

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an aggregate basis unless otherwise specified.

**This section excludes cover for your liability for the acts or omissions of anyone supplied by you to a client under contract.**

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### Special definitions for this section

<b>Advertising</b>	Advertising, publicity or promotion in or of <b>your</b> products or services.
<b>Applicable courts</b>	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
<b>Business activity</b>	The activities stated in the schedule, which <b>you</b> perform in the course of <b>your business</b> .
<b>Computer system</b>	Any computer network, hardware, software, information technology and communications system, including any email, intranet, extranet or website.
<b>Defence costs</b>	Costs incurred with <b>our</b> prior written agreement to investigate, settle or defend a claim against <b>you</b> .
<b>Employee</b>	<ol style="list-style-type: none"><li>Any person under a contract of service with <b>you</b>;</li><li>any independent person seconded to <b>you</b>;</li><li>any person supplied by <b>you</b> to a client under contract.</li></ol>
<b>Employment claim</b>	Any claim by any current, former or prospective <b>employee</b> or any candidate or applicant for employment for actual or alleged wrongful, unfair or constructive dismissal, discharge or termination of employment, breach of written or implied contract, employment related misrepresentation, wrongful deprivation of a career opportunity, failure to grant tenure, negligent employee evaluation, harassment, unlawful discrimination, failure to provide adequate employee procedures and policies, retaliation, defamation, invasion of privacy or any other claim arising solely as a result of the employment or non-employment by <b>you</b> .
<b>Hacker</b>	Any third party, other than an <b>employee</b> of <b>yours</b> , who maliciously targets <b>you</b> and gains unauthorised access to or unauthorised use of <b>your computer system</b> or data held electronically by <b>you</b> or on <b>your</b> behalf.
<b>Pollution</b>	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
<b>Retroactive date</b>	The date stated as the retroactive date in the schedule.
<b>You/your</b>	Also includes any person who was, is or during the <b>period of insurance</b> becomes <b>your</b> partner or director or senior manager in actual control of <b>your</b> operations.

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### What is covered

<b>Claims against you</b>	If during the <b>period of insurance</b> , and as a result of <b>your business activity</b> or <b>advertising</b> on or after the <b>retroactive date</b> within the <b>geographical limits</b> , any party brings a claim, including any injunctive proceedings, against <b>you</b> for:
Negligence	<ol style="list-style-type: none"><li>negligence or breach of a duty of care;</li></ol>
Negligent misstatement	<ol style="list-style-type: none"><li>negligent misstatement or negligent misrepresentation;</li></ol>
Intellectual property infringement	<ol style="list-style-type: none"><li>infringement of intellectual property rights including copyright, trademark or moral rights or any act of passing-off;</li></ol>
Breach of confidentiality	<ol style="list-style-type: none"><li>breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use;</li></ol>
Defamation	<ol style="list-style-type: none"><li>defamation;</li></ol>
Dishonesty	<ol style="list-style-type: none"><li>dishonesty of <b>your</b> individual partners, directors or <b>employees</b> other than anyone</li></ol>

## Professional indemnity for recruitment consultants

### Policy wording

Transmission of a virus	<p>supplied by <b>you</b> to a client under contract;</p> <p>g. negligence or breach of a duty of care in connection with the transmission of a computer <b>virus</b> or a denial of service attack;</p>
Other civil liability	<p>h. any other civil liability,</p> <p>unless excluded under <b>What is not covered</b> below, <b>we</b> will indemnify <b>you</b> against the sums <b>you</b> have to pay as compensation, including any liability for claimants' legal costs and expenses.</p> <p><b>We</b> will also pay <b>defence costs</b> but <b>we</b> will not pay costs for any part of a claim not covered by this section.</p>
Avoiding a potential claim against you	<p>If:</p> <p>a. <b>your</b> client has reasonable grounds for being dissatisfied with the work <b>you</b> have done or which has been done on <b>your</b> behalf, including the work anyone supplied by <b>you</b> to a client under contract has done, and refuses to pay for any or all of it, including amounts <b>you</b> legally owe to sub-contractors or outsourcers at the date of the refusal;</p> <p>b. <b>your</b> client threatens to bring a claim against <b>you</b> for more than the amount owed; and</p> <p>c. <b>we</b> believe that it may be possible to settle the dispute with the client by <b>your</b> agreeing not to press for the disputed amount,</p> <p><b>we</b> may pay <b>you</b> the amount owed to <b>you</b> over and above the <b>excess</b>. If <b>we</b> do, <b>you</b> must agree not to press <b>your</b> client for the disputed amount.</p> <p>Alternatively, if it is not possible to reach agreement with the client on this basis but <b>we</b> still believe that by not pressing for the disputed amount <b>you</b> will avoid a legitimate claim or counterclaim for a greater amount, <b>we</b> may pay the amount owed to <b>you</b> at that time, over and above the <b>excess</b>.</p> <p>If a claim is still brought, <b>we</b> will deal with it but <b>our</b> total payment, including what <b>we</b> have already paid <b>you</b> or on <b>your</b> behalf, will not exceed the applicable limit of indemnity stated in the schedule. <b>You</b> must return the amount <b>we</b> have paid if <b>you</b> eventually recover the debt, less <b>your</b> reasonable expenses.</p> <p>Once <b>we</b> agree to make any payment above, <b>you</b> will assign to <b>us</b> such rights as <b>you</b> have in relation to the amounts owed to <b>you</b>.</p> <p><b>We</b> will not make any payment for any money owed to <b>you</b> if the claim or threatened claim, or part of the claim or threatened claim, is not covered by this section.</p>
<b>Your own losses</b>	
Losses from dishonesty	<p>If during the <b>period of insurance</b>, and in the performance of <b>your business activity</b> within the <b>geographical limits</b>, <b>you</b> discover a loss from the dishonesty of <b>your employees</b> other than anyone supplied by <b>you</b> to a client under contract, where there was a clear intention to cause <b>you</b> loss or damage and to obtain a personal financial gain over and above any salary, bonus or commission, <b>we</b> will indemnify <b>you</b> against <b>your</b> direct financial loss provided that the loss was suffered on or after the <b>retroactive date</b>.</p>
Loss of documents	<p>If during the <b>period of insurance</b> any tangible document of <b>yours</b> which is necessary for the performance of <b>your business activity</b> is lost, damaged or destroyed while in <b>your</b> possession, <b>we</b> will pay the reasonable expenses <b>you</b> incur with <b>our</b> prior written agreement in restoring or replacing it. The most <b>we</b> will pay for the total of all such expenses is the relevant amount stated in the schedule.</p>
<b>Additional cover</b>	
Court attendance compensation	<p>If any person within the definition of <b>you</b>, or any <b>employee</b> of <b>yours</b>, other than anyone supplied by <b>you</b> to a client under contract, has to attend court as a witness in connection with a claim against <b>you</b> covered under this section, <b>we</b> will pay <b>you</b> the amount stated in the schedule as compensation for each day or part of a day that their attendance is required by <b>us</b>. The most <b>we</b> will pay for the total of all court attendances is the amount stated in the schedule.</p>

What is not covered	A.
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.
Pension schemes	3. any operation or administration of any pension or <b>employee</b> benefit scheme or trust fund, or the sale or purchase of or dealing in any stocks, shares or securities or the misuse of any information relating to them, or any breach of any legislation or regulation related to these activities.
Taxation and competition	4. any liability for any breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation.
Pollution	5. <b>pollution.</b>
Virus	6. any <b>virus</b> that was not specifically targeted to <b>your</b> system.
Injury	7. the death of or any bodily or mental injury or disease suffered by anyone, unless arising directly from <b>your</b> breach of a duty of care in supplying anyone to a client under contract.
Land, animals and vehicles	8. the ownership, possession or use of any land or building, any animal, any aircraft, any watercraft or any motor vehicle.
Property damage	9. the loss, damage or destruction of any tangible property unless arising directly from <b>your</b> breach of a duty of care in the performance of a <b>business activity</b> . This clause does not apply to <b>your</b> own loss under the Loss of documents cover in <b>What is covered</b> .
Hacker	10. the loss, copying or distortion of any data by a <b>hacker</b> .
Directors' and officers' liability	11. any personal liability incurred by a director or officer of <b>yours</b> when acting in that capacity or managing <b>your business</b> , or a breach of any fiduciary duty, other than when performing a <b>business activity</b> for a client, or any statement, representation or information concerning <b>you</b> or <b>your business</b> contained in <b>your</b> accounts, reports or financial statements.
Product liability	12. any supply, manufacture, sale, installation or maintenance of any product.
Defamatory statements	13. any statement <b>you</b> knew, or ought reasonably to have known, was defamatory at the time of publication.
Deliberate, reckless or dishonest acts	14. any act, breach, omission or infringement <b>you</b> deliberately, spitefully, dishonestly or recklessly commit, condone or ignore. This does not apply to any claim under the dishonesty cover in <b>What is covered, Claims against you</b> , but <b>we</b> will not in any event provide cover to any party who actually commits, condones or ignores any dishonesty.
Pre-existing problems	15. anything, including any actual or alleged shortcoming in <b>your</b> work, likely to lead to a claim against <b>you</b> or <b>your</b> own loss, which <b>you</b> knew or ought reasonably to have known about before <b>we</b> agreed to insure <b>you</b> .
Date recognition	16. <b>date recognition.</b>
War, terrorism and nuclear	17. <b>war, terrorism or nuclear risks.</b>
Asbestos	18. <b>asbestos risks.</b>
Contractual liability	19. any liability under any contract which is greater than the liability <b>you</b> would have at law without the contract.
Employment claims	20. any <b>employment claim.</b>
Supplied personnel	21. the acts or omissions of anyone supplied by <b>you</b> to a client under contract, unless <b>you</b> have breached a duty of care in supplying them.
Patent/trade secret	22. any infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.

Claims brought by a related party	B. <b>We</b> will not make any payment for:
Restricted recovery rights	1. any claim brought by an insured within the definition of <b>you</b> or any party with a financial, executive or managerial interest in <b>you</b> , including any parent company or any party in which <b>you</b> have a financial, executive or managerial interest, including any subsidiary company. This does not apply to a claim based on a liability to an independent third-party directly arising out of the performance of <b>your business activity</b> .
Lost profit and VAT	2. that part of any claim where <b>your</b> right of recovery is restricted by any contract.
Trading losses	3. <b>your</b> lost profit, mark-up or liability for VAT or its equivalent.
Non-compensatory payments	4. any trading loss or trading liability including those arising from the loss of any client, account or business.
Claims outside the applicable courts	5. fines and contractual penalties, tax liabilities or debts, aggravated, punitive or exemplary damages, and also additional damages under section 97(2) of the Copyright, Designs and Patents Act 1988 or any statutory successor to that section.
	6. any claim, including arbitration, brought outside the <b>applicable courts</b> . This applies to proceedings in the <b>applicable courts</b> to enforce, or which are based on, a judgment or award from outside the <b>applicable courts</b> .

### How much we will pay

The most **we** will pay for the total of all claims, their **defence costs**, and losses is the overall limit of indemnity stated in the schedule, irrespective of the number of claims or losses, unless limited below or in the schedule. **You** must pay the relevant **excess** stated in the schedule.

When **we** settle a loss under **Your own losses**, Losses from dishonesty, **we** will deduct any sums **you** owe or the value of any property **you** hold belonging to the perpetrator.

### Special limits

Losses from dishonesty	The most <b>we</b> will pay for the total of <b>your</b> own losses arising from the dishonesty of <b>your employees</b> is the relevant amount stated in the schedule, which is included within, and not in addition to, the overall limit of indemnity for this section. <b>You</b> must pay the relevant <b>excess</b> stated in the schedule.
Paying out the limit of indemnity	At any stage of a claim, <b>we</b> can pay <b>you</b> the applicable limit of indemnity or what remains after any earlier payment from that limit, including payments in relation to other claims. <b>We</b> will then have no further liability for that claim or its <b>defence costs</b> .

### Your obligations

If a problem arises	<ol style="list-style-type: none"> <li>1. <b>We</b> will not make any payment under this section unless <b>you</b> notify <b>us</b> of the following promptly and within the <b>period of insurance</b>, or at the latest within 14 days after it expires for any problem <b>you</b> first become aware of in the seven days before expiry: <ol style="list-style-type: none"> <li>a. <b>your</b> first awareness of anything, including any actual or alleged shortcoming in <b>your</b> work, which is likely to lead to a claim against <b>you</b>. This includes any criticism of <b>your</b> work even though regarded by <b>you</b> as unjustifiable. If <b>we</b> accept <b>your</b> notification <b>we</b> will regard any subsequent claim as notified to this insurance;</li> <li>b. any claim or threatened claim against <b>you</b>;</li> <li>c. <b>your</b> discovery, or the existence of reasonable grounds for <b>your</b> suspicion, that any partner, director, <b>employee</b>, sub-contractor or outsourcer has acted dishonestly.</li> </ol> </li> <li>2. When dealing with <b>your</b> client or a third-party, <b>you</b> must not admit that <b>you</b> are liable for what has happened or make any offer, deal or payment, unless <b>you</b> have <b>our</b> prior written agreement. If <b>you</b> do, <b>we</b> may reduce any payment <b>we</b> make under this <b>policy</b> by an amount equal to the detriment <b>we</b> have suffered as a result.</li> </ol>
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**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 the claim or part of the claim.

Appointment of legal representation

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.

Partially covered claims

If a claim which is only partially covered by this section is brought against **you**, amounts relating to the non-covered parts of the claim will be deducted from **our** final settlement. **We** and **you** agree to use best efforts to determine a fair allocation of covered and non-covered parts of any claim. If **you** and **we** cannot agree on a fair allocation, **you** and **we** agree to refer any such dispute to a single arbitrator in accordance with the Arbitration Act then in force.

Payment of full limit of indemnity

**We** will not defend **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 the 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.