

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

Special definitions for this section

Advertising	Advertising, publicity, or promotion in or of your products or services, including social media and online.
Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Business activity	The activities stated in the schedule, including digital services , which you perform in the course of your business .
Claim	Any written assertion of liability or any written demand for financial compensation or injunctive relief first made against you within the applicable courts .
Client	Any person or entity with whom you have contracted to provide services or deliverables that expressly fall within your business activity .
Defence costs	All reasonable and necessary lawyers' and experts' fees and legal costs incurred with our prior written agreement in investigating, settling, defending, appealing or defending an appeal against a covered claim but not including any overhead costs, general business expenses, salaries, or wages incurred by you or any other person or entity entitled to coverage under this section.
Digital services	Any of the following activities performed in the course of your business : <ol style="list-style-type: none">search engine optimisation;design and activation of interactive campaigns;management of social media;pay per click and search engine marketing;web-building and app-building;digital advertising;analytics and insight;social media marketing; andgraphic design.
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 or self-employed freelancers will not be treated as employees under this section.
Liquidated damages	A sum of money, or mechanism for calculating such sum, agreed between you and your client by contract as the amount payable by you in the event of a specified breach of such contract provided that, at the time the sum or mechanism was agreed, it represented a fair and reasonable estimate of your client's loss in the event of your breach of the contract.
Loss	Any financial harm caused to your business .
Personal data	<ol style="list-style-type: none">Any data relating to a living individual who can be identified from that data; orany sensitive personal data as defined in the Data Protection Act 1998 or any similar or successor legislation.
Pollution	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
Potential claim	Anything likely to lead to a claim covered under this section.

Retroactive date	The date shown as the retroactive date in the schedule. For any subsidiary acquired by you during the period of insurance the retroactive date will be the date of acquisition.
Subsidiary	<p>An entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar:</p> <ol style="list-style-type: none"> 1. that has been identified in your proposal for this policy and of which you own more than 50% of the book value of the assets or of the outstanding voting rights as of the first day of the period of insurance; or 2. which you acquire during the period of insurance where the turnover at the date of acquisition is less than 20% of your turnover and the acquired entity's business activity is the same as yours.
You/your	<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 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	If during the period of insurance , and as a result of your business activity including digital services or advertising , on or after the retroactive date within the geographical limits , any party brings a claim against you for any actual or alleged:
Breach of contract and liquidated damages	1. breach of any contract between you and your client , including any service level agreement forming part of such contract, or any claim for liquidated damages , but only where such claim is brought by your client ;
Intellectual property infringement	<p>2. intellectual property infringement (but not any patent infringement or trade secret misappropriation), including but not limited to:</p> <ol style="list-style-type: none"> a. infringement of copyright, trademark, trademark dilution, trade dress, publicity rights, moral rights or design rights; b. cyber-squatting violations; c. any act of passing-off; d. misappropriation of formats, characters, trade names, character names, titles, plots, musical compositions, voices, slogans, graphic material or artwork;
Negligence	3. negligence or breach of any duty to use reasonable care and skill, including but not limited to negligent misrepresentation or negligent loss of or damage to any third-party document, data or information for which you are responsible;
Breach of confidentiality	4. breach of any duty of confidence, invasion of privacy, or violation of any other legal protections for personal information;
Defamation	5. defamation, including but not limited to libel, slander, trade libel, product disparagement, or malicious falsehood, or any claim for emotional distress or outrage based on harm to the character or reputation of any person or entity;
Dishonesty	6. dishonesty of employees or sub-contractors or self-employed freelancers directly contracted to you or under your supervision;
Breach of licence	7. breach of a licence you have acquired to use a third-party's trademark and/or copyrighted material, but only to the extent your use inadvertently exceeds express limitations in the licence regarding the territory, duration, or media in which the material may be used and only if such breach is asserted in conjunction with and based on the same factual allegations as a claim for infringement of intellectual property rights in 2. above;
Comparative advertising	8. breach of a comparative advertising statute;

Professional indemnity for digital marketing companies

Policy wording

Advertising codes	<p>9. unintentional breach of the CAP, BCAP or ASAI codes, consumer protection regulations or other legislation related to advertising, where the claim is brought by your client;</p>
Civil liability	<p>10. any other civil liability;</p> <p>unless excluded under What is not covered below, we will pay the amount agreed by you and us through good faith negotiation, mediation or some other form of alternative dispute resolution to settle a claim or the amount to satisfy a judgment or arbitration award against you including any judgment or award ordering the payment of claimants' lawyers' fees and costs.</p> <p>We will also pay defence costs, but we will not pay costs for any part of a claim not covered by this section.</p>
Sub-contractors or self-employed freelancers	<p>We will indemnify you against any claim falling within the scope of What is covered, Claims against you, which is brought as a result of business activity undertaken on your behalf by any sub-contractor or self-employed freelancer.</p>
Network security and personal data events	<p>We will also indemnify you if, during the period of insurance and as a result of your business activity or advertising on or after the retroactive date, a claim is first made against you for any actual or alleged:</p> <ol style="list-style-type: none"> 1. transmission of malicious software including, but not limited to, a computer virus, worm, logic bomb or trojan horse; 2. denial of service attack against a third party; 3. unauthorised acquisition, access, use, or disclosure of personal data or confidential corporate information that is held or transmitted in any form; or 4. prevention of authorised electronic access to any computer system, personal data or confidential corporate information.
Payments toward your outstanding fees	<p>If:</p> <ol style="list-style-type: none"> 1. your client has reasonable grounds for being dissatisfied with the work you have done or which has been done on your behalf and refuses to pay for any or all of it, including amounts you legally owe to sub-contractors or self-employed freelancers at the date of the refusal; 2. your client threatens to bring a claim against you for more than the amount owed; and 3. we believe that it may be possible to settle the dispute with the client by your agreeing not to press for the disputed amount; <p>we may pay you the amount owed to you over and above the excess. If we do, you must agree not to press your client for the disputed amount.</p> <p>Alternatively, if it is not possible to reach agreement with the client on this basis but we still believe that by not pressing for the disputed amount you will avoid a legitimate claim or counterclaim for a greater amount, we may pay the amount owed to you at that time, over and above the excess.</p> <p>If a claim is still brought, we will deal with it but our total payment, including what we have already paid you or on your behalf, will not exceed the applicable limit of indemnity in the schedule. You must return the amount we have paid if you eventually recover the debt, less your reasonable expenses.</p> <p>Once we agree to make any payment above, you will assign to us such rights as you have in relation to the amounts owed to you.</p> <p>We will not make any payment for any money owed to you if the claim or threatened claim, or part of the claim or threatened claim, is not covered by this section.</p>
Your own losses	
Losses from dishonesty	<p>If during the period of insurance, and in the performance of your business activity within the geographical limits, you discover a loss from the dishonesty of your employees, sub-contractors or self-employed freelancers directly contracted to you and under your supervision, where there was a clear intention to cause you loss or damage and to obtain a personal financial gain over and above any salary, bonus or commission, we will indemnify you against your direct financial loss, provided the loss was suffered on or after the retroactive date.</p>

Loss of documents	If during the period of insurance any document, information or data of yours which is necessary for the performance of your business activity is lost, damaged or destroyed while in your possession, we will pay the reasonable expenses you incur with our prior written agreement in restoring or replacing it. The most we will pay for the total of all such expenses is the relevant amount in the schedule.
Acting outside your authority	If a client refuses to pay for media space that you are legally committed to pay for in the performance of your business activity , we will pay the amount you are committed to pay which you satisfy us cannot legally be recovered from your client . We will only do this provided: <ol style="list-style-type: none"> a. the client is not liable to you; b. you made this commitment in good faith in the belief that you had your client's authority to do so; and c. you have taken all reasonable steps to reduce your loss.
Payments toward your rectification costs	If you become aware of a potential claim with or without your client's knowledge, which directly arises from an act, error or omission occurring during the course of your business activity , then we will pay any reasonable and necessary costs exceeding the amount of the excess that you incur during the period of insurance (excluding your lost profits, management costs, mark-up, liability for taxes, or any measure of lost business) to rectify that error provided you : <ol style="list-style-type: none"> a. notify us of the error as soon as practicable; b. satisfy us that a future claim would likely result from that error if not rectified; c. satisfy us that such future claim would likely be covered under this policy and involve a demand for damages greater than the cost of rectifying the error; and d. obtain our prior written agreement before incurring such rectification costs, or incur such costs within ten days of first learning of the error and later provide us with all information and documentation that we require to support the rectification costs you have incurred and the actions you have taken. <p>If subsequently a claim is still made against you following our payment of these rectification costs then these payments will be deducted from the amount we will pay toward resolution of that claim as well as the remaining limit of indemnity available for that claim.</p>
Additional cover	
Court attendance compensation	If any person within the definition of you , or any employee of yours , has to attend court as a witness in connection with a claim against you covered under this section, we will pay you the amount shown in the schedule as compensation for each day or part of a day that their attendance is required by us . The most we will pay for the total of all court attendances is the amount shown in the schedule.

What is not covered	A. We will not make any payment for any claim or loss or part of any claim or loss directly or indirectly due to: <ol style="list-style-type: none"> 1. your failure to take all reasonable steps to ensure that you have sufficient technical, logistical and financial resources to perform a contract. 2. any death of or any bodily or mental injury or disease suffered or alleged to be suffered by anyone. However, this exclusion does not apply to any claim seeking damages for mental anguish or distress, where such damages solely stem from a covered claim for defamation, breach of privacy, or negligent publication or negligent broadcast. 3. loss, damage or destruction or loss of use of any tangible property. However this exclusion does not apply to any: <ol style="list-style-type: none"> a. claim for alleging or arising from damage to electronic data; b. loss directly arising from any document of yours which is necessary for the performance of your business activity and which is lost, damaged or destroyed while in your possession.
Insufficient resources	
Injury	
Property damage	

Government investigation/enforcement	<p>4. any governmental enforcement of any legislation, regulation or order from any regulatory authority.</p> <p>However, this exclusion shall not apply to any otherwise covered claim from a national, local, federal, state or foreign government, agency or entity that is a client and has asserted the claim in its capacity as a client and not in its official governmental capacity.</p>
Patent/trade secret	<p>5. any actual or alleged infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.</p>
Infrastructure interruption	<p>6. any failure or interruption of service provided by an internet service provider, telecommunications provider, utility provider or other infrastructure provider except to the extent you provide those services as part of your business activity.</p>
Stocks, accounts, taxation and fiduciary	<p>7. any:</p> <ul style="list-style-type: none"> a. liability or breach of any duty or obligation owed by you regarding the sale or purchase of any stocks, shares, or other securities, or the misuse of any information relating to them, including breach or alleged breach of any related legislation or regulation; b. liability or breach of any duty or obligation owed by you regarding any statement or representation (express or implied) contained in your accounts, reports or financial statements, or concerning your financial viability; c. violation of any taxation, competition, restraint of trade or anti-trust law or regulation; d. breach of any fiduciary duty owed by you.
Pension and employee benefit schemes	<p>8. any liability or breach of any duty or obligation owed by you in connection with the operation or administration of any health, pension or employee benefit scheme, plan, trust or fund.</p>
Insolvency	<p>9. your insolvency or the insolvency of your suppliers.</p>
Sweepstakes, gambling or lotteries	<p>10. your provision of any sweepstakes, gambling activities or lotteries.</p>
Land, animals and vehicles	<p>11. the ownership, possession or use of any land, building, animal, aircraft (including any drone or small unmanned aerial vehicle), watercraft or motor vehicle.</p>
Negotiable instruments	<p>12. the loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.</p>
Employees	<p>13. anyone's employment with you or any breach of an obligation owed by you as an employer.</p>
Discrimination	<p>14. any discrimination, harassment or unfair treatment, unless arising directly from your breach of a duty of care in the performance of a business activity.</p>
Directors' and officers' liability	<p>15. any liability or breach of any duty or obligation owed to you or your shareholders by any of your directors, officers, trustees or board members, including but not limited to any:</p> <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 or financial statements.
Personal liability	<p>16. any personal liability incurred by any director, officer, trustee, or board member of you when acting in that capacity or managing your business other than when performing a business activity for a client or advertising.</p>
Dishonest or criminal conduct	<p>17. any fraudulent, dishonest, malicious or criminal conduct intended to cause harm to another person or business (but not in respect of a defamation claim), or any knowing or wilful violation of a law, whether committed by you or committed by another whose conduct or violation of the law you have ratified or actively condoned, or any act you knew, at the time you performed it, would give rise to a claim or loss.</p> <p>However, this exclusion will not apply unless:</p>

- a. such conduct or wilful violation of the law has been established by a final adjudication in any judicial, administrative, or alternative dispute resolution proceeding; or
- b. such conduct or wilful violation of the law has been established by **your** admission in a proceeding or otherwise; or
- c. **you** or **we** discover evidence of such conduct or wilful violation of the law, at which time **you** shall reimburse **us** for all payments made by **us** in connection with such conduct or wilful violation of the law and all of **our** duties in respect of that entire **claim** shall cease.
- Reckless conduct 18. any conduct committed in reckless disregard of another person or business' rights, but not in respect of a defamation **claim**.
- Pre-existing problems 19. anything, including any **potential claim** or any actual or alleged shortcoming in **your** work, likely to lead to a **claim** or **loss**, which **you** knew or ought reasonably to have known about before **we** agreed to insure **you**.
- War, terrorism and nuclear 20. **war, terrorism or nuclear risks**.
- Asbestos 21. **asbestos risks**.
- Pollution 22. **pollution**.
- Misleading advertisements 23. from any false or misleading advertisement about **your** products or services that is published or broadcast to the general public or a specific marketing segment for the purpose of promoting any aspect of **your business**; however, this exclusion will not apply to any covered portion of any **claim** based on **your** alleged unauthorised use of another's trademark.
- Malicious code 24. from any self-replicating, malicious code that was not specifically targeted to **your** system; however, this exclusion will not apply to any covered portion of any **claim** for negligent transmission of a computer virus, worm, logic bomb, or trojan horse.
- Product design 25. from any liability for any product design, industrial design, architectural design, or architectural services, However, this exclusion does not apply to **digital services**.
- Redemption level estimates 26. any:
 - a. prize, coupon, or voucher redemption level estimates or forecasts being exceeded or not met; or
 - b. over redemption or under redemption of coupons, discounts, awards or prizes from advertisements, promotions, contests or other games of chance,
unless **we** have specifically agreed to cover this by an **endorsement** to this **policy**.
- Product liability 27. from any product liability, safety or health-related liability, or any other liability arising out of the sale, manufacture, use or consumption of any product, However, this exclusion will not apply to **digital services**.
- Inaccurate information supplied by a client 28. from any inaccuracy of any material or information supplied to **you** by a **client** or the agent of a **client**, including but not limited to competitor comparisons and nutritional information statements.
- Payment owed under licence 29. from any payment owed to a licensor under a licence; however, this exclusion will not apply to any covered portion of any copyright and/or trademark **claim** that results in a damage award that is measured by the amount a claimant would have received had **you** paid for a licence to use the claimant's infringed work and/or mark.
- Property owners' liability 30. for, alleging, or arising from property owners' liability.
- Third-party defect 31. any defect in any software, hardware, firmware, or associated network cabling that is solely caused by a third-party, including but not limited to any third-party software supplier, manufacturer or originator.
- However, this exclusion does not apply to:

	<ul style="list-style-type: none"> a. covered defence costs incurred by you to defend such parts of a claim but only until there is a finding in any legal proceeding, including any arbitration, or any admission that the defect at issue is solely caused by a third-party, at which time you shall reimburse us for all defence costs that we have paid toward that claim; or b. any amount you satisfy us that you are legally able to recover under a written contract.
Chargeback	<p>32. any chargeback, liability, or fee incurred by you or your client as a result of a merchant service provider, including any credit card company or bank, wholly or partially reversing or preventing a payment transaction.</p> <p>B. We will not make any payment for:</p>
Claims brought by a related party	<p>1. any claim brought by any person or entity falling within the definition of you or any party with a financial, executive or managerial interest in you, including any parent company or any party in which you have a financial, executive or managerial interest, including any subsidiary company.</p> <p>However, this does not apply to a claim based on a liability to an independent third-party directly arising out of the performance of your business activity.</p>
Claims by current and former employees	<p>2. any claim made against you by any person or entity that you currently employ or formerly employed, including but not limited to employees, sub-contractors or self-employed freelancers.</p> <p>However, this exclusion will not apply to any part of any claim:</p> <ul style="list-style-type: none"> a. solely based on business activity performed when such person or entity was not working for you; or b. based on a liability to an independent third-party directly arising out of the performance of your business activity. <p>However, this exclusion shall not apply to any otherwise covered claim from an employee, subcontractor or self-employed freelancer that is brought entirely independently of that party's position as your employee, subcontractor or self-employed freelancer.</p>
Non-compensatory payments	<p>3. a. punitive or exemplary damages, which you are legally obliged to pay. However we will pay an award of such damages if insurable in the jurisdiction where such award was first ordered; or</p> <p>b. service credits, contractual fines or contractual penalties, other than liquidated damages.</p>
Fines and penalties	<p>4. criminal, civil, or regulatory sanctions, fines, penalties, disgorgement of profits, treble damages or multiple damages which you are legally obliged to pay, including but not limited to those imposed by any national, local, federal, state or foreign governmental body or by the Mechanical Copyright Protection Society (MCPS)-Performing Rights Society (PRS) Alliance, American Society of Composers Authors and Publishers (ASCAP), Broadcast Music Inc. (BMI), Society of European Stage Authors and Composers (SESAC), or any other similar licensing organisation.</p>
Claims outside the applicable courts	<p>5. any claim, including arbitration, brought outside the applicable courts.</p> <p>This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.</p>
Trading losses	<p>6. any trading loss or trading liability including those arising from the loss of any client, account or business.</p>

Special condition

Takeovers and mergers extended notification period

In the event that **you** merge or consolidate with another company, or any party acquires more than 50% of **your** issued share capital, during the **period of insurance** **you** may on payment of an additional premium of 150% of the annual premium request that this section continue in force for a period of 24 months from the expiry date of the current **period of insurance**. Such extension shall only apply to **claims** arising from **business activity** prior to the date of such takeover or merger.

How much we will pay

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

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

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

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.

Multiple claims from a single source

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

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

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

Special limits

Dishonesty

The most **we** will pay for **claims** brought against **you** arising from the dishonesty of **your employees**, sub-contractors and self-employed freelancers, unless otherwise stated in the schedule, is a single limit of indemnity, which is an aggregate limit, for the total of all **claims** (including their **defence costs**).

Losses from dishonesty

The most **we** will pay for the total of **your** own losses arising from the dishonesty of **your employees**, sub-contractors and self-employed freelancers is the relevant amount stated in the schedule.

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

Paying out the limit of indemnity

At any stage of a **claim** **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for that **claim** or its **defence costs**.

Your obligations

If a problem arises

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 within 14 days after the **policy** expires for any **claim** or **loss** **you** first became aware of in the seven days before expiry;
 - b. **potential claims** under this section, such notification must be as soon as practicable and within the **period of insurance** or at the latest within 14 days after the **policy** expires, and must to the fullest extent possible identify the particulars of the **potential claim**, including identifying any potential claimant, the likely basis for liability, the likely demand for relief and any additional information about the **potential claim** that **we** reasonably request. If such a **potential claim** notification is made to **us** then **we** will treat any **claim** arising from the same particulars as that notification as if it had first been made against **you** on the date **you** properly notified **us** of it as a **potential claim**, even if that **claim** is first made against **you** after the **period of insurance** has expired;
 - c. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any **employee** or sub-contractor or self-employed freelancer has acted dishonestly, as soon as reasonably practicable.

2. **You** must:
- 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.
- 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

Defence arrangements	This is a duty to defend section. This means that we have the right and duty to defend you against any claim which is covered in its entirety.
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.
Partially covered claims	<p>If a claim which is only partially covered is made against you, we have the right and duty to defend you, but amounts relating to non-covered parts of claims will be deducted from our final settlement. However, for claims or parts of claims which allege or arise from any infringement, use or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret, we and you agree to allocate all amounts, including defence costs, upon our receipt of the claim or potential claim.</p> <p>We and you agree to use best efforts to determine a fair allocation of covered and non-covered parts of claims. If you and we cannot agree on a fair allocation you and we agree to follow the dispute resolution process in the General terms and conditions of this policy.</p> <p>If a covered or partially covered claim is made against you, then we have the right to appoint suitably qualified legal representation to defend you.</p> <p>We have no duty to defend you against claims where:</p> <ol style="list-style-type: none">1. no part of the claim is covered; or2. we pay you the limit of indemnity as described in How much we will pay, Paying out the limit of indemnity.
Payment of excess	Our duty to make any payment under this section arises only after the applicable excess is fully paid. The excess will only be eroded by the covered parts of a claim .