

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

<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>Hacker</b>	Any third party, other than an employee 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: <ol style="list-style-type: none"> <li>any senior 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; and</li> <li>any person who was, is or during the <b>period of insurance</b> becomes <b>your</b> appointed representative (as defined in the glossary to the Financial Conduct Authority handbook) while acting within the scope of his or her appointment, but such person is included only to the extent that <b>you</b> are responsible for his or her conduct under the Financial Conduct Authority's rules.</li> </ol>

### 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> for clients, any party:
Civil liability	<ol style="list-style-type: none"> <li>brings a claim against <b>you</b> for any civil liability, including any civil liability for which <b>you</b> are responsible arising from the <b>business activity</b> of any business <b>you</b> acquired before the <b>period of insurance</b>; or</li> <li>refers or threatens to refer any complaint arising directly from <b>your</b> breach of a duty of care, to any ombudsman;</li> </ol> <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>, including the cost of representing <b>you</b> before the Financial Conduct Authority or any other regulatory body for any disciplinary complaint which may lead to a claim against <b>you</b>. <b>We</b> will not pay costs for any part of a claim not covered by this section and <b>we</b> will not pay costs for any claim referred to an ombudsman.</p>

### Your own losses

Losses from dishonesty	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</b> employees, but not any partner or director of <b>yours</b> , 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.
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### 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. 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 any person who was, is or during the **period of insurance** becomes **your** appointed representative, 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. <b>We</b> will not make any payment for any claim or part of a claim or loss directly or indirectly due to:
Pollution	1. <b>pollution</b> .
Virus	2. transmission of a <b>virus</b> .
Discrimination and harassment	3. any discrimination, harassment or unfair treatment.
Injury	4. 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 the performance of a <b>business activity</b> .
Land, animals and vehicles	5. <b>your</b> ownership, possession or use of any land or building, any animal, any aircraft, any watercraft or any motor vehicle.
Property damage	6. 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> .
Negotiable instruments	7. <b>your</b> loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.
Hacker	8. the loss, copying or distortion of any data by a <b>hacker</b> .
Directors and officers' liability	9. 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 <b>your</b> 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	10. <b>your</b> supply, manufacture, sale, installation or maintenance of any product.
Defamatory statements	11. any statement <b>you</b> knew, or ought reasonably to have known, was defamatory at the time of publication.
Deliberate, reckless or dishonest acts	12. any dishonest, fraudulent or malicious act, breach, omission or infringement committed, condoned or ignored by <b>you</b> .
Pre-existing problems	13. 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	14. <b>date recognition</b> .
War, terrorism and nuclear	15. <b>war, terrorism or nuclear risks</b> .
Asbestos	16. <b>asbestos risks</b> .

Contractual liability	17. <b>your</b> liability under any contract which is greater than the liability <b>you</b> would have at law without the contract.
Employees	18. anyone's employment with or work for <b>you</b> , or any breach of an obligation owed by <b>you</b> as an employer.
Insolvency or financial difficulties	19. the insolvency or financial difficulties of any insurer, bank, building society, unit trust, partnership, firm or company.
Unauthorised insurer or reinsurer	20. any business placed with any insurer or reinsurer who is not authorised to transact insurance or reinsurance business in the United Kingdom of Great Britain and Northern Ireland by the Prudential Regulation Authority or any other equivalent European regulatory body, unless <b>you</b> have informed <b>your</b> client of this and of the fact that the policy will not be protected by the Financial Services Compensation Scheme and <b>your</b> client has nevertheless given <b>you</b> written instructions to place the business with that insurer or reinsurer.
Market trends	21. market trends and fluctuations over which <b>you</b> have no control.
Common law duty of care	22. <b>your</b> breach of a common law duty of care when <b>you</b> were acting as agent for an insurer or building society unless the insurer or building society has obtained judgment against <b>you</b> in an <b>applicable court</b> .
Failure to keep clients funds separate	23. <b>your</b> , but not <b>your</b> employees', failure to keep client funds in properly designated and separate client accounts.
Completion of a proposal form	24. <b>your</b> completion of a proposal form on behalf of <b>your</b> client, other than on a VDU/computer screen or where the insurer does not require the proposer's signature, unless <b>your</b> client checks the information provided and signs the declaration on the form; or <b>your</b> signing a proposal form on behalf of <b>your</b> client.
Failure to account for money	25. <b>your</b> failure to account for any monies received.
Dishonest investment of client funds	26. <b>your</b> , but not <b>your</b> employees', dishonest investment of client funds in any business in which <b>you</b> have a financial or managerial interest.
Related business in North America	27. any claims, including arbitration, arising from the business of a parent, subsidiary, associated company or related partnership of <b>yours</b> whose principal place of business is in the United States of America or Canada.  28. any activities <b>you</b> perform in the United States of America or Canada.  B. <b>We</b> will not make any payment for:
Claims brought by a related party	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. <b>your</b> lost profit, mark-up or liability for VAT or its equivalent.
Trading losses	3. any trading loss or trading liability including those arising from the loss of any client, account or business.
Non-compensatory payments	4. fines and contractual penalties, 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	5. 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

**We** will pay up to the 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. As part of each loss **we** will pay up to the amount stated in the schedule for accountants' fees **you** incur in investigating **your** loss. **You** must pay the relevant **excess** stated in the schedule.

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

#### 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.

#### Ombudsman awards

**We** will pay up to the amount stated in the schedule for each ombudsman award provided that the ombudsman has operated within any terms of reference or rules applicable to their appointment, but the most **we** will pay for the total of all ombudsman awards and claims involving **your** own losses is a single limit of indemnity. **You** must pay the relevant **excess** stated in the schedule.

#### Loss of documents

For lost, damaged or destroyed documents, information, data, artwork or models, **we** will pay the reasonable expenses **you** incur with **our** prior written agreement in restoring or replacing them. The most **we** will pay for the total of all such expenses 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 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:
  - 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** or any complaint to an ombudsman or regulatory body;
  - c. **your** discovery, or the existence of reasonable grounds for **your** suspicion, that any employee 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.

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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 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.

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### Special condition

General condition 7. Cancellation set out in the **General terms and conditions** does not apply to this section.

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### Regulatory requirements

This section is designed to provide the insurance cover required by the Financial Conduct Authority (FCA) for professional indemnity for insurance intermediaries. If there is any dispute about the terms of this insurance, the FCA's minimum insurance requirement will take precedence over any terms in this section which are less favourable to **you**.