigations**, 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 investigation**. **You** will pay a single **excess** and **we** will pay a maximum of a single limit of indemnity for these related **claims, losses or investigations**. 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 or investigation**, **we** can pay the **insured person** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will then have no further liability for that **claim, loss or investigation**.

Claims and losses under more than one cover

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

Special limits

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

Court attendance compensation

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

Your obligations

Notification

1. **We** will not make any payment under this section:
 - a. unless **you** or any **insured person** notifies **us** promptly of the following within the **period of insurance** or at the latest within 14 days after it expires in respect of any problem **you** become aware of within the seven days before expiry:
 - i. **you** or an **insured person's** first awareness of any **employment practice wrongful act** that is likely to lead to a **claim or investigation**; or
 - ii. any **claim** or threatened **claim** against **you** or an **insured person**.
 - b. to **you** or any **insured person** if, prior to the **period of insurance**, **you** or such **insured person** had knowledge of a material misstatement in or omission from the information provided to **us** upon which **we** agreed to insure **you**.
2. When dealing with a third party, **you** or the **insured person** must not admit that **you** or the **insured person** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** or an **insured person** does, **we** may reduce any payment **we** make under **your policy** by an amount equal to the detriment **we** have suffered as a result.

Control of defence

Defence arrangements

We have the right, but not the obligation, to take control of and conduct in **your** name or the name of any **insured person**, the investigation, settlement, mitigation or defence of any **claim, loss, investigation** or other liability.

You or any **insured person** must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to mitigate or defend any **claim, loss, investigation** or other liability. **You** or any **insured person** 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, cyber security consultant, forensic investigator, PR consultant or any other appropriate person of **our** choosing to deal with the **claim, loss, investigation** or other liability.

Partially covered claims

We will not pay any part of a **claim, loss, investigation** or other liability or any associated costs or expenses which are not covered by this section.

If a **claim, loss, investigation** or other liability is made which:

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

then at the outset, **we** and **you** agree to use best efforts to determine a fair allocation of covered and non-covered parts of any **claim, loss, investigation** or other liability or associated costs and expenses, including **defence costs** on the basis of the relative legal and financial exposures.

Advancement of defence costs and legal representation costs

We will pay **defence costs, legal representation costs** and costs or expenses associated with a **loss** or any other liability covered by this section on an ongoing basis prior to the final resolution. However, **we** will not pay any **defence costs, legal representation costs**, costs or

expenses in connection with any **claim, loss, investigation** or other liability or partial **claim, loss, investigation** or other liability which is not covered under this section. **You** or any **insured person** must reimburse **us** for any **defence costs, legal representation costs**, costs or expenses paid where it is determined there is no entitlement to cover under this section.

Payment of full limit of indemnity

We have no further duty to indemnify **you** or any **insured person** against any **claim, loss, investigation** or other liability under this section where **we** pay **you** or any **insured person** 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, investigation** or **loss**.

Disputes

For the purposes of **Control of defence** in this section of **your 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 or mitigation of a **claim, loss, investigation** or other liability or as to the fair allocation of any partially covered **claim, loss, investigation** or other liability and any associated costs or expenses, 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 will be binding on **us** and **you** and any **insured person** in relation to matters referred under this clause. The costs of such opinion will be met by **us**.

Cyber and data insurance

Policy wording

Please read **your** schedule to see if **your** own losses, cyber business interruption, claims and investigations against **you**, **your** own losses from crime and/or bricking are covered.

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.

Special definitions for this section

Acquired entity

Any entity acquired by **you** during the **period of insurance** that is domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar and performs the same activities as **your business**. This does not include any entity:

1. that has been the subject of a **claim** or **loss** arising from a **crime** with a value greater than the **excess**, which would have been covered by this section of the **policy**; or
2. whose assets exceed 20% of **your** total assets as reflected in **your** financial statement immediately prior to the **period of insurance**;
3. that trades any of its debt or securities on any United States of America exchange; or
4. that has any offices or **employees** that are based outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar.

Additional business expenses

Any:

1. increased cost of power;
2. increased cost of internet usage or cloud computing services;
3. reasonable costs necessarily incurred by **you** to restore **your** search engine rating;
4. cost of any malicious pay-per-click clicks;

incurred by **you** during the **indemnity period** as a sole and direct result of a **cyber attack** against **you**.

Additional increased costs of working

The additional costs and expenses, not including any costs of reconstitution of data, reasonably incurred by **you** with **our** prior written agreement in order to continue **your business** during the **indemnity period**.

Applicable courts

The courts of competent jurisdiction in those countries stated as the applicable courts in **your** schedule.

Breach

The unauthorised acquisition, access, retention, use or disclosure of, or the loss or theft of, **personal data** or confidential corporate information held by **you**.

Breach costs

The following reasonable and necessary costs incurred by **you** with **our** prior written agreement in direct response to an actual or suspected **breach**:

1. legal costs to:
 - a. provide advice to **you** in connection with **your** investigation of a **breach**;
 - b. assist with the preparation of notifications to any regulator and affected **data subjects**; and
 - c. determine and pursue any indemnity under a written agreement with a third party;
2. **breach forensic costs**;
3. costs incurred to notify:
 - a. each affected **data subject** of the **breach**; and

- b. any regulatory body, including but not limited to the Information Commissioner's Office, of the **breach**;

where **you** are required by any law or regulation to do so or, where **you** do so voluntarily, **you** have previously sought and obtained **our** consent;

4. costs **you** incur to use a third-party call centre to answer enquiries from affected **data subjects** following notification of the **breach** to such **data subjects**;
5. **credit monitoring costs**; and
6. costs to monitor the dark web for the appearance of any information accessed in the course of a **breach**;

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.

Breach forensic costs

Costs **you** incur for:

1. computer forensic analysis conducted by outside forensic experts to:
 - a. confirm whether or not a **breach** has occurred;
 - b. identify any affected **data subjects**;
 - c. stop or contain the **breach**; and
2. legal fees necessary for the preservation of the privilege or confidentiality of forensic reports and findings.

Claim

Any written assertion of liability, any written demand for financial compensation, any written demand for injunctive relief, or any civil or criminal proceeding first made against **you** within the **applicable courts**, or any regulatory or arbitration proceeding first brought against **you** within the countries stated as the **applicable courts**.

Client social engineering

A client transferring **money**, **securities** or **property**, which **you** were entitled to receive, to a third-party in direct response to a **social engineering communication** purportedly sent from **your computer system** as a direct result of a **hacker**.

For the purposes of this definition:

1. the client shall be treated as '**you**' for the purposes of the definition of **social engineering communication**; and
2. the definition of **hacker** does not include any of **your employees**, sub-contractors or outsourcers.

Computer system

Any **computer or digital technology** that **you** own, operate and control which is capable of processing or operating a **program**.

Counterfeit

A quality imitation of any original that is intended to deceive and be taken as the original.

Credit monitoring costs

The reasonable and necessary costs incurred by **you** with **our** prior written agreement to provide credit monitoring services or other credit protection services to each affected **data subject**.

Crime

Any of the following, unless committed by **you** or with **your** knowledge or consent:

1. **client social engineering**;
2. **dishonesty of an employee**;
3. **electronic theft**;
4. **financial social engineering**;
5. **fraudulent use of your electronic identity**;
6. **loss of assets**; or
7. **telephone toll fraud**.

Crime retroactive date

The date stated as the crime retroactive date in **your** schedule.

Cyber operation	The use of any computer or digital technology by, at the direction, or under the control of a state to disrupt, deny, degrade, exfiltrate, manipulate or destroy any data or computer or digital technology in or of another state .
Cyber ransom losses	<p>Following a cyber attack against your computer system or the communication of an illegal threat:</p> <ol style="list-style-type: none"> 1. the reasonable and necessary fees of our appointed consultant, incurred by you with our prior written agreement, for advising you and the handling and negotiation of the ransom demand; 2. the cost of, and reasonable costs in facilitating, any ransom demand from the third party or, if the demand is for goods or services, their market value at the time of the surrender; and 3. the amount of any stolen ransom, where such theft occurs at or in transit to the agreed location for payment of the ransom.
Daily interruption benefit	The daily loss amount, as specified in your schedule, payable for each consecutive day that your business suffers from an interruption .
Data asset	Any electronic data or software.
Data recovery costs	The reasonable costs and expenses, necessarily incurred by you with our prior written agreement, to regain access to your data asset , or to replace, restore or repair your data asset from back-ups or originals.
Data subject	Any natural person identified or identifiable by personal data .
Defence costs	The reasonable lawyers' and experts' fees, necessarily incurred by you , with our prior written agreement in investigating, settling, defending, appealing or defending an appeal against a covered claim .
Dependent business	Any individual or entity that provides you with outsourced business processes or information technology services pursuant to a contract.
Discovered	The first discovery by any of your partners, directors, trustees, in-house counsel or senior management in actual control of your operations of a crime or any circumstances that reasonably suggest a crime has occurred.
Dishonesty of an employee	<p>Any dishonest, fraudulent or malicious act of an employee acting alone or in collusion with others resulting in a loss of assets.</p> <p>For any dishonesty of an employee, there must be a clear intention to obtain an improper financial gain over and above salary, bonus or commission for the employee or the colluding person.</p>
Document	<ol style="list-style-type: none"> 1. Any bill of exchange, cheque, draft, certificate of deposit, letter of credit, promissory note, withdrawal order or receipt for the withdrawal of money, financial instruments or property or similar instruments of value serving the same purpose; or 2. any original document (but not any photocopied or faxed document or email supplied to you) specified within your internal policies or procedures as being required to be supplied to you prior to, and as a condition of, the funding of any loan or extension of credit.
Electronic theft	The criminal taking or misappropriation using electronic means by anyone other than you or an employee of money , securities , or property belonging to you .
Employee	Any individual performing employment duties solely on your behalf in the ordinary course of your business 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 duties. This does not include you or your sub-contractors or outsourcers.
Financial social engineering	Any request directed to you or someone on your behalf by a person or entity improperly seeking to obtain possession or the transfer to a third-party of money , securities or property to which such third-party is not entitled.

Forgery	The unauthorised handwritten, mechanical or electronic signing or endorsing of the name of a genuine person with intent to deceive. This does not include anyone signing or endorsing their own name, with or without authority.
Fraudulently altered	The alteration of a document for a fraudulent purpose by any unauthorised person. This does not include any material inaccuracy or misleading statement contained in any document .
Fraudulent use of your electronic identity	<p>The fraudulent or dishonest use of the electronic identity of your business, including but not limited to:</p> <ol style="list-style-type: none"> 1. the obtaining of credit in your name; 2. the electronic signing of any contract; 3. the creation or use of a website designed to copy or imitate that of your business; or 4. the use by a third-party of your digital or electronic identity.
Funds transfer error	The theft or misappropriation of money, property or securities where transfer to a third party has occurred as a result of an error by you , including in response to financial social engineering , in the course of your business , after you have exhausted every reasonable course of action to secure its recovery.
Illegal threat	<p>Any threat from a third-party, including an employee but not you, to:</p> <ol style="list-style-type: none"> 1. disseminate, divulge, use or prevent your access to any electronically held confidential corporate information or personal data which: <ol style="list-style-type: none"> a. you are responsible for; and b. will cause commercial harm if made public, following any unauthorised external electronic access; 2. carry out a cyber attack against you; or 3. not withdraw from doing anything in 1. or 2. above.
Income	The total income of your business .
Increased costs of working	The reasonable costs and expenses, necessarily incurred by you for the sole purpose of minimising the reduction in income during the period calculated in accordance with How much we will pay 1. The interrupted period, but not exceeding the loss of income saved.
Indemnity period	The time period beginning at the date the interruption to your business commences and lasting for the period during which your income is affected as a result of such interruption, but for no longer than the time period stated in your schedule. This period may not commence more than 90 days after you discover or reasonably suspect a breach, security failure, illegal threat or cyber attack .
Information technology services	Computer and electronic technology services, including but not limited to cloud computing and other hosted computer resources. However, this does not include internet or telecommunications connectivity services.
Insured person	Any natural person who is, or during the period of insurance becomes, a statutory director, partner or officer of you .
Interruption	An interruption to your business which commences during the period of insurance and results from part or parts of your computer system , that are critical for revenue generation, being continuously interrupted and materially impaired .
Loss	Any financial harm caused to your business .
Loss of assets	<ol style="list-style-type: none"> 1. Loss, destruction or damage of your money, property or securities which are in your possession in the usual course of your business resulting directly from any actual or attempted theft at your premises;

2. loss resulting directly from **your** receipt in good faith of any **counterfeit** cash, coin, bank and currency notes; or
3. **funds transfer error**.

Loss of income	The loss of your income calculated in accordance with How much will we pay .
Materially impaired	A widespread disruption to your computer system affecting multiple users, or a single user if you are either a sole trader or have only one employee , and causing loss .
Money	Cash, coin, bank and currency notes, bullion, funds, cheques, registered cheques, travellers' cheques, postal orders, bank drafts, money orders or any electronic, digital, or online currency, but not including cryptocurrency.
Operational error	Any non-malicious act, error or omission by an employee in the: <ol style="list-style-type: none"> 1. creation, handling, entry, modification or maintenance of any data asset; or 2. operation, maintenance (including but not limited to installation, upgrading or patching), or development of your computer system.
Outsourced business processes	Services provided by business process outsourcers supporting the operation of your business functions, that could otherwise be performed internally, including but not limited to human resources, call centres and accounting services. This does not include fulfilment services or the provision of products or services as part of your supply chain.
PCI charges	Any charges, fines, penalties, levies, costs, recertification costs, expenses, assessments, contractual damages or imposition of liabilities of any nature arising as a direct result of your failure to comply with PCI DSS due to a breach , including any sums in relation to card reissuance or fraudulent transactions.
PCI DSS	Payment Card Industry Data Security Standard or any similar or successor standard or regime.
Privacy forensic costs	The reasonable and necessary costs incurred by you with our prior written agreement for forensic services conducted by outside forensic experts to assist in the defence of a claim .
Privacy investigation	Any official examination, official inquiry or official investigation based on the same circumstances as any breach or claim under What is covered, C. Claims and investigations against you , Privacy liability 1. a., b., or d., conducted by any regulator, government department or other legally empowered body within the countries listed within the definition of applicable courts only.
Privacy investigation costs	The reasonable and necessary lawyers' and experts' fees incurred with our prior written agreement in investigating, settling, defending, appealing or defending an appeal against a privacy investigation .
Property	Tangible property.
Public relations costs	The reasonable costs, necessarily incurred by you , with our prior written agreement: <ol style="list-style-type: none"> 1. for a public relations or crisis management consultant to assist you in protecting or re-establishing your business reputation and to respond to media reports, including the development and communication of a strategy to repair your reputation; 2. to issue statements via email or your website and social media accounts, including managing and monitoring your social media sites; and 3. for any other reasonable and proportionate measures taken to protect or re-establish the reputation of your business.
Regulatory award	Following a privacy investigation , any civil or regulatory sanctions, fines, penalties, disgorgement of profits, damages or multiple damages, including but not limited to those imposed by any national, federal, state or local governmental body or any licensing organisation, if insurable in the jurisdiction where such award was first ordered, but not including PCI charges .

Securities	Negotiable and non-negotiable instruments or contracts, in physical or electronic form, which represent money or property .
Security failure	Any failure by you or by others on your behalf (including but not limited to your sub-contractors and outsourcers) in securing your computer system against unauthorised electronic access or use.
State	Any sovereign state.
Subsidiary	<p>An entity:</p> <ol style="list-style-type: none"> 1. that has been identified in the presentation of the risk for this policy and of which you own more than 50% of the book value of the assets or of the outstanding voting rights on the first day of the period of insurance; or 2. in which you acquire more than 50% of the book value of the assets or of the outstanding voting rights during the period of insurance: <ol style="list-style-type: none"> a. where the turnover at the date of acquisition is less than 10% of your existing turnover; b. where the acquired entity's business is the same as yours; c. domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar; and d. which has not suffered any loss or been subject to any claim with a value greater than the excess, which would have been covered under this section of the policy.
Telephone toll fraud	The unauthorised and criminal use by someone, other than you or an employee , operating outside of premises used for your business , of any telephone lines used by you , including but not limited to fixed line, voice over internet protocol and mobile.
Termination losses	Your loss of income directly arising from any of your customers terminating or deciding not to renew their contract(s) with you solely and directly due to your business having suffered an interruption .
Termination losses indemnity period	<p>The time period stated in your schedule as the indemnity period, but which, for the purposes of Termination losses only, shall commence on the date on which an existing customer of yours effectively cancelled or did not renew their contract(s) with you, solely and directly due to your business having suffered the interruption.</p> <p>If you do not receive such a cancellation or non-renewal within the first 59 days following the date on which the interruption to your business first commenced, the termination losses indemnity period shall automatically commence on day 60.</p>
Time excess	The period stated in your schedule as the time excess, which shall commence immediately following an interruption .
Waiting period	The period stated in your schedule as the waiting period, which shall commence immediately following an interruption .
Virus	Programs designed to or which result in damage, disruption, exfiltration of data from, or unauthorised 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.
You/your	<p>Also includes:</p> <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; and 2. any subsidiary including any person who was, is or during the period of insurance becomes a partner, director, trustee, in-house counsel or senior manager of any subsidiary in actual control of its operations.

What is covered

A. Your own losses

If during the **period of insurance**, and in the course of **your business**, **you** discover or reasonably suspect any:

1. **breach**;
2. **security failure**;
3. **illegal threat**; or
4. **cyber attack** against **your computer system**;

we will pay:

Breach costs

- a. **breach costs**;

Cyber ransom losses

- b. **cyber ransom losses**;

Cyber attack losses

- c. **additional business expenses**;

Data recovery costs

- d. **data recovery costs**. This shall include **your data recovery costs** where these arise from either an **operational error** or a **dependent business** suffering a **security failure** or **cyber attack**, but only if the corresponding **operational error** or **dependent business interruption** extension is stated as operative in **your** schedule;

Reputation protection

- e. **public relations costs**;

Key person cover

- f. the reasonable and necessary costs incurred by **you** with **our** prior written agreement to engage a consultant to:
 - i. 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 covered **breach, security failure, illegal threat** or **cyber attack**; or
 - ii. manage **your** response to a covered **breach, security failure, illegal threat** or **cyber attack**, to enable a senior manager or director to fulfil his or her usual responsibilities.

Breach by suppliers

We will indemnify **you** against any **loss** falling within the scope of **What is covered, A. Your own losses**, a. **breach costs**, which arises as a result of any **breach** directly caused by a **dependent business**.

B. Cyber business interruption

If **you** have Cyber business interruption cover, **your** schedule will state whether **your** cover is based upon **your loss of income, increased costs of working, termination losses**, and/or **additional increased costs of working**, or if **you** will receive a **daily interruption benefit**.

Business interruption losses

If **you** suffer an **interruption** caused solely and directly by a:

1. **breach**;
2. **security failure**;
3. **illegal threat**;
4. **cyber attack** against your **computer system**; or
5. decision taken with **our** consent to voluntarily shut down **your** computer system in order to avoid or mitigate a loss caused by one or more of 1. to 4. above;

we will pay, up to the limit stated in **your** schedule, either:

- a. **your**:
 - i. **loss of income, increased costs of working** and **termination losses**; or
 - ii. **loss of income, increased costs of working, termination losses** and **additional increased costs of working**;
 resulting solely and directly from such **interruption**; or

- b. the **daily interruption benefit**.

Please read **your** schedule to see if **you** have purchased any of the Cyber business interruption optional extensions [detailed below], as without such applicable extension, **your policy** does not cover any losses arising from an **interruption** due to either an **operational error** or a **dependent business** suffering a **security failure** or **cyber attack**.

Optional Extensions to B. Cyber business interruption

Operational error
business interruption
extension

If **you** suffer an **interruption** which is caused solely and directly by a covered **operational error**, **we** will pay, up to the limit stated in **your** schedule, either:

- a. **your**:
- i. **loss of income, increased costs of working and termination losses**; or
 - ii. **loss of income, increased costs of working, termination losses and additional increased costs of working**;
- resulting solely and directly from such **interruption**; or
- b. the **daily interruption benefit**.

Dependent business
interruption extension

If **you** suffer an **interruption** which is caused solely and directly by a **dependent business** suffering a **security failure** or **cyber attack** which, if that same **security failure** or **cyber attack** happened to **you**, would be covered under **What is covered B. Cyber business interruption 2. security failure** or **4. cyber attack**, **we** will pay, up to the limit stated in **your** schedule, either:

- a. **your**:
- i. **loss of income, increased costs of working and termination losses**; or
 - ii. **loss of income, increased costs of working, termination losses and additional increased costs of working**;
- resulting solely and directly from such **interruption**; or
- b. the **daily interruption benefit**.

For the purposes of this cover, the **dependent business** shall be treated as '**you**' for the purposes of the definition of **security failure**.

C. Claims and investigations against you

If during the **period of insurance**, and in the course of **your business** within the **geographical limits**:

Privacy liability

1. any party brings a **claim** against **you** for any actual or alleged:
 - a. breach, violation or infringement of any right to privacy, consumer data protection law, or other legal protection for **personal data**;
 - b. breach of duty to maintain the security or confidentiality of **personal data**;
 - c. breach of any duty of confidence, including in respect of any confidential corporate information; or
 - d. breach of any contractual duty to maintain the security or confidentiality of **personal data**, including under a payment card processing agreement with any bank or payment processor;

Privacy investigations

2. **you** are the subject of a **privacy investigation**;

PCI liability

3. any party brings a **claim** against **you** for any actual or alleged breach of **PCI DSS**;

Online liability

4. any party brings a **claim** against **you** for any actual or alleged:
 - a. infringement of any intellectual property rights;
 - b. defamation, including but not limited to libel, slander, trade libel, product disparagement or malicious falsehood; or

- c. breach of any licence;

which solely and directly arises from alterations or additions made by a **hacker** to the content of **your** business social media accounts or website;

Network security liability

- 5. any party brings a **claim** against **you** for any actual or alleged:
 - a. transmission of a **virus**;
 - b. denial of service attack against a third party; or
 - c. prevention of authorised electronic access to any **computer system**;

we will pay:

- i. the amount agreed by **you** and **us** through negotiation or mediation to settle the **claim** or the amount to satisfy a judgment or arbitration award against **you**, including any judgment or award ordering **you** to pay claimants' lawyers' fees and costs;
- ii. any **regulatory award**;
- iii. **PCI charges**;
- iv. any monetary amounts that **you** are legally required to pay, or that **you** have agreed to pay under the terms of a settlement entered into with our prior written agreement, into a consumer redress fund;
- v. **privacy forensic costs** and **privacy investigation costs**; and
- vi. **defence costs**, but **we** will not pay costs for any part of a **claim**, **privacy investigation** or investigation not covered by this section.

D. Your losses from crime

If during the **period of insurance**, and in the performance of **your business** within the **geographical limits**, a **loss** from **crime** is **discovered**, **we** will pay **loss** arising as a direct result of that **crime**. **We** will also pay **your public relations costs**.

E. Bricking

If during the **period of insurance** and in the course of **your business**, any **property** which **you** own, and which through digital connectivity forms part of **your computer system** used for **your business**, is permanently disabled as a direct result of a **security failure**, **cyber attack** against **your computer system**, **hacker** or transmission of a **virus**, **we** will cover the costs of repairing or replacing the unusable part.

F. Additional covers

The following additional covers are provided up to the corresponding limit of indemnity stated in **your** schedule.

Repeat event mitigation

Following any payment under **What is covered A. to E.** above, **we** will pay the reasonable and costs and expenses necessarily incurred by **you** with **our** prior agreement to:

- 1. upgrade existing hardware or software forming part of **your computer system**; and
- 2. obtain risk management advice,

which is necessary to prevent or minimise the chance of a reoccurrence of the event that gave rise to the payment under this section.

Directors' personal cyber

If:

- 1. any **insured person** suffers a direct financial loss; or
- 2. a claim is brought against an **insured person**;

in their personal capacity but which would have been covered under this section if the same claim had been brought against **you** or if **you** had suffered the same loss, **we** will cover the **insured person** under this section as if they were **you**.

Court attendance compensation

If any individual within the definition of **you** or any **employee**, 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**.

Criminal reward fund

We will pay, at **our** sole and absolute discretion, on **your** behalf an amount for information that leads to the arrest and conviction of any individual(s) committing or attempting to commit any illegal act that results in a **loss** falling within the scope of **What is covered, A. Your own losses**.

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, loss or any other liability under this section directly or indirectly due to: |
| Breach of duty to customers | <p>1. any claim under What is covered, C. Claims and investigations against you, 1. Privacy liability; or 5. Network security liability, arising directly out of any actual or alleged breach of any contractual or other duty by any person in the provision of products or services to your client or customer.</p> <p>However, this does not apply where a data subject makes a claim directly against you relating to their own personal data.</p> |
| Infrastructure failure | <p>2. any failure or interruption of service provided by an internet service 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.</p> <p>However, this exclusion does not apply to a service where you directly control and provide such service as part of your business.</p> |
| Intellectual property | <p>3. any actual or alleged infringement, use, misappropriation or loss of value of any intellectual property, including but not limited to patent, trade secret, copyright, trademark, trade dress, service mark, service name, title or slogan, or any publicity rights violations, cybersquatting violations, moral rights violations, or any act of passing-off. However, this exclusion does not apply to any otherwise covered claim under What is covered, C. Claims and investigations against you, 4. Online liability.</p> |
| Hack by director or partner | <p>4. any individual hacker who is also a partner, director, trustee, in-house counsel or senior manager within the definition of you.</p> |
| Destruction of property | <p>5. any loss, theft, damage, destruction or loss of use of any property. However, this does not apply to any:</p> <ul style="list-style-type: none"> a. breach, which is itself caused by the loss or theft of data; b. loss covered under What is covered, D. Your losses from crime; or c. damage covered under What is covered, E. Bricking. |
| Bodily injury | <p>6. any death or bodily injury or disease suffered or alleged to be suffered by anyone. However, this exclusion does not apply to any part of a claim seeking damages for mental anguish or distress where such damages solely stem from a covered claim for defamation, breach of privacy or by a data subject relating to their own personal data.</p> |
| System degradation or performance | <p>7. any:</p> <ul style="list-style-type: none"> a. degradation, deterioration or reduction in performance of your computer or digital technology caused gradually or as a result of the recommended use or your ordinary use of the system; or b. loss of, reduction in or loss of use of bandwidth, unless caused by an identifiable cyber attack; <p>including where caused by increased use of the computer or digital technology or by steps taken by you to upgrade the system. However, this exclusion does not apply to any covered loss under What is covered, B. Cyber business interruption, Operational error business interruption.</p> |
| Outdated systems | <p>8. the use by you of any computer or digital technology which is unsupported by the developer.</p> |

Seizure and confiscation	9. any confiscation, nationalisation, requisition, expropriation, appropriation, deprivation, seizure or destruction of property by or under the order of any government or public or local authority, or any order by such authority to take down, deactivate or block access to your computer or digital technology .
Crime or damage to property caused by terrorism	<p>10. any:</p> <ul style="list-style-type: none"> a. crime caused by or arising in connection with terrorism. This exclusion only applies to cover under What is covered, D. Your losses from crime; or b. damage to property caused by terrorism. This exclusion only applies to the cover under What is covered, E. Bricking. <p>If there is any dispute between you and us over the application of this exclusion, it will be for you to show that this exclusion does not apply.</p>
War	<p>11. any war or cyber operation.</p> <p>Notwithstanding our burden of proof as the insurer, which shall remain unchanged by this clause, in determining attribution of a cyber operation to a state, we and you will consider such objectively reasonable evidence that is available to us. This may include formal or official attribution by the government of the state in which the computer system affected by the cyber operation is physically located to another state or those acting at its direction or under its control.</p>
Nuclear risks	12. nuclear risks .
Insolvency	13. your insolvency or the insolvency of your suppliers, sub-contractors and outsourcers.
Pre-existing problems	14. anything likely to lead to a claim, loss or other liability under this section, which you knew or ought reasonably to have known about before we agreed to insure you .
Dishonest and criminal acts	<p>15. any:</p> <ul style="list-style-type: none"> a. fraudulent, dishonest, malicious or criminal conduct intended to cause harm to another person or business, or any knowing or wilful violation of a law, whether committed by you or committed by another whose conduct or violation of the law you have ratified or actively condoned; or b. act you knew, or reasonably ought to have known at the time you performed it, would give rise to a claim, loss or any other liability under this section. This includes any statement you knew, or ought reasonably to have known, was defamatory at the time of publication. <p>However, this exclusion will not apply unless:</p> <ul style="list-style-type: none"> i. such conduct, violation of the law or act has been established by a final judgment in any judicial, administrative, or alternative dispute resolution proceeding; ii. such conduct, violation of the law or act has been established by your admission in a proceeding or otherwise; or iii. you or we discover evidence of such conduct, violation of the law or act; <p>at which time you shall reimburse us for all payments made by us in connection with such conduct, violation of the law or act and all of our duties in respect of that claim, loss or other liability under this section shall cease.</p>
Reckless conduct	16. any conduct committed by you in reckless disregard of your or another person's or business' rights or your business interests.
Personal social media	17. any post from a social media account that does not belong to your business .
Fraudulent use of your electronic identity	<p>18. the fraudulent or dishonest use of the electronic identity of your business. However, this exclusion does not apply to:</p> <ul style="list-style-type: none"> a. any covered claim or loss under What is covered, D. Your losses from crime; or b. any claim under What is covered, C. Claims and investigations against you arising as a direct result of a hacker.

Natural perils	<p>19. any:</p> <ul style="list-style-type: none"> a. physical cause or natural peril including, but not limited to, fire, flood, storm, lightning, frost, explosion or extremes of weather or temperature; or b. physical damage or physical loss arising in relation to computer or digital technology. <p>However, if you have purchased cover under What is covered, E. Bricking, this exclusion does not apply to any physical damage or physical loss arising in relation to computer or digital technology directly caused by its digital connectivity to other computer or digital technology.</p>
Money, property or securities	<p>20. any loss of money, property or securities unless covered under What is covered, D. Your losses from crime.</p>
Non-fiat / virtual currency	<p>21. any purchase, use or development of blockchain or any other distributed ledger technology, including but not limited to any:</p> <ul style="list-style-type: none"> 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; c. initial coin offering or any other form of fundraising in respect of any new currency; or d. smart contracts or non-fungible tokens. <p>However, this exclusion shall not apply to any covered cyber ransom losses.</p>
Pollution	<p>22. any pollution or contamination including but not limited to:</p> <ul style="list-style-type: none"> a. any solid, liquid, gaseous or thermal contaminant or irritant; or b. noise, electromagnetic fields and radiation.
Breach of financial or fiduciary duties	<p>23. a. any 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;</p> <p>b. any liability or breach of any duty or obligation owed by you regarding any express or implied statement or representation contained in your accounts, reports or financial statements, or concerning your financial viability;</p> <p>c. any breach of any taxation, competition, restraint of trade or anti-trust laws or regulations; or</p> <p>d. any breach of fiduciary duty owed by you.</p>
Data reconstitution	<p>24. any costs or loss associated with the reconstitution of your data asset, including but not limited to:</p> <ul style="list-style-type: none"> a. costs incurred after it has been established that your data asset cannot be replaced, restored or repaired, or access to it cannot be regained; b. the economic value of your data asset, including the value of any trade secrets; c. costs to restore, update, or replace your data asset to a level beyond that which existed prior to the event, unless your data asset can only be replaced, restored or repaired by purchasing a newer equivalent; or d. costs to research or develop your data asset or to recreate, gather or assemble facts, concepts or information needed to reproduce your data asset.
Unlawful or irregular cyber extortion payments	<p>25. any payment covered under What is covered, A. Your own losses, b. Cyber ransom losses if:</p> <ul style="list-style-type: none"> a. making the payment would be unlawful;

	<ul style="list-style-type: none"> b. you have not made all reasonable efforts to determine that the illegal threat is genuine and not a hoax; or c. the ransom was not paid under duress.
Biometric and genetic information	26. 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.
Operational error	27. any interruption caused by an operational error other than as provided for under the operational error business interruption extension.
Dependent business interruption	28. any interruption caused by a dependent business suffering a security failure or cyber attack other than as provided for under the dependent business interruption extension.
Claims brought by a related party	<p>B. We will also not make any payment under this section for:</p> <ul style="list-style-type: none"> 1. any claim brought by any person or entity within the definition of you, 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 or any employee. <p>However, this exclusion does not apply to a claim covered under What is covered, C. Claims and investigations against you, 1. Privacy liability by employees or individuals within the definition of you.</p>
Fines, penalties and sanctions	<ul style="list-style-type: none"> 2. criminal, civil or regulatory sanctions, fines, penalties, disgorgement of profits, punitive damages, exemplary damages or multiple damages which you are legally obliged to pay, including but not limited to those imposed by any national or local governmental body or any licensing organisation. <p>However, this exclusion does not apply to:</p> <ul style="list-style-type: none"> a. PCI charges; or b. any regulatory award.
Claims outside the applicable courts	<ul style="list-style-type: none"> 3. any claim, privacy investigation or investigation brought or commenced outside the applicable courts. <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>
Non-specific investigations	4. any privacy investigation or investigation arising from any routine regulatory supervision, inquiry or compliance review, any internal investigation or any investigation into the activities of your industry which is not solely related to any actual or alleged breach, violation or infringement of any right to privacy, consumer data protection law, or other legal protection for personal data by you .
Unauthorised tracking	<ul style="list-style-type: none"> 5. any claim, loss or privacy investigation arising from, contributed to by, relating to, or in connection with any actual or alleged monitoring, tracking or profiling of: <ul style="list-style-type: none"> a. an individual without that individual's authorisation; or b. any computer system capable of storing personal data without authorisation, including, but not limited to, web-tracking, pixel tracking, session recording, digital fingerprinting, behavioural monitoring, eavesdropping, wiretapping or audio or video recording committed by you or a third party.

- C. In addition to the exclusions set out above, the following exclusions also apply to any **loss**, **defence costs** or **public relations costs** covered under **What is Covered**, **D. Your losses from crime**.

We will not make any payment:

Trade secrets and confidential information	1. arising from the theft or misappropriation of any trade secret or other confidential information, other than where it is used to facilitate an otherwise covered loss .
Losses benefiting you or your owners	2. suffered by any entity within the definition of you to the benefit of any other entity within the definition of you , any of your shareholders or any entity or person who has any direct or indirect ownership or control rights over you .
Incidents after you become aware	3. arising: <ol style="list-style-type: none"> from any act, breach or omission committed by any employee after any of your partners, directors, trustees, in-house counsel or senior management in actual control of your operations discovered any crime being committed by, or in collusion with, such employee; from anything which you knew about or ought reasonably to have known about before the date on which you first purchased a similar crime policy from us that has run continuously without a break in cover; or directly or indirectly due to any act, incident or event occurring, or any loss notified to any other policy of which this policy is a renewal or replacement.
Crime retroactive date	4. arising directly or indirectly due to any act, incident or event occurring, or any loss suffered before: <ol style="list-style-type: none"> the crime retroactive date; or the date of acquisition of any acquired entity.
Extortion or ransom	5. arising directly or indirectly due to extortion, kidnap or ransom of any kind, including but not limited to any ransomware payments.
Specific employee dishonesty	6. in respect of any crime which itself arises directly or indirectly due to any dishonest, fraudulent or malicious act of an employee acting alone or in collusion with others, other than loss of assets as a direct result of dishonesty of an employee .
Specific documents	7. involving any item which is or purports to be a traveller's cheque, traveller's letter of credit, bill of lading, shipping document, warehouse receipt, trust receipt, account receivable, or any other similar document or instrument unless such loss arises as a direct result of dishonesty of an employee or loss of assets .
Directors and officers	8. arising directly or indirectly due to any dishonest acts or omissions by any of your partners, directors, trustees, in-house counsel or senior management.
Unfamiliar languages	9. arising from any document , financial instrument or device that is fraudulently altered or which is counterfeit or a forgery unless it was in a form or language that was familiar to the individual that was deceived by it.
Property damage	10. arising from the loss , damage or destruction to or of any: <ol style="list-style-type: none"> office, premises or real estate, including any fixtures and fittings; or money, property or securities held by you on behalf of your customer, other than loss of assets as a direct result of dishonesty of an employee.
Fire and explosion	11. arising from fire, explosion, implosion or collapse, other than loss of assets as a direct result of dishonesty of an employee .
Source documents	12. arising directly or indirectly due to you , or a third party on your behalf, having acted or relied on any electronic data that was created using a source document that has been fraudulently altered or which is counterfeit or a forgery , other than where arising as a direct result of dishonesty of an employee or loss of assets .

Use of payment cards

13. the use of any credit, debit, access, convenience, smart, identification or other cards of a similar nature.

However, this does not apply where such **loss** arises as a direct result of covered **dishonesty of an employee** as a result of an **employee's** use of any credit or debit card issued to such **employee** by **you** for the payment of valid business expenses incurred for or on behalf of **you**.

How much we will pay

We will pay up to the overall limit of indemnity stated in **your** schedule for the total of all claims under each section or sections within **What is covered**, including all costs and expenses, unless limited below or otherwise in **your** schedule.

Any **claims** or losses which arise out of the same **breach, cyber attack, illegal threat or security failure** will be regarded as one claim. This includes such **claims** and losses arising after, as well as during, the **period of insurance**.

The amount **we** pay for a particular type of **claim** or **loss** may be further limited in **your** schedule.

Excess

You must pay the relevant **excess** stated in **your** schedule.

72-hour excess waiver

If **you** notify **us** within 72 hours of **your** first awareness of any actual or reasonably suspected **breach**, the **excess** will not apply against any **losses** suffered as a result of the **breach**. This waiver of excess does not apply to any claim under **What is covered, B. Cyber business interruption or What is covered, D. Your losses from crime**.

Overheads and business expenses

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 ordinarily incurred in the performance of **your business**, **your** costs and expenses of preparing **your** claim, 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. However, this does not apply to any costs or expenses covered under **What is covered, A. Your own losses, c. Cyber attack losses or What is covered, F. Additional covers, Repeat event mitigation**.

Cyber business interruption

The amount **we** will pay for claims under **What is covered, B. Cyber business interruption** will be calculated in accordance with the following:

The interrupted period

1. For the purposes of Loss of income 2.a. and 2.b. and Daily interruption benefit 3. below, the interrupted period in respect of each **interruption** shall be the period that begins at the point when **your waiting period or time excess** ends until the earliest of:

- a. the relevant part or parts of **your computer system** no longer being continuously interrupted and **materially impaired**; or
- b. the **indemnity period** ending,

provided that **you** have taken all reasonable steps to prevent or minimise the interruption to **your business** and/or the impairment to **your computer system**.

Loss of income

2. If **your schedule** states that **your** cyber business interruption cover is based on **your loss of income** and **increased costs of working**, **we** will pay the following:
 - a. i. the difference between **your actual income** earned during the period calculated in accordance with The interrupted period 1. above and the **income** it is estimated **you** would have earned during that period; or
 - ii. if the **interruption** occurs during **your** first trading year, the difference between **your income** earned during the period calculated in accordance with The interrupted period 1. above and the **income you** earned during the period immediately prior to the **interruption**,
less any savings resulting from **your** reduced costs and expenses as a result of the **interruption**.
 - b. **your increased costs of working** during the period calculated in accordance with The interrupted period 1. above;
 - c. **your termination losses** calculated with reference to the difference between the **income** that **you** actually earned during the **termination losses indemnity period** and the income

	<p>you would have earned during that period but for your customers' cancellation or non-renewal of their contract with you.</p> <p>We will deduct from any payment we make in respect of termination losses, any amount we are also liable to pay in respect of 2.a. loss of income above, where the loss of income arises from the same customer.</p> <p>d. if you have purchased cover for your additional increased costs of working, your additional increased costs of working up to the relevant sublimit stated in your schedule.</p>
Business and customer trends	<p>In calculating the amount we pay for your loss of income, we will make any adjustments necessary to account for any trends, variations or other circumstances that affected your business or that would have affected your business even if the interruption had not occurred.</p> <p>The amount we pay will not however include any loss of income arising from:</p> <ol style="list-style-type: none"> an unwillingness on the part of any potential customer to purchase your goods or services following the interruption, unless you can demonstrate, with reference to a specific customer, that the customer refused to purchase your goods or services solely and directly due to the interruption; or any of your customers refusing to pay for goods or services provided by you prior to the interruption.
Daily interruption benefit	<p>3. In respect of an interruption lasting longer than the applicable waiting period or time excess, we will pay you the daily interruption benefit for the period calculated in accordance with The interrupted period 1. above. The daily interruption benefit is specified in your schedule and is a daily loss amount.</p>
Crime	<p>Where we replace items which are covered under What is covered, D. Your losses from crime, we will pay the lesser of:</p> <ol style="list-style-type: none"> the cost price of the covered items to you; or the trade market value of the covered items at the time of your loss.
Bricking	<p>For physical damage to property covered under What is covered, E. Bricking, at our option we will cover the costs of repairing or replacing the unusable part, not including any data recovery costs. Where we pay the costs of replacing the unusable part, we will pay the lesser of:</p> <ol style="list-style-type: none"> the price you paid for the property; or the trade market value of the property at the time of your loss.
Repeat event mitigation	<p>The most we will pay under What is covered, F. Additional covers, Repeat event mitigation is 10% of the amount of the corresponding claim, loss or liability, or the amount stated in your schedule, whichever is lower.</p> <p>For the costs of upgrading software covered under What is covered, F. Additional covers, Repeat event mitigation, where any such upgrade requires the purchase of a software license, the most we will pay is the cost of a license for 12 months.</p> <p>Any amount we pay under What is covered, F. Additional covers, Repeat event mitigation, is included within and not in addition to the corresponding limit of indemnity for the event that gave rise to the payment of such mitigation costs.</p>
Directors' personal cover	<p>Any amount we pay under What is covered, F. Additional covers, Directors' personal cover, is included within and not in addition to the overall limit of indemnity for the section within What is covered under which the claim or loss would have been covered if it were brought against, or suffered by, you.</p>
Non-sterling losses	<p>All sums payable under this section of the policy will be paid in Pounds Sterling. Where any amount under this policy has been suffered or incurred in a different currency, we will calculate the amount of our payment by reference to the relevant exchange rate on the day the loss was suffered or the cost or expense incurred. For the purposes of calculating such amounts, where listed, we will use the exchange rate published in the Financial Times on the day the loss was suffered or the cost or expense incurred (or the next day on which the Financial Times is published if it is not published on the day in question).</p>

Value added tax	If you are accountable to the tax authorities for Value Added Tax, the amount we pay will be exclusive of such tax.
Paying out the limit of indemnity	At any stage of a claim, loss or other liability under this section, we can pay you the applicable limit of indemnity or what remains after any earlier payment from that limit. We will pay covered costs and expenses already incurred at the date of our payment. We will then have no further liability for that claim, loss or liability, including any costs or expenses.
Recoveries	<p>Following a payment under this policy any recoveries will be made in the following order:</p> <ol style="list-style-type: none"> 1. any costs and expenses incurred in relation to the recovery will be paid first; 2. any losses suffered by you in excess of the limit of indemnity will be paid second; 3. amounts paid by us under this section will be paid third; and 4. the excess will be reimbursed fourth.

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 promptly within the period of insurance, or at the latest within 14 days after it expires for any problem you first become aware of in the seven days before expiry, of your first awareness of: <ol style="list-style-type: none"> a. any claim, loss or other liability under this section; or b. anything which is likely to give rise to a claim, loss or other liability under this section. <p>If we accept your notification we will regard such claim, loss or other liability as notified to this insurance.</p> <p>You must not appoint any third party to assist with any covered claim, loss or liability without our prior written agreement.</p>
In the event a crime is discovered	<ol style="list-style-type: none"> 2. You must, at your expense, provide us with a detailed proof of loss setting out the precise nature of the crime and the loss claimed under this policy within six months of the crime being discovered. If you do not, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.
If a business interruption loss is suffered	<ol style="list-style-type: none"> 3. You must, at your expense, provide us with a detailed written proof of loss setting out the precise nature of the loss claimed under this policy. If you do not, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.
Cyber extortion	<ol style="list-style-type: none"> 4. We will not make any payment under What is covered, A. Your own losses, b. Cyber ransom losses unless: <ol style="list-style-type: none"> a. an individual within the definition of you agreed to the payment of the ransom or the surrender of the goods or services; b. you inform, or allow us to inform, the appropriate law enforcement authorities where any illegal threat was made; and c. you keep us fully informed as soon as possible of all developments concerning any illegal threat or ransom demand.
Cyber attack losses	<ol style="list-style-type: none"> 5. If you suffer a loss under What is covered, A. Your own losses, you must take all reasonable steps to negotiate with the supplier of any services to reduce or waive any charges relating to services that were not legitimately incurred for the purposes of your business. If you do not, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.
Admissions and offers	<ol style="list-style-type: none"> 6. When dealing with any client or third-party, you must not admit that you are liable for what has happened or make any offer, deal or payment, unless you have our prior written agreement. If you do, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.

Crime losses

7. If **you** suffer a **loss** under **What is covered, D. Your losses from crime**, **you** must give **us** all assistance **we** reasonably require to pursue a recovery against **your** client, in **your** name but at **our** expense.

Control of response and defence

Response and defence arrangements

We have the right, but not the obligation, to take control of and conduct in **your** name, the investigation, settlement, mitigation or defence of any **claim, loss, privacy investigation**, or other liability.

You must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to mitigate or defend any **claim, loss, privacy investigation**, or other liability. **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, cyber security consultant, forensic investigator, PR consultant or any other appropriate person of our choosing to deal with the **claim, loss, privacy investigation**, or other liability.

We will only pay **defence costs**, or any other covered costs or expenses where these have been incurred with **our** prior written consent, by a person or organisation appointed to support **you** with **our** prior written consent.

Partially covered claims

We will not pay any part of a **claim, loss, privacy investigation**, or other liability or any associated costs or expenses which are not covered by this section.

If a **claim, loss, privacy investigation**, or other liability arises, 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, **we** and **you** agree to use best efforts to determine a fair allocation of covered and non-covered parts of any **claim, loss, privacy investigation**, or other liability or associated costs and expenses, including **defence costs** on the basis of the relative legal and financial exposures.

Advancement of defence costs

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

Paying of full limit of indemnity

We have no further duty to indemnify **you** against any **claim, loss, privacy investigation**, or other liability under this section 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, loss, privacy investigation**, or other investigation.

Disputes

For the purposes of **control of response and 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 or mitigation of a **claim, loss** or other liability or as to the fair allocation of any partially covered **claim, loss, privacy investigation**, or other liability and any associated costs or expenses, will be referred to a single King's Counsel (or equivalent in 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**.

Combined property – property definitions

Special definitions for all property sections

Activities	Your activities declared to us and accepted by us , or the business activities stated on your schedule.
Amount insured	The most we will pay as stated in your schedule. Unless we say otherwise, the amounts apply to each incident of loss and will be automatically restored to the full amount after we pay a loss provided you carry out our recommendations to prevent further loss or damage.
Breakdown	<p>Damage caused by:</p> <ol style="list-style-type: none"> 1. electrical or mechanical failure or malfunction arising from internal causes; 2. explosion, collapse or distortion due to internal steam or other internal fluid pressure; 3. electrical power surge; 4. operator error; or 5. fracturing by frost.
Buildings	<p>The buildings, which belong to you or for which you are legally responsible, at the premises stated in your schedule, including:</p> <ol style="list-style-type: none"> 1. outbuildings and annexes; 2. fixtures and fittings, fixed fuel tanks; 3. solar panels and other renewable energy generating equipment; 4. walls, gates, fences, car parks, yards, private roads, pavements and paths; and 5. pipes, ducting, cables, wires and associated control equipment at the premises and up to the public mains.
Computers	Computers, handheld devices and ancillary equipment, which belong to you or for which you are legally responsible, including software and data carrying media but excluding data or information entered by you or on your behalf.
Computer or digital technology	Any programs , computer network, hardware, software , operational technology, internet-connected device, network-connected device, electronic device, information technology, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet, website or cloud computing services.
Computers and technical equipment	<p>Electronic or mechanical equipment used in connection with your activities which belong to you or for which you are legally responsible, including:</p> <ol style="list-style-type: none"> a. computers; b. cameras, recording, editing and broadcast equipment; and c. PA, sound and lighting equipment. <p>The following are not included within this definition:</p> <ol style="list-style-type: none"> a. raw film and tape stock and media artwork; b. any mechanically propelled vehicle or mobile plant or equipment for which insurance or security is required under the provisions of any road traffic legislation; c. any watercraft, marine rig or platform, hovercraft, aircraft, drone or other aerial device; or d. any item attached to any of the above.

Contents	<p>The contents of the insured premises used in connection with your activities which belong to you or for which you are legally responsible, including:</p> <ol style="list-style-type: none"> 1. stock; 2. prototypes; 3. art and collections; 4. fixtures and fittings, tenant's improvements, decorations and general contents including, if attached to the building, external signs, aerials and satellite dishes; and 5. pipes, ducting, cables, wires and associated control equipment within the insured premises and extending to the public mains; 6. equipment, machinery and plant; <p>which are not otherwise excluded by your policy.</p>
Contract location	Any location within the geographical limits where you have a contract to carry out your activities .
Damage	Accidental physical loss or physical damage including where caused by storm, flood , escape of water, fire, theft or attempted theft, unless otherwise excluded by your policy .
Declared amount	<p>Any amount stated in the Property sections of your schedule which you have declared as:</p> <ol style="list-style-type: none"> 1. the total replacement value of your contents; or 2. the total costs of reinstating your buildings.
Equipment	<p>Items belonging to you or for which you are legally responsible and which are hydraulic, mechanical, or electronic in their method of operation.</p> <p>Computers are not included in this definition.</p>
First loss limit	Any amount insured stated in the relevant section of your schedule as a first loss limit, where, with our consent, you have selected a limit that is less than the declared amount .
Flood	Rising surface or tidal water, or the overflow of water from any natural or artificial watercourse (other than water tanks, apparatus or pipes), whether driven by storm or not.
Handheld devices	<p>Handheld electronic devices used in connection with your activities which belong to you or for which you are legally responsible, including:</p> <ol style="list-style-type: none"> 1. phones and smartphones which make or receive telephone calls through a cellular network and their accessories; 2. laptops, tablets, PDAs and wearable technology; and 3. cameras and photographic equipment.
Insured premises	The space you occupy at the premises stated in your schedule. This includes any outbuildings and annexes you occupy on the same premises.
Money	Cash, bank and currency notes, cheques, travellers' cheques, postal orders, money orders, crossed bankers' drafts, current postage stamps, savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, customer redemption vouchers, company sales vouchers, credit card counterfoils, travellers' tickets, VAT purchase receipts, contents of franking machines and, insofar as they are not otherwise insured, holiday-with-pay stamps and luncheon vouchers, all belonging to you .
Personal effects	Articles worn, used or carried about the person which belong to your partners, directors, trustees, committee members, employees, volunteers or visitors for which such persons are legally responsible.
Property	Tangible property.
Prototype	A sample or model built to test a concept or process.

Reconstitution of data	Reconstitution of the data you need to continue your activities , if your electronic records and electronic data have been lost or distorted.
Software	Programs which run your computers , including both your own operating programs and application programs used in the course of your activities .
Specified insured premises	Any insured premises within the United Kingdom .
Specified or unspecified premises	Any specified insured premises or unspecified insured premises .
Standard construction	Built of brick, stone or concrete and roofed with slate, tiles, concrete, metal or any other non-combustible material.
Stock	Consumable goods, merchandise goods, samples, partially finished goods awaiting completion and goods held in trust, including customers' goods for which you are legally responsible.
Storm	High winds of a destructive nature, rainstorm, hailstorm or snowstorm.
Subsidence	<ol style="list-style-type: none"> 1. The downward movement of the ground beneath the insured premises; 2. landslip, which is the sudden movement of soil on a slope or gradual creep of soil on a slope over a period of time; or 3. heave, which is the upward movement of the ground beneath the insured premises as a result of the expansion or swelling of the subsoil. <p>The following are not included within this definition:</p> <ol style="list-style-type: none"> a. settlement or bedding down of new structures; or b. settlement or movement of made-up ground.
Unattended vehicle	Any vehicle which is not under the personal supervision of you nor any person authorised by you .
Unoccupied	<p>When the buildings, including any part capable of being separately let, are:</p> <ol style="list-style-type: none"> 1. without any occupant; or 2. not in normal use by you or any tenant of yours, <p>for more than 30 consecutive days.</p>
United Kingdom	The United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man.
Unspecified insured premises	Other than specified insured premises , any premises within the United Kingdom which is owned, rented or leased by you for the purpose of your activities .

Combined property Policy wording

Section 1

Property – buildings

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

Your schedule will state whether **your policy** includes this section.

What is covered

Damage to buildings	We will insure you against damage occurring during the period of insurance to buildings or any other items stated under the Property – buildings section of your schedule.
Additional cover	The following cover is also provided up to the amount stated in your schedule:
Emergency services charges	1. We will pay for the cost of any fire brigade charges, fire extinguishing expenses and other charges made by any organisation responsible for preservation of public safety, including replacing sprinklers, for which you are liable following insured damage occurring during the period of insurance to insured buildings .
Loss prevention costs	2. We will pay for necessary and reasonable costs that you incur to protect the buildings from imminent or further damage occurring during the period of insurance , such as: <ul style="list-style-type: none"> a. flood prevention barriers; b. emergency boarding following damage to doors, windows and other similar entry points; and c. where possible, moving items to a higher floor or to an alternative location; <p>provided that such costs are incurred with our prior written agreement. If this is not reasonably practical, you must notify us of such costs as soon as possible.</p>
Additions to buildings	3. We will pay for damage occurring during the period of insurance to any additions or improvements of standard construction to the buildings once they are completed and become your legal responsibility, provided you notify us of the cost of the additions or improvements as soon as possible and you pay us any additional premium which we deem to be appropriate from the date that you became legally responsible for any such additions or improvements. <p>We may then change the terms and conditions of this policy or impose additional requirements that you must carry out. If we impose additional requirements, we will tell you the timeframes within which you must carry them out.</p>
Newly acquired property	4. We will pay for damage occurring during the period of insurance to any newly acquired or erected buildings of standard construction located in the United Kingdom , once they have become your legal responsibility, provided that you : <ul style="list-style-type: none"> a. intend to occupy such buildings for the purpose of your activities; b. tell us the additional values as soon as possible and no later than seven days after you become legally responsible for such buildings; and c. pay us any additional premium which we deem to be appropriate from the date that you became legally responsible for any such buildings. <p>We may also change the terms and conditions of this policy or impose additional requirements that you must carry out. If we impose additional requirements, we will tell you the timeframes within which you must carry them out.</p>
Garden restoration and tree removal	5. We will pay the necessary and reasonable costs you have to pay to restore or replace any trees, shrubs, plants and lawns for which you are legally responsible at the insured premises arising as a direct result of damage during the period of insurance due to:

- a. fire, lightning, explosion or earthquake;
- b. impact by aircraft or other aerial devices;
- c. malicious acts of a third party; or
- d. the emergency services.

We will also pay for the necessary and reasonable costs **you** incur for the felling, lopping and removing of trees for which **you** are legally responsible at the **insured premises** and which pose an immediate threat of bodily injury or **damage to property** during the **period of insurance**. However, **we** will not make any payment for legal or local authority costs in removing trees or for costs incurred in respect of routine maintenance or solely to comply with a preservation order.

Discharge of oil	6. We will pay the necessary and reasonable additional costs and expenses you incur with our consent to clean and decontaminate the land at the insured premises as a result of accidental discharge during the period of insurance of oil from any storage tank, heating appliance or connected pipework located at the insured premises , other than where resulting from breakdown .
Trace and access	7. We will pay for the necessary and reasonable costs you incur with our consent to locate any damage to cables, underground pipes and drains or the source of a gas or oil leak, or of any escape of water from permanent internal plumbing, where the damage , leakage or escape first occurs at the insured premises during the period of insurance . We will also pay the cost to make good any damage caused as a consequence of locating the damage or source of leakage or escape.
Solar panels	8. We will pay for the loss of the feed-in tariff and export tariff you would have received, together with any increase in the cost of your electricity bill arising as a direct consequence of damage occurring during the period of insurance to solar panels or other renewable energy generating equipment installed at the insured premises . We will only pay in respect of loss arising in the six-month period beginning on the date of the damage or until such time as the items are either repaired or replaced, whichever occurs sooner.
Removal of debris	9. We will pay the necessary and reasonable costs and expenses you incur to: to clear debris of buildings from the insured premises or the area immediately adjacent, arising as a direct result of damage covered under this section. <ul style="list-style-type: none"> a. clear debris of buildings from the insured premises or the area immediately adjacent; and b. clear, clean and repair drains, gutters and sewers on the insured premises which are damaged or blocked; arising as a direct result of damage covered under this section.

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**.

We will not make any payment for:

1. **damage** caused by:
 - a. wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
 - b. dryness, humidity or being exposed to light or extreme temperatures, unless such **damage** is caused by **storm** or fire;
 - c. settlement or bedding down of new structures;
 - d. settlement or movement of made-up ground;
 - e. coastal or river erosion;
 - f. collapse or cracking, other than resulting from **subsidence**;

- g. **subsidence** to:
 - i. greenhouses, sheds, outbuildings, annexes, walls, gates, fences, car parks, yards, hard standings or slabs, hard tennis courts, riding arenas, terraces, patios, driveways, private roads, pavements, paths, fixed fuel tanks, swimming pools or hot tubs unless any of the main **buildings** are physically damaged at the same time and by the same cause;
 - ii. solid floors unless the walls of the **buildings** are physically damaged at the same time and by the same cause;
 - h. demolition, building work or, groundwork or stoppage of such work, at or on the **insured premises**;
 - i. a rise in the water table;
 - j. pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds; or
 - k. **storm** or **flood** to any greenhouse, shed, gazebo, pergola, arbour, hedge, gate or fence, unless any of the main **buildings** are physically damaged at the same time and by the same cause.
2. **damage** to trees, shrubs, plants, lawns, land or water. This does not apply to the cover under **What is covered, Additional cover**, Garden restoration and tree removal.
 3. **damage** to any **property** while in the process of being cleaned, serviced, maintained, repaired, restored, altered or treated, the cost of maintenance or routine redecoration.
 4. **damage** to any property directly resulting from **breakdown**.
 5. **damage** to, or any loss, cost or expense arising in respect of any item of **computer or digital technology** which is directly caused by:
 - a. a **cyber attack** or fear or threat of a **cyber attack**;
 - b. a **hacker** or fear or threat of a **hacker**; or
 - c. a **computer or digital technology error**; or
 - d. its digital connectivity to any other item of **computer or digital technology** which has been directly affected by a **cyber attack, hacker or computer or digital technology error**.

We will however cover any other **damage**, loss, cost or expense insured under this section which is caused by the **cyber attack, hacker or computer or digital technology error**.
 6. misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design or the use of faulty materials.
 7. financial loss due to you not receiving payment in full if **you** part with any title, possession or rights to **property**.
 8. any indirect losses which result from the incident which caused **you** to claim, other than as provided under **What is covered, Additional cover**.
 9.
 - a. **damage** caused by pollution or contamination. This does not apply to **damage** caused by accidental discharge during the **period of insurance** of oil or water from any storage tank, heating appliance or connected pipework located at the **insured premises**, other than where resulting from **breakdown**; or
 - b. any clean up or decontamination costs or expenses resulting or arising from pollution or contamination. This does not apply to the cover under **What is covered, Additional cover**, Discharge of oil.
 10. any **damage**, loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or in connection with any of the following:
 - a. **terrorism**;
 - b. **civil commotion** which occurs outside of England, Scotland or Wales;;
 - c. **war**;
 - d. **confiscation**;
 - e. **nuclear risks**;
 - f. **communicable disease**; or

- g. any fear or threat of 10.a. to 10.f. above; or
- h. any action taken in controlling, preventing, suppressing, responding or in any way relating to 10.a. to 10.g. above.

If there is any dispute between **you** and **us** over the application of 8.a or 8.b above, it will be for **you** to show that the clause does not apply.

- 11. **reconstitution of data** or the value to **you** of any lost or distorted records or data.
- 12. the amount of the **excess**.

Special conditions

Right to inspect

We have the right to inspect damaged **buildings** before any repair work begins.

However, **you** may arrange for urgent repairs immediately without allowing **us** to inspect damaged **buildings** provided that **you** tell **us** as soon as reasonably possible and the urgent repairs will:

- 1. prevent further damage to the **buildings**; or
- 2. allow you to continue to trade.

We have the right to inspect the damaged **buildings** before any further repair work begins.

We will tell **you** if **we** want to do this.

Workmen

Workmen are permitted in or about any of the **buildings** for the purposes of carrying out minor alterations, repairs, decoration and maintenance without invalidating this insurance.

Other interests

Any payment **we** make will take into account the interest of any party having an insurable interest in the **buildings**, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Storm and flood

We will treat all **damage** to **your buildings** at any one **insured premises** occurring during any period of 72 consecutive hours as one incident of loss provided that all the **damage** occurs within the **period of insurance**. **You** may select when the 72-hour period starts which will apply to all Property sections of this **policy**.

How much we will pay

Damage to buildings

We will pay up to the **amount insured** shown in the Property – building section unless limited below or in **your** schedule.

For reinstating the **buildings**, **we** will pay the necessary and reasonable costs of:

- 1. dismantling, demolishing, shoring up or propping up any part of the **buildings**;
- 2. complying with any statutory or local authority requirement regarding the damaged part of the **buildings**, unless notice of such requirement was served before the **damage** and provided the **buildings** were originally built according to any government and local authority regulations in force at that time;
- 3. employing architects, surveyors or consulting engineers in order to rebuild the **buildings**; and
- 4. rebuilding or repairing the **buildings** to a condition equal to but not better or more extensive than their condition immediately prior to the insured incident, provided **you** carry out the rebuilding or repair without unreasonable delay.

However, you may rebuild or repair the **buildings**:

- a. in any manner suitable to **your** requirements provided it does not increase the cost;
- b. on another site, provided the **buildings** are totally destroyed; and/or

- c. using environmentally sustainable methods provided it does not increase the cost by more than 30% and the cost does not exceed the **amount insured** stated in the schedule.

Inflationary provision cover

If your schedule shows that inflationary provision cover applies, the **amount insured** will be increased by the additional percentage also stated in **your** schedule to take account of any inflationary increases over both the **period of insurance** and the period needed to rebuild or repair the **buildings**. At the beginning of each **period of insurance**, **you** must advise us of the cost of rebuilding the **buildings** to their condition at that time.

Under insurance

If, at the time of **damage**, **we** establish that the **amount insured** for any **building** does not represent:

1. the amount it would cost to reinstate the **buildings**; or
2. the **declared amount**, where **you** have selected a **first loss limit** which is stated on **your** schedule;

we will reduce the amount **we** pay for any claim or loss in the proportion that the premium for this section of the **policy** **you** have paid bears to the premium **we** would have charged **you** if **you** had declared the actual cost of reinstatement.

We will only apply this calculation if:

- a. **we** establish that the value declared to **us** for the corresponding **building** is less than 85% of the actual reinstatement cost; and
- b. **we** establish that **your** failure to declare the actual reinstatement cost was not deliberate, reckless or a breach of **your** obligation to:
 - i. make a fair presentation of the risk to **us** before the start of the **period of insurance**; or
 - ii. notify **us** of a change of circumstances in relation to the reinstatement cost of the **buildings**, which may materially affect the **policy**; or
 - iii. make a fair presentation of the risk to **us** when notifying **us** of a change of circumstances in relation to the reinstatement cost of the **buildings** which may materially affect the **policy**.

This remedy may apply in addition to General conditions 2. b.ii. and 4. b. ii.

If **your** failure to declare the actual reinstatement cost was deliberate or reckless, the remedy under General conditions 2.a. or 4.a. will apply at **our** discretion.

Index linking

If **you** decide to renew this policy with **us**, **we** will automatically increase the **amount insured** or **declared amount**, as appropriate, for **buildings** for the subsequent **period of insurance** in line with any change in nationally publicised indices. **You** should advise **us** if **you** do not want **us** to increase the **amount insured** or **declared amount** in this manner. However, **we** will not reduce the **amount insured** or **declared amount** without **your** consent.

Storm and flood

Where damage has been caused by storm or flood, **we** will treat all damage to your buildings at any one insured premises occurring during any period of 72 consecutive hours as one incident of loss provided that all the damage occurs within the period of insurance. **You** may select when the 72-hour period starts.

Value Added Tax

The amount **we** will pay is exclusive of Value Added Tax unless **you** cannot recover it from the tax authorities

Your obligations

If any damage occurs

We will not make any payment under this section unless **you**:

1. notify **us** promptly of any **damage** which might be covered;
2. report to the police, as soon as is reasonably possible, any **damage** arising from any criminal act and obtain a crime reference from them;
3. notify **us** immediately of any **damage** due to any unlawful or malicious act by any director, partner, trustee, committee member, employee or volunteer of **yours**, but no later than ten working days of its discovery by **you**.

Building works

As set out in **What is not covered**, 1.h., we will not make any payment for **damage** caused by demolition, building work or groundwork, or stoppage of such work, at or on the **insured premises**.

Additionally, if **you** or anyone on **your** behalf intends to undertake any such work at or on the **insured premises** and the estimated cost is more than £75,000, **you** must tell **us** about the work at least 30 days before the work starts and before **you** enter into any contract for the works. **We** may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out.

If **we** impose additional requirements **we** will tell **you** the timeframes within which you must carry them out.

If you do not tell **us**, **we** will not make any payment for **damage** indirectly caused by or resulting from the demolition, building work or groundwork, or stoppage of such work, at or on the **insured premises**.

You do not have to tell **us** if the work is for minor alterations, repairs, decoration or maintenance only.

Protections

You must ensure that all fire alarms, security systems and physical protections notified to **us** are in full operation whenever the **insured premises** is left unattended, unless **you** have already advised **us** that a system is not working properly.

You must also advise **us** as soon as reasonably possible if for any reason, any fire protection system, security system or other physical protection installed at the **insured premises** is not working properly. **We** may then vary the terms and conditions of this **policy**.

All systems must be regularly serviced under contract by a reputable company at least annually and a written record of the servicing must be retained by **you**.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Open fires and wood burners

In respect of any open fires, wood burners, pellet stoves or biomass boilers or heaters at the **insured premises**, **you** must ensure that:

1. all chimneys and flues are professionally cleaned at least annually; and
2. a written record of the cleaning is retained by **you**.

We will not make any payment for **damage** caused by fire or smoke occurring while **you** are not in compliance with this condition, unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Unoccupied buildings

You must tell **us** immediately if the **buildings**, including any part of being separately let will be left unoccupied.

We may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements **we** will tell **you** the timeframes within which **you** must carry them out.

If **you** do not tell **us**, **we** will not make any payment for **damage** occurring while the **buildings** are unoccupied.

Electrical installation

You must ensure that an electrical installation condition survey is carried out at the **insured premises** at least once every five years by a registered electrical safety engineer and all defects are remedied in accordance with the electrical installation condition report. **You** must retain a written record of the survey and all subsequent remedial work for a period of at least five years from the date of the survey.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with this condition unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Cleaning and use of extraction ducting

In respect of any deep fat frying apparatus at the **insured premises**, **you** must ensure that all:

1. extraction hoods, canopies, filters and grease traps are cleaned at least once every seven days; and
2. all extraction hoods, ducts, extractors and plenums are professionally cleaned by a qualified independent contractor are cleaned at least once every six months, or more frequently where recommended by the contractor, and a record of such cleaning is retained by **you**.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with these conditions unless **you** can demonstrate that such non-compliance could not have increased the risk of the **damage** occurring in the circumstances in which it occurred.

Section 2

Property – contents, computers and money

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

Your schedule will state whether your **policy** includes this section.

Please read **your** schedule to see whether **money** is insured while at each of the locations shown below.

Special definitions for this section

Art and collections

Items of art, antiques and collectibles which are characterised by their value, age, style, artistic merit or collectability.

Employee dishonesty

Dishonesty of any person under a contract of service with **you** where there was a clear intention to cause **you** financial loss or damage or to obtain personal financial gain over and above salary, bonus or commission.

Employees' cycles

Cycles and cycle accessories which belong to **your** partners, directors, trustees, committee members, employees or volunteers or for which such persons are legally responsible.

What is covered

Damage to contents

We will insure **you** against **damage** occurring during the **period of insurance** to **contents** contained in the **insured premises** and any other items stated in the Property – contents section of **your** schedule.

Money

We will insure **you**, up to the **amount insured** stated in **your** schedule for each location listed below, against **damage** occurring during the **period of insurance** to **money**, other than any non-negotiable instruments:

1. in any **specified or unspecified premises** while open for operation or in a locked safe.
2. in any **specified or unspecified premises** while not open for operation and not in a locked safe.
3. at the home of any partner, director, trustee, committee member, employee or volunteer of **yours** in the **United Kingdom**.
4. **in transit** within the **geographical limits** by road, rail, water, air or carried by any person, including while being loaded, unloaded and temporarily housed overnight away from the **specified or unspecified premises** in the course of transit.
5. at any location within the **geographical limits** where **you** are attending a promotional event or exhibition in connection with **your activities**.

6. at any location within the **geographical limits** where **you** have a contract to carry out **your activities**.
7. at any other location within the **geographical limits**.
8. at any location individually stated in the Property – contents and money section of **your** schedule. If **we** provide such cover, **we** will not provide additional cover to **you** for that location under **What is covered**, 1. to 7. above.

We will also insure **you**, up to the **amount insured** stated in **your schedule**, against **damage** occurring during the **period of insurance** to non-negotiable instruments which belong to **you** at any location within the **geographical limits**.

Damage to computers and technical equipment

Additional cover

Glass and sanitary fixtures and fittings

We will insure **you** against **damage** occurring during the **period of insurance** to **computers and technical equipment** anywhere in the world.

The following cover is also provided up to the amount stated in **your** schedule:

1. **We** will pay for **damage** occurring during the **period of insurance** to any:
 - a. fixed glass in windows, doors, fanlights, showcases, shelves, mirrors; and
 - b. sanitary fixtures and fittings

contained in the **insured premises**, which belong to **you** or for which **you** are legally responsible, including the necessary and reasonable costs of:

 - i. repairing window frames;
 - ii. removing or replacing fixtures and fittings in the course of replacing any glass; and
 - iii. replacing alarm foil, lettering or other ornamental work on any glass.
2. **We** will pay for **damage** occurring during the **period of insurance** to any newly acquired **contents**, once they have become **your** legal responsibility, provided that **you**:
 - a. tell **us** the additional values as soon as possible and no later than 30 days after **you** become legally responsible for such **contents**; and
 - b. pay **us** any additional premium which **we** deem to be appropriate from the date that **you** became legally responsible for any such **contents**.

Newly acquired contents

We may also change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements, **we** will tell **you** the timeframes within which **you** must carry them out.

Personal effects

3. **We** will pay for **damage** to **personal effects** occurring within the **insured premises** during the **period of insurance**.

However, **we** will not pay for:

- a. money, watches or jewellery; or
- b. **personal effects** insured elsewhere.

Reconstitution of data and documents

4. We will pay the necessary and reasonable costs of:
 - a. **reconstitution of data**; and
 - b. replacing or reconstituting **your** documents which are not held electronically and which **you** need to continue **your activities**, if such documents have been lost or destroyed;

as a direct result of **damage** covered under this section.

- | | |
|--|---|
| Lock replacement | 5. We will pay the costs incurred by you to replace locks and keys necessary to maintain the security of the insured premises as a direct result of physical security keys involving force or violence occurring during the period of insurance . |
| Building damage by theft | 6. We will pay the reasonable costs of repairing damage to the buildings at the insured premises as a direct result of theft or attempted theft occurring during the period of insurance , provided that you are legally liable for such costs under a written contract. |
| Metered water and fuel | 7. We will pay the cost that you incur for any metered water and fuel used at the insured premises when such water or fuel has been accidentally released or rendered unusable for its intended purpose as a direct result of insured damage covered under this section to any storage tank or piping located at the insured premises . |
| Contents temporarily elsewhere | <p>8. We will pay for damage occurring during the period of insurance to contents temporarily elsewhere in the United Kingdom, while:</p> <ul style="list-style-type: none"> a. at the home of any director, partner, trustee, committee member, employee or volunteer of yours; b. at any location where you are attending a promotional event or exhibition in connection with your activities; c. at any location for the purpose of cleaning, servicing, maintaining, repairing or restoring, altering or treating.; and d. at any location in connection with a change of insured premises; and e. in transit in the United Kingdom between the insured premises and any of a. to d. above. <p>However, we will not make any payment for damage to handheld devices while temporarily elsewhere.</p> |
| Employee dishonesty | <p>9. We will pay your direct financial loss if, during the period of insurance and in the performance of your activities, you discover a loss from employee dishonesty, provided:</p> <ul style="list-style-type: none"> a. the employee dishonesty was committed during the period that your contents have been continuously insured with us; and b. the employee dishonesty was not committed after any director, partner, trustee, committee member, senior manager or officer of you first becomes aware of any employee dishonesty committed by the person under a contract of service with you. |
| Employees' cycles | 10. We will pay for damage occurring within a building at the insured premises during the period of insurance to employees' cycles provided they are not insured elsewhere. |
| Unauthorised use of utilities | 11. We will pay the cost incurred by you for any metered water, gas or electricity which you did not use but which you are legally responsible for due to a third party using your metered water, gas or electricity without your authorisation, provided that you discover the unauthorised or unlawful use during the period of insurance . |
| Extinguisher and alarm re-setting expenses | 12. We will pay the necessary and reasonable costs and expenses you incur to refill fire extinguishing appliances, replace sprinkler heads or reset the fire or intruder alarm system following damage covered under this section. |
| Loss prevention costs | <p>13. We will pay the necessary and reasonable costs that you incur to protect the contents from imminent or further damage occurring during the period of insurance, such as flood prevention barriers, emergency boarding following damage to doors, windows and other similar entry points, or moving property to a higher floor or to an alternative location, provided that:</p> <ul style="list-style-type: none"> a. such costs are incurred with our prior written agreement; or b. if a. above is not reasonably practical, you notify us of such costs as soon as reasonably possible. |

Removal of debris	14. We will pay the necessary and reasonable costs and expenses you incur for clearance of the debris of contents from the insured premises or the area immediately adjacent following damage covered under this section.
Outdoor items	15. We will pay damage occurring during the period of insurance to any outdoor furniture, heater, ornament, statue and other similar portable items which are normally left outdoors within the confines of the insured premises .
Continuing hire charges	16. We will pay the costs of continuing hire charges for contents hired in by you while such contents are being repaired or until permanently replaced, but for no longer than six months, as a direct result of damage covered under this section, provided that: <ul style="list-style-type: none"> a. you are legally liable for such costs under a written contract; and b. we have made payment or admitted liability for such damage.
Refrigerated stock	17. We will pay for the necessary and reasonable costs and expenses you incur to replace spoiled refrigerated stock stored in a refrigeration unit at the insured premises where such spoilage occurs during the period of insurance and is caused by: <ul style="list-style-type: none"> a. a fault in the refrigeration unit or escape of refrigerant, provided that the refrigeration unit is: <ul style="list-style-type: none"> i. less than five years old at the date of loss; or ii. maintained under annual contract by a suitably qualified refrigeration engineer; or b. failure of the public supply of electricity or gas, unless the failure is as a result of a deliberate act of the supply authority to withhold or restrict supply.

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**.

We will not make any payment for:

1. **damage** to:
 - a. buildings, land or water;
 - b. any mechanically propelled vehicle which requires insurance under the Road Traffic Act 1988 or any equivalent act in any other territory, and any successor legislation;
 - c. any aircraft or other aerial device, drone, hovercraft, motorised scooter or watercraft, other than hand propelled or sailing craft less than 20 feet in length. However, **we** will not make any payment for **damage** to any watercraft while in use;
 - d. or loss arising from any electronic, online or crypto currency, including Bitcoin;
 - e. **personal effects**, however this does not apply to the cover under **What is covered, Additional cover, Personal effects**; or
 - f. any item attached to any of the above, other than external signs, aerials and satellite dishes attached to **buildings**.
2. **damage** caused by:
 - a. wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
 - b. dryness, humidity or being exposed to light or extreme temperatures, unless such **damage** is caused by **storm** or fire. This clause does not apply to the cover under **What is covered, Refrigerated stock**;
 - c. pressure waves caused by aircraft or other aerial devices travelling at supersonic speeds;
 - d. fraud or dishonesty other than as provided under **What is covered, Additional cover, Employee dishonesty**; or

- e. theft of any **unattended vehicle** unless the item is:
 - i. completely hidden out of sight within the storage compartment, boot or trailer of the **unattended vehicle** so that the presence of the item cannot be identified; and
 - ii. all security measures on the **unattended vehicle** are fully operational and activated at the time of the theft.
- 3. **damage** to any animal or plant caused by illness or disease.
- 4. **damage** to any **property** while in the process of being cleaned, serviced, maintained, repaired, restored, altered or treated.
- 5. **damage** to any item directly resulting from its own **breakdown**.
- 6. **damage** to, or any loss, cost or expense arising in respect of any item of **computer or digital technology** which is directly caused by:
 - a. a **cyber attack** or fear or threat of a **cyber attack**;
 - b. a **hacker** or fear or threat of a **hacker**;
 - c. a **computer or digital technology error**; or
 - d. its digital connectivity to any other item of **computer or digital technology** which has been affected by a **cyber attack, hacker or computer or digital technology error**.

We will however cover any other **damage**, loss, cost or expense insured under this section which is caused by the **cyber attack, hacker or computer or digital technology error**.

- 7. misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design or the use of faulty materials.
- 8. unexplained loss or disappearance, inventory shortage or loss due to any clerical or accounting error.
- 9. financial loss due to **you** not receiving payment in full if **you** part with title, possession of or rights to **property**.
- 10. any consequential or indirect losses of any kind which results from the incident which caused **you** to claim, other than as provided under **What is covered, Additional cover**.
- 11. a. **damage** caused by pollution or contamination. This does not apply to **damage** caused by accidental discharge during the **period of insurance** of oil or water from any storage tank, heating appliance or connected pipework located at the **insured premises** other than where resulting from **breakdown**; or
- b. any clean up or decontamination costs or expenses resulting or arising from pollution or contamination.
- 12. any **damage**, loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or in connection with any of the following:
 - a. **terrorism**;
 - b. **civil commotion** which occurs outside of England, Scotland or Wales;
 - c. **war**;
 - d. **confiscation**;
 - e. **nuclear risks**;
 - f. **communicable disease**;
 - g. any fear or threat of 12.a. to 12.f. above; or
 - h. any action taken in controlling, preventing, suppressing, responding or in any way relating to 12.a. to 12.g. above.

If there is any dispute between **you** and **us** over the application of 12.a. or 12.b. above, it will be for **you** to show that the exclusion does not apply.

- 13. the amount of the **excess**.
- 14. **damage** to **money** in any **unattended vehicle**.

15. **damage to money** sent by or while in the custody of any unregistered mailing service.
16. loss due to any **social engineering communication** or any other act of fraud or dishonesty, other than the physical theft of **money**.
17. **damage** to any item while:
 - a. in transit by courier or postal service where the method of delivery does not require a recipient's signature on receipt;
 - b. stowed in the hold of any aircraft or watercraft, whether in transit or otherwise; or
 - c. in the care, custody or control of any airport or seaport operator or any agent of any airport or seaport operator.
18. the value to **you** of any lost or distorted information.

Special condition

Change of insured premises

If:

1. **you** notify **us** that **you** are changing **insured premises**; and
2. **we** agree to cover **you** for **damage to contents** at **your** new **insured premises** after **you** move;

we will continue to insure **you** for **damage to contents** contained in **your** former **insured premises**. This cover will be provided:

- a. for a maximum of 30 days from the date **your** cover starts at the new **insured premises**;
- b. until the keys to the former **insured premises** are returned by **you**; or
- c. until **we** cease to provide any cover for **damage to contents** at **your** new **insured premises**;

whichever is the soonest. If the cover for **damage to contents** is provided on a different basis at the new **insured premises**, the cover provided under this Special condition for **damage to contents** at the former **insured premises** will continue on the same basis as that which previously applied.

The cover provided under this special condition does not increase the **amount insured**.

Right to inspect

We have the right to inspect damaged **property** before any repair work begins. However, **you** may arrange for urgent repairs immediately without allowing **us** to inspect damaged **property** provided that **you** tell **us** as soon as reasonably possible and the urgent repairs will:

1. prevent further damage to the **property**; or
2. allow **you** to continue to trade.

We have the right to inspect the damaged **property** before any further repair work begins.

We will tell **you** if **we** want to do this.

Storm and flood

We will treat all damage to **your contents** at any one **insured premises** occurring during any period of 72 consecutive hours as one incident of loss provided that all the **damage** occurs within the **period of insurance**. **You** may select when the 72-hour period starts which will apply to all Property sections of this **policy**.

How much we will pay

We will pay up to the **amount insured** stated in the schedule unless amended below or in the schedule.

Repair and replacement

At our option **we** will repair, replace or pay for any lost or damaged items on the following basis:

1. for **contents**, other than **computers**, **stock**, hired-in equipment, **prototypes**, **art and collections**, **personal effects** and **employees' cycles**, the cost of repair or replacement as new.

2. for **computers**, the cost of repairs or replacement as new. If **damage to computers** results in existing **software** being incompatible with the replacement **computers**, at **our** option **we** will also pay for:
 - a. i. the necessary modifications to the replacement **computers**; or
 - ii. the conversion of the existing **software** into a format which is compatible with the replacement **computers**; and
 - b. the cost of replacing incompatible data carrying media following 2.a.i. or 2.a.ii. above.
3. for **stock**, the cost of repair or replacement at the cost price to you. This clause does not apply to any second-hand merchandise goods, merchandise goods which have been sold but not delivered and goods held in trust.
4. for second-hand merchandise goods, the cost of repair or replacement at the trade market value.
5. for merchandise goods which have been sold but not delivered, the agreed contract price.
6. for hired-in equipment, the lesser of:
 - a. the extent of **your** legal liability in respect of repairing or replacing the hired-in equipment as specified in the hire contract;
 - b. the costs of repair of the hired-in equipment; or
 - c. the costs of replacement of the hired-in equipment with a model of equivalent specification, age and condition.
7. for goods held in trust, the lesser of:
 - a. **your** liability in respect of the goods held in trust; or
 - b. the cost of repair or replacement at the trade market value of such goods.
8. for **prototypes**, the cost to **you** of the materials necessary to reinstate the **prototype** to the same condition as it was in immediately prior to **damage** occurring.
9. for **art and collections**, either:
 - a. the agreed value of any item which is individually stated in **your** schedule or contained in any valuation lodged with **us**; or
 - b. the market value immediately prior to the **damage** of any item which is not individually stated in **your** schedule or contained in any valuation lodged with **us**. However, the most **we** will pay for any one item, pair or set which is not individually stated in **your** schedule or contained in any valuation lodged with **us** is the amount stated in **your** schedule.

If **we** repair or restore a partly damaged item, **we** will also pay for any loss in value.
10. for **personal effects**, the cost of repair or replacement as new, but not more than the amount stated in **your** schedule for each incident of loss.
11. for **employees' cycles**, the cost of repair or replacement as new, but not more than the amount stated in **your** schedule for each incident of loss.

Pairs and sets

If any **contents** which have an increased value because they form part of a pair or set are **damaged** any payment **we** make will take account of the increased value.

Other interests

Any payment **we** make will take into account the interest of any party having an insurable interest in the **contents** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Index linking

If **you** decide to renew this section with **us**, **we** will automatically adjust the **amount insured** or **declared amount**, as appropriate, for **contents** or **computers and technical equipment** for the subsequent period of insurance in line with any change in nationally publicised indices. **You** should must advise **us** if **you** do not want **us** to increase the **amount insured** or **declared amount** in this manner. However, **we** will not reduce the **amount insured** or **declared amount** without **your** consent.

Under insurance

If, at the time of **damage**, **we** establish that:

1. the **amount insured**; or

2. the **declared amount**, where **you** have selected a **first loss limit** which is stated on **your** schedule;

does not represent the total value of the **contents**, **we** will reduce the amount **we** pay in the proportion that the premium **you** have paid bears to the premium **we** would have charged **you** if **you** had declared the total value of the **contents**.

We will only apply this calculation if:

- a. **we** find that the **amount insured** is less than 85% of the **contents** or **computers and technical equipment**; and
- b. **we** establish that **your** failure to declare the total value of the **contents** was not deliberate, reckless or a breach of **your** obligation to:
 - i. make a fair presentation of the risk to **us** before the start of the **period of insurance**;
 - ii. notify **us** of a change of circumstances in relation to the total value of the **contents**, which may materially affect the **policy**; or
 - iii. make a fair presentation of the risk to **us** when notifying **us** of a change of circumstances in relation to the total value of the **contents** which may materially affect the **policy**.

This remedy may apply in addition to General conditions 2. b.ii. and 4. b. ii.

If your failure to declare the total value of the **contents** or **computers and technical equipment** was deliberate or reckless, the remedy under General conditions 2.a. or 4.a. will apply at **our** discretion.

Personal assault following robbery or attempted robbery

We will not pay compensation under more than one heading in **your** schedule for the same injury.

Inflationary provision cover

If **your** schedule shows that inflationary provision cover applies, the **amount insured** will be increased by the additional percentage also stated in **your** schedule to take account of any inflationary increases over the **period of insurance**. **You** must advise **us** of the replacement value of the **contents** at the beginning of each **period of insurance**.

Value Added Tax

The amount **we** will pay is exclusive of Value Added Tax unless **you** cannot recover it from the tax authorities.

Special limits

Limit per vehicle or craft

The most **we** will pay for **damage** to **computers and technical equipment** in any one vehicle or craft while in transit is the amount stated in the schedule.

Your obligations

If any damage occurs

We will not make any payment under this section unless **you**:

1. notify **us** promptly of any loss or **damage** which might be covered;
2. notify any third-party carrier of the insured **property** of any **damage** **you** discover within the time limits for notification of damage stipulated in **your** contract of carriage with them;
3. report to the police, as soon as reasonably possible, any **damage** arising from any criminal act and obtain a crime reference from them;
4. notify **us** immediately of any loss or **damage** due to any unlawful or malicious act by any director, partner, trustee, committee member, employee or volunteer of **yours**, but no later than ten working days of its discovery by **you**.

Backing-up electronic data

You must take all reasonable steps to make back-up copies of data at least once a week and keep the copies away from the **insured premises**. If **you** do not, **we** may reduce any payment **we** make by an amount equal to the detriment **we** have suffered as a result.

Hiring in equipment	<p>When hiring in property you must complete and record an inventory check and inspect all property for damage prior to acceptance and agree a schedule of any damage with the hire company before taking charge of the property. Upon returning the property to the hire company you must only return the property to persons authorised within the hire company to accept the return of equipment.</p> <p>We will not make any payment under this section in respect of any incident occurring while you are not in compliance with these conditions unless you can demonstrate that such non-compliance could not have increased the risk of the damage occurring in the circumstances in which it occurred.</p>
Protections	<p>You must advise us as soon as you become aware, if for any reason, any fire protection system, security system or other physical protection installed at the insured premises is not working properly. We may then vary the terms and conditions of this policy.</p> <p>All systems must be regularly serviced under contract by a reputable company at least annually and a written record of servicing must be retained by you.</p> <p>We will not make any payment under this section in respect of any incident occurring while you are not in compliance with these conditions unless you can demonstrate that such non-compliance could not have increased the risk of the damage occurring in the circumstances in which it occurred.</p>
Unoccupancy	<p>You must tell us immediately if the insured premises, including any part capable of being separately let, will be left unoccupied.</p> <p>We may change the terms and conditions of this policy or impose additional requirements that you must carry out. If we impose additional requirements we will tell you the timeframes within which you must carry them out.</p> <p>If you do not tell us, we will not make any payment for damage occurring while the insured premises is unoccupied.</p>
Building works	<p>If you or anyone on your behalf intends to undertake any demolition, building work or groundwork at or on the insured premises and the estimated cost is more than £75,000, you must tell us about the work at least 30 days before the work starts and before you enter into any contract for the works. We may change the terms and conditions of this policy or impose additional requirements that you must carry out. If we impose additional requirements we will tell you the timeframes within which you must carry them out.</p> <p>If you do not tell us, we will not make any payment for damage indirectly caused by or resulting from the demolition, building work or groundwork, or stoppage of such work, at or on the insured premises.</p> <p>You do not have to tell us if the work is for minor alternations, repairs, decoration or maintenance only.</p>
Unauthorised use of utilities	<p>If the insured premises is not occupied by you, you must inspect the insured premises at least weekly and take action to prevent further losses as any potential unauthorised use is discovered.</p> <p>We will not make any payment under this section in respect of any incident occurring while you are not in compliance with these conditions unless you can demonstrate that such non-compliance could not have increased the risk of the damage occurring in the circumstances in which it occurred.</p>
Money in transit	<p>You must ensure that cash, bank and currency notes in transit with a total value:</p> <ol style="list-style-type: none"> between £2,000 and £6,000 is carried by at least two able-bodied adults; between £6,000 and £10,000 is carried by at least three able-bodied adults; in excess of £10,000 is carried by a Security Industry Authority approved cash and valuables in transit company. <p>Please check your schedule to see what cover you have for money as it may be lower than the amounts above.</p>

We will not make any payment in respect of any incident occurring whilst **you** are not in compliance with these conditions unless **you** can demonstrate that such non-compliance could not have increased the risk of the loss or **damage** occurring in the circumstances in which it occurred.

Section 3

Property – equipment breakdown

The General terms and conditions, the Property definitions and the following terms and conditions all apply to this section.

Your schedule will state whether **your policy** includes this section.

What is covered

Equipment and computers	1. We will insure you against breakdown occurring during the period of insurance to: a. equipment at the insured premises ; and b. computers . within the United Kingdom , which causes that item to no longer perform the function or serve the purpose for which it was manufactured.
Reconstitution of electronic data	2. We will pay for the necessary and reasonable costs of reconstitution of data as a direct result of breakdown covered under this section.
Loss prevention costs	3. We will pay the necessary and reasonable costs that you incur to protect equipment and computers covered under this section from imminent or further breakdown occurring during the period of insurance provided that: a. such costs are incurred with our prior written agreement; or b. if a. above is not reasonably practical, you notify us of such costs as soon as possible.
Alternative hire costs	4. We will pay the necessary and reasonable costs that you incur for the hire of a substitute item of similar type and capacity as a direct result of breakdown covered under this section, for the period beginning at the date of the breakdown until the item is repaired or replaced but for no longer than six months.
Removal of debris	5. We will pay the necessary and reasonable costs that you incur to clear the debris of equipment or computers from the insured premises or the area immediately adjacent, following breakdown covered under this section.

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**.

We will not make any payment for:

1. **breakdown** caused by wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
2. **breakdown** caused by any:
 - a. **equipment** or **computers** being of insufficient size, specification or capacity;
 - b. test used to identify operating capacity or faults which are not visible; or
 - c. rebooting, reloading or updating of any **software**.
3. the value to **you** of any lost or distorted records or data.
4. **damage** to any:
 - a. insulating or heat resistant material;
 - b. mechanically propelled vehicle, aircraft or other aerial device, drone, hovercraft, motorised scooter, watercraft or any item attached to them;

- c. **equipment** which has a primary purpose of manufacturing, producing or processing
a product for sale by **you**, including any other item used exclusively with such **equipment**, other than **production or process equipment**;
 - i. fork-lift trucks, pallet trucks, dock levellers and lifting tables; and
 - ii. equipment used for the production or processing of sound, images or light;
 - d. construction, demolition or excavation equipment;
 - e. equipment manufactured by **you** for sale;
 - f. any electronic equipment, other than **computers**, used for research, diagnostic, treatment, experimental or other medical or scientific purposes with a new replacement value of more than £25,000;
 - g. biomass or biogas heater, any electricity or power generating equipment or any item used in connection with them, other than emergency back-up power **equipment**; or
 - h. laundry, cleaning, kitchen or home entertainment equipment used in any private living quarters;
 - i. **equipment** or **computers** not covered under any other Property section of this **policy**.
5. any **damage**, loss, cost or expense recoverable under any maintenance agreement, warranty or guarantee, or which would be recoverable but for a breach of **your** obligations under such agreement, warranty or guarantee.
6. any **damage**, loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or in connection with any of the following:
- a. **terrorism**;
 - b. **civil commotion** which occurs outside of England, Scotland or Wales;
 - c. **war**;
 - d. **confiscation**;
 - e. **nuclear risks**;
 - f. **communicable disease**; or
 - g. any fear or threat of 6.a. to 6.f. above;
 - h. any action taken in controlling, preventing, suppressing, responding or in any way relating to 6.a. to 6.g. above.
- If there is any dispute between **you** and **us** over the application of clause 6.a. and 6.b, it will be for **you** to show that the exclusion does not apply.
7. any **damage**, loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or in connection with any of the following:
- a. **cyber attack**;
 - b. **hacker**;
 - c. **social engineering communication**; or
 - d. a failure of electronic equipment to correctly recognise, process or store any data.
8. the amount of any **excess**.

Special condition

Right to inspect

We have the right to inspect damaged **equipment** or **computers** before any repair work begins.

However, **you** may arrange for urgent repairs immediately without allowing **us** to inspect damaged items provided that **you** tell **us** as soon as reasonably possible and the urgent repairs will:

1. prevent further **damage** to the items; or
2. allow **you** to continue to trade.

We have the right to inspect the damaged **equipment** and **computers** before any further repair work begins. **We** will tell **you** if **we** want to do this.

How much we will pay

We will pay up to the **amount insured** shown in the Property – equipment breakdown section of **your** schedule, unless limited below or in **your** schedule.

Repair and replacement

At **our** option **we** will repair, restore, replace or pay for any loss or **damage** on the following basis:

1. for **equipment**, other than hired-in **equipment**, the cost of repair or replacement as new.
2. for hired-in **equipment**, the lesser of:
 - a. the extent of **your** legal liability in respect of repairing or replacing the hired-in **equipment** as specified in the hire contract;
 - b. the costs of repair of the hired-in **equipment**; or
 - c. the costs of replacement of the hired-in **equipment** with a model of equivalent specification, age and condition.
3. for **computers**, the cost of repairs or replacement as new. If **damage** to **computers** results in existing **software** being incompatible with the replacement **computers**, at **our** option **we** will also pay for:
 - a. i. the necessary modifications to the replacement **computers**; or
 - ii. the conversion of the existing **software** into a format that is compatible with the replacement **computers**; and
 - b. the cost of replacing incompatible data-carrying media.

Other interests

Any payment **we** make will take into account the interest of any party having an insurable interest in the **equipment** or **computers** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Value Added Tax

The amount **we** will pay is exclusive of Value Added Tax unless **you** cannot recover it from the tax authorities.

Your obligations

If any breakdown occurs

We will not make any payment under this section unless **you** notify **us** promptly of any **failure** which might be covered.

Backing-up electronic data

You must take all reasonable steps to make back-up copies of all data at least once a week and keep the copies away from the **insured premises**. If **you** do not, **we** may reduce any payment **we** make by an amount equal to the detriment **we** have suffered as a result.

Precautions

You must take reasonable steps to:

1. comply with any statute or order applicable to the insured **equipment** or **computers**; and
2. ensure that insured **equipment** or **computers** are properly maintained and used in accordance with the manufacturer's recommendations.

We will not make any payment under this section in respect of any incident occurring while **you** are not in compliance with these conditions, unless **you** can demonstrate that such non-compliance could not have increased the risk of **breakdown** occurring in the circumstances in which it occurred.

Property – business interruption

Policy wording

Please read **your** schedule to see if **your** loss of **income**, loss of **gross profit**, loss of **fees**, **increased costs of working**, **additional increased costs of working**, **additional research expenditure** or outstanding debts are covered, or if a **first loss limit** or **flexible business interruption cover** applies.

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

Special definitions for this section

Additional increased costs of working	The additional costs and expenses reasonably incurred by you with our prior consent in order to continue your activities or minimise your loss of income or loss of gross profit or loss of fees during the indemnity period and not limited to the loss of income or loss of gross profit saved.
Additional research expenditure	The additional costs and expenses reasonably incurred by you with our prior consent in order to restore your research projects to the state they were in prior to any insured damage .
Annualised amount insured	The amount insured divided by the indemnity period stated in the Property – business interruption section of your schedule multiplied by 12.
Annualised declared amount	The declared amount for your actual income or gross profit or fees divided by the indemnity period stated in the Property – business interruption section of your schedule multiplied by 12.
Earth movement	Any natural or man-made earth movement including, but not limited to earthquake, seaquake, volcanic eruption, subsidence , and any ensuing tsunami.
Employee	Any person working for you in connection with your activities who is employed by you under a contract of service or apprenticeship.
Fees	The difference between your income , and the sum of the wage roll of persons supplied to all clients by you under contract and uninsured working expenses .
Flexible business interruption cover	Any combination of your loss of income , loss of gross profit , loss of fees , increased costs of working , additional increased costs of working or additional research expenditure .
Gross profit	The difference between the sum of your income , closing stock and work in progress and the sum of your opening stock, work in progress and uninsured working expenses .
Homeworker	An employee of yours who is permitted to carry out all or part of their work for you from their own main residence at the time of insured damage .
Income	The total income of your business or your activities .
Increased costs of working	The costs and expenses necessarily and reasonably incurred by you in order to continue your activities or minimise your loss of income or loss of gross profit or loss of fees during the indemnity period , but not exceeding the loss of income or loss of gross profit or loss of fees saved.
Indemnity period	The period, as set out under How much we will pay below, which we will apply when determining the amount we will pay for each covered item under this section.
Insured breakdown	Breakdown of equipment or computers occurring during the period of insurance which is covered under the Property – equipment breakdown section of this policy . Your schedule will state whether your policy includes this section.
Insured damage	Damage , other than breakdown , to property occurring during the period of insurance , which is covered:

1. under the Property – buildings, Property – contents, Property – away and in transit or other Property section of this **policy**; or
2. by any other insurer, provided that the **damage** would not have been excluded by the Property – buildings, Property – contents, Property – away and in transit or other Property section of this **policy**.

Minimum interruption period

A period of 24 consecutive hours immediately following the interruption.

Rate of gross profit

The percentage amount which is produced by dividing **your gross profit** during the financial year immediately before any **insured damage, insured breakdown or restrictions** by **your income** during the same financial year, and then multiplying the result by 100.

Research projects

Your projects in relation to the development of new products or services or improvements to existing products or services directly related to **your activities**.

Restrictions

Restrictions imposed by any civil or statutory authority or by order of the government or any public authority, including the British Armed Forces or the Police, which affect the access to or use of any **insured premises**.

Specified customer

Any direct customer or direct client of **yours** individually stated in the Property – business interruption section of **your** schedule.

Specified disease

Any of the following diseases:

1. acute encephalitis;
2. anthrax;
3. cholera;
4. dysentery;
5. legionellosis;
6. leptospirosis;
7. paratyphoid fever;
8. rabies; or
9. tetanus.

Specified supplier

Any supplier of **yours** individually stated in the Property – business interruption section of **your** schedule.

Uninsured working expenses

Purchases less discounts received, bad debts and any other item described in the Property – business interruption section of **your** schedule.

What is covered

We will insure you for:

1. **your** financial losses and other items stated in the Property – business interruption section of **your** schedule, resulting solely and directly from an interruption to **your activities** caused by:
 - a. **insured damage to your property**, provided that, if such **damage** is covered by any other insurer, it occurred while the **property** was contained in an **insured premises**;
 - b. a part of an **insured premises** being inaccessible to **you** or **your employees** or **your suppliers** provided that such interruption:
 - i. first occurs during the **period of insurance**; and
 - ii. lasts for more than the **minimum interruption period**; and
 - iii. is due to **insured damage** within a one-mile radius of those **insured premises**. For the purposes of this cover only, such **damage** does not have to occur during the **period of insurance**;
 - c. all of an **insured premises** being inaccessible to **you** or **your employees** provided that such interruption:
- Financial losses from insured damage
- Denial of access
- Non-damage denial of access

- i. lasts for more than the **minimum interruption period**; and
- ii. is due to **restrictions** imposed during the **period of insurance** as a direct result of an incident occurring within a one-mile radius of those **insured premises**.

For the purposes of this cover, the incident referred to at (ii) above must not:

- a. be **insured damage**; or
- b. be caused by the presence, suspected presence, fear or threat of an incendiary or explosive device; or
- c. occur at the relevant **insured premises**.

Bomb threat

- d. all of an **insured premises** being inaccessible to **you** or **your employees** provided that such interruption:
 - i. lasts for more than the **minimum interruption period**; and
 - ii. is due to **restrictions** imposed during the **period of insurance** as a direct result of the presence, suspected presence, fear or threat of an incendiary or explosive device.

However, **we** will not make any payment:

- a. for the period after any **damage**, if **damage** to any **property** is caused by the device; or
- b. if the total area to which the **restrictions** apply is greater than ten miles across at its widest point;

Unspecified customers

- e. **insured damage** to **property** which **your** direct customers or direct clients own or are legally responsible for, arising at their premises within the **United Kingdom**.

For the purposes of this cover, **insured damage** does not include loss or **damage** caused by **flood** or **earth movement**.

This cover does not apply to any **specified customer**;

Specified customers

- f. **insured damage** to **property** which any **specified customer** owns or is legally responsible for, arising at their premises as stated in the Property – business interruption section of **your** schedule;

Unspecified suppliers

- g. **insured damage** to **property** which **your** suppliers own or are legally responsible for, arising at their premises within the **United Kingdom**.

For the purposes of this cover, **insured damage** does not include loss or **damage** caused by **flood** or **earth movement**.

This cover does not apply to any **specified supplier** or any supplier of water, gas, electricity, telecommunications, internet or cloud services;

Specified suppliers

- h. **insured damage** to **property** which any **specified supplier** owns or is legally responsible for, arising at their premises as stated in the Property - business interruption section of **your** schedule;

Homeworkers

- i. **insured damage** occurring at the main residence in the **United Kingdom** of a **homeworker**;

Public utilities

- j. **insured damage** to:
 - i. any land-based premises of a service provider operating and based in the **United Kingdom**, the European Union or Gibraltar;
 - ii. the terminal feed to an **insured premises**; or
 - iii. underground cables conveying such services from the service provider to an **insured premises**,

which directly results in the total failure in the supply of water, gas or electricity to those **insured premises** for more than 24 consecutive hours.

For the purposes of this cover, **insured damage** does not include loss or **damage** caused by **flood** or **earth movement**.

For cover following a total failure in the supply of water, gas or electricity, **damage** shall be considered as **insured damage** where it is self-insured by the provider of water, gas or electricity and the **damage** is not otherwise excluded by the Property

– buildings, Property – contents, Property – away and in transit or other Property section of this **policy**;

Telecommunications and internet service providers

- k. **insured damage** to:
- i. any land-based premises of a service provider operating and based in the **United Kingdom**, the European Union or Gibraltar;
 - ii. the terminal feed to an **insured premises**; or
 - iii. underground cables conveying such services from the service provider to an **insured premises**,

which directly results in the total failure in the supply of telecommunications, internet or cloud services to those **insured premises** for more than 24 consecutive hours.

For the purposes of this cover, **insured damage** does not include loss or **damage** caused by **flood** or **earth movement**.

For cover following a total failure in the supply of telecommunications, internet or cloud services, **damage** shall be considered as **insured damage** where it is self-insured by the provider of such services and the **damage** is not otherwise excluded by the Property – buildings, Property – contents, Property – away and in transit or other Property section of this **policy**;

Public authority

- l. a part of an **insured premises** being unusable for the purposes of **your activities** by **you** or **your employees** provided that such interruption:
- i. lasts for more than the **minimum interruption period**; and
 - ii. is due to **restrictions** imposed during the **period of insurance** caused by:
 - a. a murder, rape or suicide at those **insured premises**;
 - b. an occurrence of a **specified disease** at those **insured premises**, where **you** are required by any law or regulation to notify an outbreak to the relevant civil, statutory or public authority;
 - c. injury or illness of any person traceable to food or drink consumed on those **insured premises**;
 - d. defects in the drains, sewers or other sanitary fixtures and fittings at those **insured premises**; or
 - e. vermin or pests at those **insured premises**;

Equipment breakdown

- m. **insured breakdown**;

Outstanding debts

2. outstanding debts owed to **you** relating to **your activities** which **you** are unable to recover following loss of **your** accounting records held at an **insured premises** as a direct result of **insured damage** occurring during the **period of insurance** at those **insured premises**, provided:
- a. such debt is not outstanding for more than 120 days after its due date at the time of the **insured damage**;
 - b. **you** ensure all reasonable measures are taken to recover the outstanding debts; and
 - c. such loss of outstanding debts is not insured under any other insurance.

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 interruption to **your activities** or for any loss, cost, payment or expense which is directly or indirectly caused by, contributed to by, resulting from or in any way connected with any of the following:
- 1. a. **terrorism**. This does not apply to the cover under **What is covered**, 1.d. Bomb threat;
 - b. **civil commotion**, strikes or industrial action. This does not apply to **civil commotion** in respect of the cover under **What is covered**, 1.a. Financial losses from insured damage;
 - c. **war**;

- d. **confiscation**;
- e. **nuclear risks**;
- f. any **communicable disease**. This does not apply to a **specified disease** for the purposes of the cover under **What is covered**, 1.i.ii.b. Public authority;
- g. any fear or threat of 1.a. to 1.f. above; or
- h. any action taken in controlling, preventing, suppressing, responding or in any way relating to 1.a. to 1.g. above.

If there is any dispute between **you** and **us** over the application of clause 1.a. or 1.b. above, it will be for **you** to show that the clause does not apply.

- 2. a. **cyber attack**;
- b. **hacker**;
- c. **computer or digital technology error**;
- d. any fear or threat of 2.a. to 2.b. above; or
- e. any action taken in controlling, preventing, suppressing, responding or in any way relating to 2.a. to 2.d. above.

However:

- i. exclusion 2. does not apply to **What is covered**, 1.a. Financial losses from insured damage; and
- ii. exclusion 2.c. does not apply to **What is covered**, 1.m. Equipment breakdown.
- 3. fraud or dishonesty. However this exclusion 3. does not apply to **What is covered**, 1.a. Financial losses from insured damage arising from the direct physical theft of **property**.
- 4. any act, failure to act or omission which **you** deliberately or recklessly commit, condone or ignore. This does not apply to the cover under **What is covered**, 1.c. Non-damage denial of access, 1.d. Bomb threat or 1.i. Public authority where such act, failure to act or omission occurs to comply with **restrictions** imposed.
- B **We** will not make any payment for any interruption to **your activities** or for any loss, cost, payment or expense:
 - 1. a. if **you** decide to discontinue **your activities**;
 - b. if **your activities** are discontinued permanently; or
 - c. if a liquidator or receiver is appointed in respect of **your activities**, prior to **your activities** first being interrupted by any **insured damage**, **insured breakdown** or **restrictions**.
 - 2. in connection with the hire of any substitute item while insured **property** is being repaired or replaced following **insured breakdown**.

How much we will pay

We will pay up to the **amount insured** shown in the Property – business interruption section of **your** schedule for each interruption to **your activities**, unless limited below or in **your** schedule.

The amount **we** will pay in respect of each interruption under this section for financial losses and other items stated in the Property – business interruption section of **your** schedule will be calculated in accordance with the paragraphs below.

Loss of income

For loss of **income**, the difference between **your** actual **income** during the **indemnity period** and the **income** it is estimated **you** would have earned during that period or, if this is **your** first trading year, the difference between **your income** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses **you** pay out of **your income** during the **indemnity period**. **We** will also pay for **increased costs of working** within and not in addition to the **amount insured** for loss of **income** stated in the Property – business interruption section of **your** schedule.

Loss of gross profit

For loss of **gross profit**, the sum produced by applying the **rate of gross profit** to any reduction in **income** during the **indemnity period**, less any savings resulting from the reduced costs and expenses **you** pay out of **your income** during the **indemnity period**. **We** will also pay for **increased costs of working** within and not in addition to the **amount insured** for loss of **gross profit** stated in the Property – business interruption section of **your** schedule.

Loss of fees	For loss of fees , the difference between your actual fees during the indemnity period and the fees it is estimated you would have earned during that period or, if this is your first trading year, the difference between your fees during the indemnity period and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses you pay out of your fees during the indemnity period . We will also pay for increased costs of working within and not in addition to the amount insured for loss of fees stated in the Property – business interruption section of your schedule.
Flexible business interruption cover	If the Property – business interruption section of your schedule states you are covered on a flexible business interruption cover basis, the amount insured stated in your schedule applies to the total of your loss of income , loss of gross profit , increased costs of working , additional increased costs of working , additional research expenditure and outstanding debts combined.
Value added tax	If you are accountable to the tax authorities for Value Added Tax, the amount we pay will be exclusive of such tax.
Accountant's charges	We will also pay for the necessary and reasonable charges you pay to your professional accountant for producing information which we request or require in support of your claim under this section. We will not pay for any other charges you incur in presenting or assessing any loss or claim under this section.
Business trends	To reflect the trends in your income or gross profit or fees , we will adjust the amount we pay so that it puts you in the same position that you would have been in had the interruption to your activities not occurred. In respect of What is covered 1.c. Non-damage denial of access, 1.d. Bomb threat and 1.l. Public authority, we will not make any payment in respect of any unwillingness of any customer or client of yours to purchase your goods or services where restrictions have not been or are no longer imposed.
Business trends uplift	If the Property – business interruption section of your schedule states that a percentage uplift for business trends applies, the amount insured will be increased accordingly to reflect any special circumstances or business trends affecting your activities during the period of insurance or during the indemnity period . For this uplift to apply, these circumstances or trends must have been reasonably unforeseeable by you when you provided us with the declared amount at the beginning of the period of insurance . We will determine the amount of any increase in order to put you in the same position that you would have been in had the interruption to your activities not occurred.
Under insurance (if you have been carrying out your activities for less than 12 months)	At the beginning of each period of insurance , you must declare to us an accurate estimate of your income or gross profit or fees for the next 12 months. In the event of any claim under this section, if you have been carrying out your activities for less than 12 months and if we establish that: 1. the annualised amount insured , or 2. where you are covered on a first loss limit basis, the annualised declared amount , is less than 85% of your actual income or your actual gross profit or your actual fees during the period that you have been carrying out your activities , we will reduce the amount we pay. When making this calculation, we will pro-rata the annualised amount insured or the annualised declared amount to reflect the period that you have been carrying out your activities . The reduction we will make will be in the proportion that the premium for this section of the policy you have paid bears to the premium we would have charged you if it had been based on your actual income or your actual gross profit or your actual fees . The remedy described above will apply if your failure to declare an accurate estimate of your income or gross profit or fees was not deliberate or reckless and this remedy may apply in addition to General condition 2.b.i. and ii. If your failure to declare an accurate estimate of your income or gross profit or fees was deliberate or reckless, the remedy under General condition 2.a. will apply at our discretion.
Under insurance	At the beginning of each period of insurance , you must declare to us an accurate estimate of your income or gross profit or fees for the next 12 months.

(if you have been carrying out your activities for 12 months or more)

In the event of any claim under this section, if **you** have been carrying out **your activities** for 12 months or more and if **we** establish that:

1. the **annualised amount insured**, or
2. where **you** are covered on a **first loss limit** basis, the **annualised declared amount**, is less than 85% of **your** actual **income** or **your** actual **gross profit** or **your** actual **fees** during the 12 months immediately preceding the date of the first interruption to **your activities**, **we** will reduce the amount **we** pay.

The reduction **we** will make will be in the proportion that the premium for this section of the **policy** **you** have paid bears to the premium **we** would have charged **you** if it had been based on **your** actual **income** or **your** actual **gross profit** or **your** actual **fees** during the 12 months immediately preceding the date of the first interruption to **your activities**.

The remedy described above will apply if **your** failure to declare an accurate estimate of **your income** or **gross profit** or **fees** was not deliberate or reckless and this remedy may apply in addition to General condition 2.b.i. and ii.

If **your** failure to declare an accurate estimate of **your income** or **gross profit** or **fees** was deliberate or reckless, the remedy under General condition 2.a. will apply at **our** discretion.

Indemnity period

The **indemnity period** in respect of each interruption to **your activities** will be calculated as stated below but **we** will not pay for longer than the period stated as your 'indemnity period' in the Property – business interruption section of **your** schedule.

All covers in **What is covered**, 1, except those stated below

The period beginning at the date of the **insured damage** and lasting for the period during which **your income** is affected as a result of such **insured damage**.

Denial of access

The period beginning at the date that **you** or **your employees** or **your** suppliers were first unable to access a part of an **insured premises** and lasting until **you** and **your employees** and **your** suppliers are able to access all of those **insured premises**.

Non-damage denial of access

The period beginning at the date that all of an **insured premises** first became inaccessible to **you** or **your employees** and lasting until the relevant **restrictions** are lifted.

Bomb threat

The period beginning at the date that all of an **insured premises** first became inaccessible to **you** or **your employees** and lasting until the relevant **restrictions** are lifted.

Public utilities

For each failed service, the period beginning at the date of the first total failure in that supply to an **insured premises** and lasting until any supply of that service is reinstated to those **insured premises**.

Telecommunications and internet service providers

For each failed service, the period beginning at the date of the first total failure in that supply to an **insured premises** and lasting until any supply of that service is reinstated to those **insured premises**.

Public authority

The period beginning at the date that a part of an **insured premises** first became unusable for the purposes of **your activities** by **you** or **your employees** and lasting until the relevant **restrictions** are lifted.

Equipment breakdown

The period beginning at the date of the **insured breakdown** and lasting for the period during which **your income** is affected as a result of such **insured breakdown**.

Special conditions

Specified customers

If the Property – business interruption section of **your** schedule states that you are covered for specified customers, the most **we** will pay for any interruption caused by **insured damage** arising at the premises of **your specified customer** is the amount stated in the Property – business interruption section of **your** schedule. If **your** customer or client is not individually stated in the Property – business interruption section of **your** schedule, cover may apply under **What is covered**, Unspecified customers.

Specified suppliers	If the Property – business interruption section of your schedule states that you are covered for specified suppliers, the most we will pay for any interruption caused by insured damage arising at the premises of your specified supplier is the amount stated in the Property – business interruption section of your schedule. If your supplier is not individually stated in the Property – business interruption section of your schedule, cover may apply under What is covered , Unspecified suppliers.
Homeworkers	If the Property – business interruption section of your schedule states that you are covered for Homeworkers, the most we will pay for any interruption caused by insured damage arising at the main residence of a homeworker is the amount stated in the Property – business interruption section of your schedule.
Equipment breakdown	<p>Where we make a payment under What is covered, 1.m. Equipment breakdown, any amounts payable by us will be included within the amount insured stated in your schedule under the Property – equipment breakdown section of this policy. This amount insured is also stated in the Property – business interruption section of your schedule.</p> <p>This amount insured is an aggregate limit for both the Property – equipment breakdown section of this policy and the cover available under this Property – business interruption section, What is covered, 1.m. Equipment breakdown and the maximum we will pay for all relevant claims or losses covered under both of these parts of your policy during the period of insurance.</p>
Outstanding debts	The most we will pay for outstanding debts is the amount stated in the Property – business interruption section of your schedule.
Multiple insureds	If your schedule shows that cover under the Property – business interruption section of the policy applies to more than one insured, each amount insured stated in that section of the schedule shall apply in total to all insureds, regardless of how many insureds are affected.
Multiple insured premises	If any single Property – business interruption section of your schedule shows that cover under that section of the policy applies to more than one insured premises , each amount insured stated in that single section of your schedule shall apply in total to all insured premises , regardless of how many insured premises are affected.
Loss under more than one cover	If the same interruption to your activities is insured under more than one cover under What is covered above, we shall only make payment for that interruption to your activities under one of the covers, being the cover that is most advantageous for you .

Your obligations

If any damage occurs	We will not make any payment under this section unless you notify us promptly of any damage or circumstance which might cause an interruption to your activities .
Property insurance	Where the damage involves property you own or are legally responsible for, we will not make any payment unless you have property insurance in force covering the damage and payment has been made, or liability admitted, under that insurance for the damage .
Accounts records	<p>You must keep a record of all amounts owed to you. You must keep a copy of the record away from an insured premises and provide copies to us promptly on request. If you do not, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.</p> <p>In the event of a claim under What is covered, 2. Outstanding debts, you must provide us with all information we may reasonably require to assist in evidencing your outstanding debts. If you do not, we may reduce any payment we make under this section by an amount equal to the detriment we have suffered as a result.</p>

Legal protection

Policy wording

ARAG Legal Expenses Insurance Company Limited (**ARAG**) are the underwriters and provide the legal protection insurance under **your policy**.

ARAG Head and Registered Office: ARAG Legal Expenses Insurance Company Limited, Unit 4a, Greenway Court, Bedwas, Caerphilly CF83 8DW.

Registered in England and Wales, Company Number 103274.

Website: www.arag.co.uk

ARAG Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (FRN202106) and the Prudential Regulation Authority.

To make sure that **you** get the most from **your ARAG** cover, please take time to read this section which explains the contract between **you** and **ARAG**. Please follow the procedures under employment compensation awards cover (insured incident **1.b.**).

How can ARAG help

How this section of **your policy** can help

Please find below information about the services that this section of **your policy** offers and details of how to make a claim.

If **you** wish to speak to **ARAG** about:

- legal advice – **you** can get telephone legal advice on any legal issue affecting **your business**;
- insurance claims – **you** can report a claim 24/7; or
- tax advice – dedicated tax advisers can provide advice on tax issues affecting **your business**.

Please phone **ARAG** on **0117 934 2111**. **ARAG** will ask **you** about **your** legal issue and if necessary call **you** back to deal with **your** query.

Online law guide and document drafting

You have access to **ARAG** Businesslaw as part of this section of **your policy**. **ARAG** Businesslaw is an online resource that provides vital business and legal support. It contains a range of regularly updated business and legal guides, document builders, interactive checklists and videos that can help **you** with the day-to-day running of **your business**, as well as helping **you** to manage **your** exposure to legal risk.

Visit **Hiscox.farill.io** and use the following voucher code to sign up: DASBHIX100

Reporting a claim

Important information

Please do not ask for help from a lawyer, accountant or anyone else before **ARAG** have agreed that **you** should do so. If **you** do, **ARAG** will not pay the costs involved even if **ARAG** accept the claim.

Report **your** claim

Call **ARAG** on **0117 934 2111**, available 24 hours-a-day, seven days-a-week; and have **your policy** number ready as **ARAG** will ask **you** for it before discussing **your** claim.

ARAG will assess the claim

- To check **your** claim is covered by this section of **your policy**; and
- if it is, **ARAG** will send it to a lawyer who specialises in **your** type of claim.

The lawyer will

Assess **your** case and tell **you** how likely it is **you** will win.

If **you** are more likely than not to win, the lawyer will

Manage the case from start to finish.

Please note this overview of the claims process is for guidance purposes only. **ARAG** claims handlers can answer any questions that **you** may have when they receive **your** claim, alternatively **you** can visit: claims.araginsurance.co.uk

Cover

This section will cover **you** (or where specified the **insured person**) in respect of any insured incident arising in connection with the **business** shown in the **policy** schedule if the premium has been paid.

ARAG agree to provide the insurance in this section in accordance with the operative covers shown in the **policy** schedule as long as:

1. **reasonable prospects** exist for the duration of the claim;
2. the **date of occurrence** of the insured incident is:
 - a. during the **period of insurance**; or
 - b. during the currency of a previous equivalent legal expenses insurance policy, provided that:
 - i. the previous legal expenses insurance policy required **you** to report claims during its currency;
 - ii. **you** could not have notified a claim previously as **you** could not have reasonably been aware of the insured incident;
 - iii. cover has been continuously maintained in force;
 - iv. any claim reported under a previously operative legal expenses policy will not be covered by **ARAG**; and
 - v. the available limit of indemnity shall be limited to the lesser of the sums payable under this or **your** previous policy;
3. any legal proceedings will be dealt with by a court, or other body which **ARAG** agree to, within the **territorial limit**; and
4. the insured incident happens within the **territorial limit**.

Special definitions for this section

Appointed representative	The preferred law firm , law firm, tax consultancy, accountant or other suitably qualified person that ARAG appoint to act on the insured person's behalf.
ARAG	ARAG Legal Expenses Insurance Company Limited.
ARAG standard terms of appointment	The terms and conditions (including the amount ARAG will pay to an appointed representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee). Where a law firm is acting on your behalf, the amount that ARAG will pay is currently £100 per hour. This amount may vary from time to time.
Costs and expenses	<ol style="list-style-type: none"> 1. All reasonable, proportionate and necessary costs chargeable by the appointed representative and agreed by ARAG in accordance with the ARAG standard terms of appointment. 2. The costs incurred by opponents in civil cases if the insured person has been ordered to pay them, or the insured person pay them with ARAG's agreement.
Date of occurrence	<ol style="list-style-type: none"> 1. For civil cases (other than as specified under 3 to 4 below), the date of the event that leads to a claim. If there is more than one event arising at different times from the same originating cause, the date of occurrence is the date of the first of these events. This is the date that the event happened, which may be before the date you or an insured person first became aware of it. 2. For criminal cases, the date the insured person began, or is alleged to have begun, to break the law.

3. For insured incident **5. Tax protection**, the **date of occurrence** is when HM Revenue & Customs first notifies **you** of its intention to carry out an enquiry.
For **VAT** or **employer compliance disputes**, the date the dispute arises during the **period of insurance** following the issue of an assessment, written decision or notice of a civil penalty.
4. For insured incident **2. Legal defence**, **4. Statutory notice appeals**, the date when the **insured person** is issued with the relevant notice and has the right to appeal.

Employer compliance dispute

A dispute with HM Revenue & Customs concerning **your** compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

Insured person

You and the directors, partners, managers, employees and any other individuals declared to **ARAG** by **you**.

This includes any person contracted to work for **you** who works for **you** on the same basis as **your** employees, and performs that work under **your** supervision and direction.

Preferred law firm

A law firm, barrister or tax expert that **ARAG** choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the **insured person's** claim and must comply with the **ARAG** agreed service standard levels, which **ARAG** audit regularly. They are appointed according to the **ARAG standard terms of appointment**.

Reasonable prospects

1. For civil cases, the prospects that the **insured person** will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that **ARAG** have agreed to, including an enforcement of judgment) or make a successful defence, must be at least 51%. A **preferred law firm** or tax consultancy on **ARAG's** behalf, will assess whether there are **reasonable prospects**.
2. For criminal cases there is no requirement for there to be prospects of a successful outcome.
3. For all civil and criminal appeals the prospects of a successful outcome must be at least 51%.

Tax enquiry

A written notice of enquiry issued by HM Revenue & Customs to carry out an Income Tax or Corporation Tax compliance check which either:

1. includes a request to examine any aspect of **your** books and records; or
2. advises of a check of **your** whole tax return.

Territorial limit

For insured incidents **2. Legal defence (excluding 2.4)**, and **4. Personal injury**:

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.

For all other insured incidents:

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

VAT dispute

A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to **your VAT** affairs.

Insured incidents ARAG will cover

1. Employment disputes and compensation awards

a. Employment disputes

Costs and expenses to defend **your** legal rights:

1. before the issue of legal proceedings in a court or tribunal:
 - a. following the dismissal of an employee; or

- b. where an employee or ex-employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure;
- 2. in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- 3. in legal proceedings in respect of any dispute relating to:
 - a. a contract of employment with **you**; or
 - b. an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

What is not covered

A claim relating to any of the following:

- 1. employee internal disciplinary or grievance procedures;
- 2. damages for personal injury;
- 3. pursuing **your** legal rights; or
- 4. transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or the Transfer of Employment (Pension Protection) Regulations 2005, including any similar or successor legislation.

b. Compensation awards

In respect of a claim that **ARAG** have accepted under insured incident **1.a. Employment disputes**, **ARAG** will pay:

- 1. any basic and compensatory award; and/or
- 2. an order for compensation or damages following a breach of **your** statutory duties under employment legislation.

Provided that:

- 1. in cases relating to performance and/or conduct, **you** have throughout the employment dispute either:
 - a. followed the ACAS code of disciplinary and grievance procedures; or
 - b. followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - c. sought and followed advice from the **ARAG** legal advice service (telephone **0117 934 2111**).
- 2. for an order of compensation following **your** breach of statutory duty under employment legislation, **you** have at all times sought and followed advice from the **ARAG** legal advice service from the date that **you** should have known about the employment dispute (telephone **0117 934 2111**).
- 3. for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **you** have sought and followed advice from the **ARAG** legal advice service before starting any redundancy process or procedures with employees (telephone **0117 934 2111**).
- 4. any sum of money in settlement of a dispute is awarded by a court, tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **ARAG**.
- 5. the total amount payable by **ARAG** for all compensation awards and any sums of money in settlement of a dispute, in aggregate and in any one **period of insurance**, shall not exceed £1,000,000.

What is not covered

- 1. Any compensation award relating to the following:
 - a. trade union activities, trade union membership or non-membership;
 - b. pregnancy or maternity rights, paternity, parental or adoption rights;
 - c. health and safety related dismissals brought under section 44 of the Employment Rights Act 1996; or
 - d. statutory rights in relation to trustees of occupational pension schemes.
- 2. Non-payment of money due under a contract.
- 3. Any award ordered because **you** have failed to provide relevant records to

employees under the National Minimum Wage legislation.

4. A compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
5. A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

c. Employee civil legal defence

At **your** request only, **costs and expenses** to defend an **insured person's** (other than **your**) legal rights if:

1. an event arising from their work leads to civil action being taken against them under legislation for unlawful discrimination; or
2. civil action is being taken against them as trustee of a pension fund set up for the benefit of **your** employees.

d. Service occupancy

Costs and expenses to recover possession of premises owned by **you**, or for which **you** are responsible, from **your** employees or ex-employees.

What is not covered

Any claim relating to defending **your** legal rights other than defending a counter-claim that is an insured incident under this section of **your policy**.

2. Legal defence

At **your** request, **costs and expenses** to defend the **insured person's** legal rights:

Criminal pre-proceedings cover

1. a. prior to the issue of legal proceedings when dealing with the:
 - i. police; or
 - ii. Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer;
 where it is alleged that the **insured person** has or may have committed a criminal offence; or

Criminal prosecution defence

- b. following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction;

provided that for claims relating to the Health and Safety at Work etc Act 1974, the **territorial limit** shall be any place where the Act applies.

Please note **ARAG** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the schedule.

Data protection

2. if civil action is taken against the **insured person** for compensation under data protection legislation, when handling personal data in their capacity as a data controller and/or a data processor by:
 - a. an individual. **ARAG** will also pay any compensation award in respect of such a claim;
 - b. a data controller and/or data processor, which arises out of, or relates to, a claim made by an individual for compensation against that data controller and/or data processor. Please note **ARAG** will not pay any compensation award in respect of such a claim.

Provided that in respect of **2.a.** any sum of money in settlement of a dispute is awarded by a court under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in advance by **ARAG**.

Please note **ARAG** will not cover the cost of fines imposed by the Information Commissioner, or any other regulatory and/or criminal body. Please see **What is not covered by this section, 3.**

Wrongful arrest

3. following civil action taken against the **insured person** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.

Statutory notice appeals

4. in appealing against the imposition or terms of any statutory notice issued under legislation affecting **your business**.

Jury service and court attendance

ARAG will pay **you** or an **insured person** the net salary or wages of such an **insured person** following their absence from work:

- a. to perform jury service;

- b. to attend any court, tribunal or at the request of the **appointed representative**.

The maximum that **ARAG** will pay an **insured person** is the net salary or wages of such **insured person** for the time that they are absent from work less any amount **you**, the court or tribunal, have paid them.

The maximum that **ARAG** will pay **you** is the net salary or wages that **you** have paid the **insured person** for that time, less any amount they have been paid by, or can recover from, the court or tribunal.

What is not covered

- | | | |
|-----------------------------------|----|--|
| Criminal pre-proceedings cover | 1. | a. A claim relating to any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs; or
b. a claim relating to investigations due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle. |
| Criminal prosecution defence | 2. | A claim relating to prosecution due to alleged infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle. |
| Data protection | 3. | A claim relating to the following:
a. the loss, alteration, corruption or distortion of, or damage to stored personal data; or
b. a reduction in the functionality, availability, or operation of stored personal data; resulting from unauthorised access, malicious or negligent transfer (electronic or otherwise) of a computer program that contains any malicious or damaging code, computer virus or similar mechanism. |
| Statutory notice appeals | 4. | A claim relating to the following:
a. an appeal against the imposition or terms of any statutory notice issued in connection with your licence, mandatory registration or British Standard Certificate of Registration;
b. a statutory notice issued by an insured person's regulatory or governing body; or
c. any appeal which does not follow, or is not eligible to follow, the appeals process set out in the legislation under which the relevant notice has been issued. |
| Jury service and court attendance | 5. | Any claim if you or the insured person are unable to prove the loss. |

3. Property protection

Property damage and nuisance and trespass

Costs and expenses in any civil dispute relating to physical property which is owned by **you**, or **your** responsibility, following:

1. any event which causes physical damage to such physical property;
2. a legal nuisance (meaning any unlawful interference with **your** use or enjoyment of **your** land, or some right over, or in connection with it); or
3. a trespass.

Please note that **you** must have, or there must be **reasonable prospects** of establishing that **you** have, the legal ownership or right to the physical property that is the subject of the dispute.

What is not covered

Any claim relating to the following:

1. a contract entered into by **you** (please refer to insured incident **6. Contract disputes**);
2. physical property which is in transit or which is lent or hired out;
3. goods at premises other than those occupied by **you** unless the goods are at such premises for the purpose of installations or use in work to be carried out by **you**;
4. a dispute with any party other than the party who caused the physical damage, or who caused or suffered the legal nuisance or trespass;
5. defending **your** legal rights other than the defence of a counter-claim that is an insured incident under this section of **your policy**;

6. a motor vehicle owned or used by, or hired or leased to an **insured person** other than damage to motor vehicles where **you** are engaged in the business of selling motor vehicles; or
7. the enforcement of a covenant by or against **you**.

4. Personal injury

At **your** request, **ARAG** will pay **costs and expenses** for an **insured person's** and their family members' legal rights following a specific or sudden accident that causes the death of, or bodily injury to them.

What is not covered

Any claim relating to the following:

1. any illness or bodily injury which develops gradually;
2. psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury;
3. defending an **insured person's** or their family members' legal rights other than in defending a counter-claim; or
4. clinical negligence.

5. Tax protection

Costs and expenses for:

1. a **tax enquiry**;
2. an **employer compliance dispute**; or
3. a **VAT dispute**;

provided that:

- a. **you** have taken reasonable care to ensure that all returns are complete and correct and that such returns are submitted within the statutory time limits allowed; and
- b. **ARAG** will only cover tax claims which arise in direct connection with the activities of the **business** shown in the schedule.

What is not covered

1. Any claim relating to import or excise duties and import VAT.
2. Any claim arising from a tax avoidance scheme.
3. Any claim relating to any failure to register for Value Added Tax or Pay As You Earn.
4. Any claim arising from any investigation or enquiries undertaken by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue and Customs Prosecution Office.
5. Any claim arising from any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

6. Contract disputes

Costs and expenses in a contractual dispute with a party that **you** have a direct contractual relationship with arising from an agreement or an alleged agreement which has been entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

1. the amount in dispute exceeds £250 (including VAT);
2. if the amount in dispute exceeds £5,000 (including VAT), **you** must pay the first £500 of any claim. If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation the claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn;
3. if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim must exceed £250 (including VAT); and
4. if the dispute relates to money owed to **you**, a claim under this section is made within 90 days of the money becoming due and payable.

What is not covered

1. Any dispute arising from an agreement entered into prior to the start of this section if the **date of occurrence** is within the first 90 days of the start of this section, unless equivalent legal expenses insurance was in force immediately before.

2. Any claim relating to the following:
 - a. a dispute relating to an insurance policy, other than when **your** insurer refuses **your** claim;
 - b. terms of a lease, licence or tenancy of land or buildings. However, **ARAG** will cover a dispute with a professional adviser in connection with these matters.
 - c. a loan, mortgage, pension, guarantee or any other financial product. However, **ARAG** will cover a dispute with a professional adviser in connection with these matters;
 - d. a motor vehicle owned by, or hired or leased to, **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
3. A dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with **you** (please refer to insured incident **1. Employment disputes and compensation awards**).
4. A dispute which arises out of the:
 - a. sale or provision of computer hardware, software, systems or services; or
 - b. the purchase or hire of computer hardware, software, systems or services tailored by a supplier to **your** own specification,

other than agreements relating to the sale, provision, purchase or hire of computer hardware, software, systems or services where **you** are engaged in the business of selling or providing computer hardware, software, systems or services.
5. A dispute arising from a breach or alleged breach of professional duty by an **insured person**.
6. The recovery of money and interest due from another party other than disputes where the other party indicates that a defence exists.

7. Debt recovery

Costs and expenses, including enforcement of judgment to recover money and interest due, from the sale or provision of goods or services, provided that:

1. the debt exceeds £250 (including VAT);
2. a claim for debt recovery under this section is made within 90 days of the money becoming due and payable; and
3. **ARAG** have the right to select the method of enforcement, or to forego enforcing judgment, if **ARAG** are not satisfied that there are, or will be, sufficient assets available to satisfy judgment.

What is not covered

1. Any debt arising from an agreement entered into prior to the start of this section if the debt is due within the first 90 days of the start of this section, unless equivalent legal expenses insurance was in force immediately before.
2. Any claim relating to the following:
 - a. the settlement payable under an insurance policy (**ARAG** will cover a dispute if an insurer refuses **your** claim but not for a dispute over the amount of a claim);
 - b. terms of a lease, licence or tenancy of land or buildings;
 - c. a loan, mortgage, pension, guarantee or any other financial product. However, **ARAG** will cover a dispute with a professional adviser in connection with these matters; or
 - d. a motor vehicle owned by, or hired or leased to, **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
3. A dispute which arises out of the sale or provision of computer hardware, software, systems or services, other than agreements relating to the sale or provision of computer hardware, software, systems or services where **you** are engaged in the business of selling or providing computer hardware, software, systems or services.
4. The recovery of money and interest due from another party where the other party indicates that a defence exists.

5. Any dispute which arises from debts **you** have purchased from a third-party.

What is not covered by this section

1. Any claim reported to **ARAG** more than 180 days after the date the **insured person** should have known about the insured incident.
2. **Costs and expenses** incurred without the expressed acceptance of a claim by **ARAG**.
3. Fines, penalties, compensation or damages which the **insured person** is ordered to pay by a court or other authority other than compensation awards as covered under insured incident **1. Employment disputes and compensation awards** and **2. Legal defence**.
4. Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property or secrecy and confidentiality agreements.
5. Any claim relating to rights under a franchise or agency agreement entered into by **you**.
6. Any wilful act or omission of an **insured person** deliberately intended to cause a claim under this section.
7. Any claim under this section of **your policy** for a dispute with **ARAG** or Hiscox. For disagreements with **ARAG** about the handling of a claim refer to **Conditions which apply to the whole section 8**.
8. Any claim relating to a shareholding or partnership share in the **business** shown in the **policy** schedule.
9. **Costs and expenses** arising from or relating to a judicial review, coroner's inquest or fatal accident inquiry.
10. Legal action an **insured person** takes which **ARAG** or the **appointed representative** have not agreed to or where the **insured person** does anything that hinders **ARAG** or the **appointed representative**.
11. When either at the commencement of or during the course of a claim, **you** are declared bankrupt or have filed a bankruptcy petition or winding-up petition, or have made an arrangement with **your** creditors, or have entered into a deed of arrangement or **you** are in liquidation or part or all of **your** affairs or property are in the care or control of a receiver or administrator.
12. Any claim where an **insured person** is not represented by a law firm, barrister or tax expert.
13. Any claim relating to written or verbal remarks that damage the **insured person's** reputation.
14. Any claim caused by, or contributed to by, or arising from:
 - a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - c. war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any act of terrorism or alleged act of terrorism as defined by the Terrorism Act 2000; or
 - d. pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.

How much ARAG will pay

ARAG will pay an **appointed representative**, on **your** behalf, **costs and expenses** incurred following an insured incident, and any compensation awards that **ARAG** have agreed to, however:

1. the most that **ARAG** will pay in respect of all claims resulting from one or more event arising at the same time or from the same originating cause, for **costs and expenses** and compensation awards claims, is shown as the limit in the **policy** schedule;
2. the most that **ARAG** will pay for the total of all compensation awards under insured incident **1. Employment disputes and compensation awards** and **2. Compensation awards** in any one **period of insurance** shall not exceed £1,000,000;

3. the most that **ARAG** will pay in **costs and expenses** is no more than the amount that **ARAG** would have paid to a **preferred law firm** or tax consultancy. The amount that **ARAG** will pay a law firm (where acting on **your** behalf) is currently £100 per hour. This amount may vary from time to time;
4. in respect of an appeal or the defence of an appeal, **you** must tell **ARAG** as soon as possible and within the statutory time limits allowed that **you** want to appeal. Before **ARAG** pay the **costs and expenses** for appeals, **ARAG** must agree that **reasonable prospects** exist;
5. for an enforcement of judgment to recover money and interest due to **you** after a successful claim under this section of **your policy**, **ARAG** must agree that **reasonable prospects** exist;
6. where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most that **ARAG** will pay in **costs and expenses** is the value of the likely award; and
7. in respect of insured incident **2. Legal defence, Jury service and court attendance** the maximum that **ARAG** will pay is the **insured person's** net salary or wages for the time that the **insured person** is attending court or tribunal, less any amount that **you**, the court or tribunal pays.

ARAG will not pay:

1. in the event of a claim, if **you** decide not to use the services of a **preferred law firm** or tax consultancy, **you** will be responsible for any costs that fall outside of the **ARAG standard terms of appointment** and these will not be paid by **ARAG**;
2. If **you** are registered for VAT, **ARAG** will not pay the VAT element of any **costs and expenses**; and
3. the first £500 (including VAT) of any claim under insured incident **6. Contract disputes** where the amount in dispute exceeds £5,000 (including VAT). If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn.

Conditions which apply to the whole section

1.
 - a. On receiving a claim, if representation is necessary, **ARAG** will appoint a **preferred law firm** or tax consultancy as **your appointed representative** to deal with **your** claim. They will try to settle **your** claim by negotiation without having to go to court;
 - b. If the appointed **preferred law firm** or tax consultancy cannot negotiate settlement of **your** claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then **you** may, if **you** prefer, choose a law firm or tax expert of **your** own choice to act as the **appointed representative**. **ARAG** will choose the **appointed representative** to represent **you** in any proceedings where **ARAG** are liable to pay a compensation award;
 - c. If **you** choose a law firm as **your appointed representative** that is not a **preferred law firm** or tax consultancy, **ARAG** will give **your** choice of law firm the opportunity to act on the same terms as a **preferred law firm** or tax consultancy. However if they refuse to act on this basis, the most that **ARAG** will pay is the amount that **ARAG** would have paid if they had agreed to the **ARAG standard terms of appointment**. The amount that **ARAG** will pay a law firm, where acting on **your** behalf, is currently £100 per hour. This amount may vary from time to time;
 - d. The **appointed representative** must co-operate with **ARAG** at all times and must keep **ARAG** up to date with the progress of the claim.
2. **You** and **insured persons** must:
 - a. co-operate fully with **ARAG** and the **appointed representative**; and
 - b. give the **appointed representative** any information that **ARAG** ask them to.
3.
 - a. **You** and **insured persons** must tell **ARAG** if anyone offers to settle a claim and must not negotiate or agree to any settlement without **ARAG's** expressed consent;

- b. If **you** or an **insured person** do not accept a reasonable offer to settle a claim, then **ARAG** will not pay further **costs and expenses**;
 - c. **ARAG** may decide to pay **you** or an **insured person** the reasonable value of the claim that **you** or the **insured person** are claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances **you** or the **insured person** must allow **ARAG** to take over and pursue or settle a claim in **your/their** name. **You** and **insured persons** must allow **ARAG** to pursue at **ARAG's** own expense and for **ARAG's** benefit, any claim for compensation against any other person and **you** and **insured persons** must give **ARAG** all the information and help **ARAG** need to do so.
 4.
 - a. **You** or an **insured person** must instruct the **appointed representative** to have **costs and expenses** taxed, assessed or audited if **ARAG** ask for this;
 - b. **You** or an **insured person** must take every step to recover **costs and expenses** and court attendance and jury service expenses that **ARAG** have to pay and must pay **ARAG** any amounts that are recovered.
 5. If the **appointed representative** refuses to continue acting for **you** or an **insured person** with good reason or if **you** or an **insured person** dismiss the **appointed representative** without good reason, the cover that **ARAG** provide will end at once, unless **ARAG** agree to appoint another **appointed representative**.
 6.
 - a. If **you** or an **insured person** settle a claim or withdraw **your/their** claim without **ARAG's** agreement, or do not give suitable instructions to the **appointed representative**, **ARAG** can withdraw cover and will be entitled to reclaim any **costs and expenses** that they have paid.
 - b. If during the course of a claim **reasonable prospects** no longer exist, then the cover that **ARAG** provide will end at once. **ARAG** will pay any **costs and expenses** and compensation awards that **ARAG** have agreed to, up to the date cover was withdrawn.
 7. If there is a disagreement between **you** or an **insured person** and **ARAG** on the merits of the claim or proceedings, or on a legal principle, **ARAG** may suggest that **you** or the **insured person** obtain at **your/their** own expense an opinion on the matter from an independent and appropriate expert. The expert must be approved in advance by **ARAG** and the cost expressly agreed in writing between **you/the insured person** and **ARAG**. Subject to this, **ARAG** will pay the cost of obtaining the opinion if the expert's opinion indicates that it is more likely than not that **you** or the **insured person** will recover damages or obtain any other legal remedy that **ARAG** have agreed to or make a successful defence. This does not affect the **insured person's** rights under Condition 8.
 8. If there is a disagreement about the handling of a claim and it is not resolved through **ARAG's** internal complaints procedure, the Financial Ombudsman Service may be able to help. This is a free arbitration service for eligible complaints. Details are available from www.financial-ombudsman.org.uk

If the dispute is not covered by the Financial Ombudsman Service, there is a separate arbitration process available. The arbitrator will be a jointly agreed barrister, solicitor or other suitably qualified person. If there is a disagreement over the choice of arbitrator, **ARAG** will ask the Chartered Institute of Arbitrators to decide. The arbitrator will decide who will pay the costs of the arbitration. For example, costs may be split between the parties or one party may pay all the costs.
 9. **You** and **insured persons** must:
 - a. keep to the terms and conditions of this section of the **policy**;
 - b. take reasonable steps to avoid and prevent claims;
 - c. take reasonable steps to avoid incurring unnecessary costs;
 - d. send everything **ARAG** ask for in writing, and
 - e. report to **ARAG** full and factual details of any claim as soon as possible and give **ARAG** any information that **ARAG** need.
 10. This section of the **policy** is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where **your business** is registered.

If this is not specified, then the laws of England and Wales apply.

All Acts of Parliament mentioned in this section of the **policy** include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.

Helpline services

Commercial legal advice

ARAG provide these services 24 hours-a-day, seven days-a-week during the **period of insurance**. To help **ARAG** check and improve their service standards, **ARAG** may record all calls.

ARAG will give **you** confidential legal advice over the phone on any commercial legal problem affecting **your business** under the laws of the United Kingdom of Great Britain and Northern Ireland, any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway.

Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal adviser. However, if this is not possible they will arrange to call **you** back at a time to suit **you**.

Advice on the laws of England and Wales can be provided 24 hours-a-day, 365 days-a-year. Beyond this jurisdiction, or for very specialist legal matters, **ARAG** will refer **you** to one of **ARAG's** specialist advisers. Specialist advice is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are received outside of these times, **ARAG** will arrange to call **you** back.

Tax advice

ARAG will give **you** confidential advice over the phone on any tax matters affecting the **business**, under the laws of the United Kingdom. This service is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, **ARAG** will arrange to call **you** back.

To contact the above services, phone **ARAG** on **0117 934 2111**.

Counselling service

ARAG will provide the **insured person** (and any members of their immediate family who permanently live with them) with a confidential counselling service over the phone if they are aged 18 or over, or aged between 16 and 18 and in full-time employment. This includes, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by **ARAG**.

To contact the counselling helpline, phone **0117 934 2121**.

The counselling service helpline is open 24 hours-a-day, seven days-a-week.

The employment manual

The ARAG Employment Manual offers comprehensive, up to date guidance on employment law.

To view it, please visit [www. arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/](http://www.arag.co.uk/customer/business-legal-expenses-insurance/employment-manual/)

If **you** would like notifications of when updates are made to the employment manual, please email **ARAG** at employmentmanual@arag.co.uk quoting **your policy** number.

ARAG Businesslaw

What is ARAG Businesslaw?

ARAG Businesslaw contains a range of regularly updated business and legal guides, document builders, interactive checklists and videos that can help **you** with the day-to-day running of **your business**, as well as helping **you** to manage its exposure to legal risk.

ARAG Businesslaw's document builders can help **you** quickly create documents such as:

- HR policies;
- terms and conditions documentation;
- privacy statements;
- copyright and trademark licences;
- data protection policy;
- employee contracts;
- debt recovery letters.

In addition, ARAG Businesslaw contains hundreds of regularly updated expert guides and videos on topics such as branding, crowdfunding, financial and tax planning, and marketing strategy to help build and grow **your business**.

How do I get started?

1. Visit **Hiscox.farill.io**
2. Enter DASBHIX100 into the 'voucher code' text box and press validate voucher.
3. Fill out **your** name and email address, create a password, and specify what type of **business you** have.
4. Validate **your** email address by pressing the link in the confirmation email that **you** receive.

ARAG will not accept responsibility if the helpline services are unavailable for reasons **ARAG** cannot control.

Privacy

When you purchase and use an ARAG product we will process personal information about you and anyone else whose details are provided to us to provide you with a service or a claim. We process your personal information in accordance with our Privacy Notice. You can find our Privacy Notice online at **www. arag.co.uk/privacy**. Alternatively you can make a request for a printed copy to be sent to you by contacting dataprotection@arag.co.uk

How to make a complaint

ARAG always aim to give you a high-quality service. If you think **ARAG** have let you down, you can contact **ARAG** by:

- phoning: **0344 893 9013**
- emailing: **customer-relations@arag.co.uk**
- writing to: **Customer Relations Department
ARAG Legal Expenses Insurance Company Limited
Unit 4a
Greenway Court
Bedwas,
Caerphilly CF83 8DW**
- completing **ARAG'S** online complaint form at: **www. arag.co.uk/complaints**

Further details of the **ARAG** internal complaint-handling procedures are available on request.

If you are not happy with the complaint outcome or if **ARAG** have been unable to respond to your complaint within eight weeks, you may be able to contact the Financial Ombudsman Service for help. This is a free arbitration service for eligible complaints. Details are available from **www.financial-ombudsman.org.uk**

You can contact them by:

- phoning: **0800 023 4567** (free from mobile phones and landlines) or **0300 123 9123**
- emailing: **complaint.info@financial-ombudsman.org.uk**
- writing to: **The Financial Ombudsman Service
Exchange Tower
London E14 9SR**

Further information is available on their website: **www.financial-ombudsman.org.uk**

Using this service does not affect your right to take legal action.

Crisis containment

Policy wording

Your schedule will indicate if **your policy** includes this section.

The General terms and conditions and the following terms and conditions all apply to this section.

Special definitions for this section

Crisis	A time of severe difficulty in your activities or danger to your business as a result of an insured incident that could, if left unmanaged, cause adverse or negative publicity of or media attention to you or your business .
Crisis containment costs	Reasonable and necessary costs incurred in utilising the services of the crisis containment provider to limit or mitigate the impact of a crisis .
Crisis containment provider	The person or company named in the schedule.
Insured incident	An incident, act or problem that in your good faith opinion could potentially give rise to a covered claim being made by you under any other section of this policy .
Working hours	The hours between 09:00 and 17:00 on any day other than Saturday, Sunday or a public holiday.

What is covered

Crisis containment costs	We will pay crisis containment costs incurred within the geographical limits with our prior written consent as a direct result of a crisis commencing during the period of insurance .
Outside working hours discretionary crisis mitigation costs	We will also pay crisis containment costs incurred within the geographical limits without our consent in carrying out immediate work outside of working hours to limit or mitigate the impact of the crisis . Any such work done by the crisis containment provider will not be confirmation of cover under this or any other section of this policy .

What is not covered

We will not make any payment for:

1. **crisis containment costs** relating to any claim or part of a claim not covered by this **policy**.
2. **crisis containment costs** relating to any:
 - a. claim under any **Management liability – Employment practices liability** section;
 - b. employment claim under any **Management liability – Directors and officers** section or **Management liability - Trustees and individual liability** section.
3. costs which are covered under any other section of this **policy**.
4. any **crisis containment costs** directly or indirectly due to:
 - a. any incident, act, investigation or problem that affects **your** profession or industry; or
 - b. governmental regulations which affect another country or **your** profession or industry; or
 - c. any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America; or
 - d. socioeconomic changes or business trends which affect **your business** or **your** profession or industry.

How much we will pay

The most **we** will pay under this section is the amount shown in the schedule, irrespective of the number of **crises** or **insured incidents**. **We** will pay the **crisis containment provider** directly for **crisis containment costs** covered under this section of the **policy**.

All **crises** arising from the same original cause, a single source or a repeated or continuing problem will be regarded as one **crisis**. This includes such **crises** arising after, as well as during, the **period of insurance**.

Your obligations

We will not make any payment under this section unless **you** notify any **crisis** in accordance with either of the following:

If a crisis arises during working hours

1. If **you** first become aware of the **crisis** during **working hours** **you** must notify **us** of it immediately by phoning **us** on the number stated in the schedule.

We will then determine if the incident, act or problem that **you** have notified would give rise to a covered claim under any other section of this **policy**. If **we** determine this to be the case then **we** will contact the **crisis containment provider** to assist **you** in the management of the **crisis**.

If **we** determine that the incident, act or problem that **you** have notified would not result in a covered claim under any other section of this **policy** then **we** will not make any payment under this section.

You must co-operate fully with **us**, the **crisis containment provider** and any of **our** representatives in the management of the **crisis**.

If a crisis arises outside of working hours

2. If **you** first become aware of the **crisis** outside of **working hours** **you** must notify the **crisis containment provider** immediately by phoning them on the number stated in the schedule. **You** must also notify **us** of the **crisis** as soon as possible within **working hours** by telephoning the number stated in the schedule.

You must co-operate fully with the **crisis containment provider** in the management of the **crisis**.

Access to your HR and health and safety resource

Your schedule will indicate if **your policy** includes this section.

Thank you for signing up with Business HR Solutions

Currently, Business HR Solutions has in excess of 85,000 registered users that use its reference tools, trusting in its quality service to inform them of the latest developments and legislation in relation to human resources and health and safety. Like them, you can now enjoy support on human resources and health and safety issues through Business HR Solutions' website.

Website access

To access the website, please follow these simple steps:

1. register online at <http://www.hrsolutions-uk.com/registrations/>;
2. you will then receive a confirmation email from Business HR Solutions' support team asking you to create your password;
3. you now have access to the Business HR Solutions' site;
4. we encourage you to bookmark the site for ease of reference (<https://hrsolutions.force.com/support>).

Website resources

Included as standard through an easy to navigate website:

1. access to a variety of employee contracts, forms, policies, letters and a handbook that you may need to manage your staff;
2. a wide range of downloadable guides;
3. a free online risk assessment for both human resources and health and safety;
4. monthly e-newsletters, keeping you up-to-date with changes in the law.

Advice helpline

With your access to Business HR Solutions you are also entitled to one **free** call to the advice line service per annum. To take advantage of this service please call 0333 247 2005 or email help@hrsolutions-uk.com. If you have not already registered on the website, then please have your policy number to hand when you call, or include it in your email.

The advice line is staffed by experienced advisors who will give you pragmatic guidance either by telephone or email. All advice given over the telephone is confirmed by email.

You are also able to purchase additional time for just £95 per hour plus VAT if and when needed, saving on solicitor's bills and reducing the risk of legal claims. All purchased unused time is saved for your next call.

Support

If you are having difficulty accessing the website, then please contact the helpline on 0333 247 2005 who will attempt to resolve the issue with you.