

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.

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

Special definitions for this section

Advertising	Advertising, publicity or promotion in or of your products or services.
Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Business activity	The activities stated in the schedule, which you perform in the course of your business .
Computer system	Any computer network, hardware, software, information technology and communications system, including any email, intranet, extranet or website.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Employee	<ul style="list-style-type: none"> a. Any person under a contract of service with you; b. any independent person seconded to you; c. any person supplied by you to a client under contract.
Employment claim	Any claim by any current, former or prospective employee 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 you .
Hacker	Any third party, other than an employee of yours , who maliciously targets you and gains unauthorised access to or unauthorised use of your computer system or data held electronically by you or on your behalf.
Pollution	Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
Retroactive date	The date stated as the retroactive date in the schedule.
You/your	Also includes any person who was, is or during the period of insurance becomes your partner or director or senior manager in actual control of your operations.

What is covered

Claims against you	If during the period of insurance , and as a result of your business activity or advertising on or after the retroactive date within the geographical limits , any party brings a claim, including any injunctive proceedings, against you for:
Negligence	a. negligence or breach of a duty of care;
Negligent misstatement	b. negligent misstatement or negligent misrepresentation;
Intellectual property infringement	c. infringement of intellectual property rights including copyright, trademark or moral rights or any act of passing-off;
Breach of confidentiality	d. breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use;
Defamation	e. defamation;

Professional indemnity for recruitment consultants

Policy wording

Dishonesty	f. dishonesty of your individual partners, directors or employees other than anyone supplied by you to a client under contract;
Transmission of a virus	g. negligence or breach of a duty of care in connection with the transmission of a computer virus or a denial of service attack;
Other civil liability	h. 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.
Avoiding a potential claim against you	If: a. your client has reasonable grounds for being dissatisfied with the work you have done or which has been done on your behalf, including the work anyone supplied by you to a client under contract has done, and refuses to pay for any or all of it, including amounts you legally owe to sub-contractors or outsourcers at the date of the refusal; b. your client threatens to bring a claim against you for more than the amount owed; and c. we believe that it may be possible to settle the dispute with the client by your agreeing not to press for the disputed amount; we may 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. 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 . 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 stated in the schedule. You must return the amount we have paid if you eventually recover the debt, less your reasonable expenses.
Your own losses	
Losses from dishonesty	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 other than anyone supplied by you to a client under contract, 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 that the loss was suffered on or after the retroactive date .
Loss of documents	If during the period of insurance any tangible document of yours which is necessary for the performance of your business activity is lost, damaged or destroyed while in your possession, we will pay the reasonable expenses you incur with our prior written agreement in restoring or replacing it. The most we will pay for the total of all such expenses is the relevant amount stated in the schedule.
Additional cover	
Court attendance compensation	If any person within the definition of you , or any employee of yours , other than anyone supplied by you to a client under contract, 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 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 stated in the schedule.

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 employee 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. pollution.
Virus	6. any virus that was not specifically targeted to your system.
Injury	7. the death of or any bodily or mental injury or disease suffered by anyone, unless arising directly from your 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 your breach of a duty of care in the performance of a business activity . This clause does not apply to your own loss under the Loss of documents cover in What is covered .
Hacker	10. the loss, copying or distortion of any data by a hacker .
Directors' and officers' liability	11. any personal liability incurred by a director or officer of yours when acting in that capacity or managing your business , or a breach of any fiduciary duty, other than when performing a business activity for a client, or any statement, representation or information concerning you or your business contained in your accounts, reports or financial statements.
Product liability	12. any supply, manufacture, sale, installation or maintenance of any product.
Defamatory statements	13. any statement you 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 you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore. This does not apply to any claim under the dishonesty cover in What is covered, Claims against you , but we 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 your work, likely to lead to a claim against you or your own loss, which you knew or ought reasonably to have known about before we agreed to insure you .
Date recognition	16. date recognition.
War, terrorism and nuclear	17. war, terrorism or nuclear risks.
Asbestos	18. asbestos risks.
Contractual liability	19. any liability under any contract which is greater than the liability you would have at law without the contract, other than liability you have assumed under any contract with your client for acts or omissions of anyone supplied by you to the client under the contract.
Employment claims	20. any employment claim.
Patent/trade secret	21. any infringement, use, or disclosure of a patent, or any use, disclosure or misappropriation of a trade secret.

Professional indemnity for recruitment consultants

Policy wording

Dishonesty of anyone	22. the dishonesty of anyone supplied by you to a client under contract, unless you have breached a duty of care in supplying them.
	B. We will not make any payment for:
Claims brought by a related party	1. any claim brought by an insured 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. 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. 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.
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

We will pay up to the overall limit of indemnity for this section stated in the schedule unless limited below or otherwise in the schedule. **We** will also pay for **defence costs**. However, if a payment greater than the applicable 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 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.

All claims and losses which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim. This includes such claims and losses arising after, as well as during, the **period of insurance**.

Special limits

The most **we** will pay for each item below, 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**) brought against **you** arising from:

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|-----------------|---|
| Dishonesty | 1. the dishonesty of your partners, directors, employees , subcontractors 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. |

Losses from dishonesty

The most **we** will pay for the total of **your** own losses arising from the dishonesty of **your employees** is the 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

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| If a problem arises | 1. We will not make any payment under this section unless you notify us of the following promptly and 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: |
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- a. **your** first awareness of anything, including any actual or alleged shortcoming in **your** work, which is likely to lead to a claim against **you**. This includes any criticism of **your** work even though regarded by **you** as unjustifiable.

If **we** accept **your** notification **we** will regard any subsequent claim as notified to this insurance;
 - b. any claim or threatened claim against **you**;
 - c. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any partner, director, **employee**, sub-contractor or outsourcer has acted dishonestly.
2. When dealing with **your** client 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, **we** may reduce any payment **we** make under this **policy** 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 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.

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.