

Management liability – corporate legal liability

Policy wording

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

Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
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.
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, 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.
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.

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Identity crime	An agreement entered into by any third party representing themselves as you .
Investigation	<p>An official examination, official enquiry 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>Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of your industry which is not solely related to your conduct.</p>
Investigation mitigation costs	Reasonable and necessary costs incurred by you to prevent or minimise the likelihood of an investigation or mitigate the potential consequences of an investigation which, if such steps were not taken, would be likely to result in an investigation being brought against you that would be covered by this section of the policy or would be likely to increase the severity of such an investigation .
Legal representation costs	<ol style="list-style-type: none"> 1. Reasonable legal costs, fees, charges and 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 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>Loss does not include any:</p> <ol style="list-style-type: none"> a. criminal fines or penalties, taxes or remuneration; or b. regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses) other than those in respect of an intended investigation or prosecution.
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.
Pre-investigation costs	Reasonable 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,

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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** of **you**.
5. The lawful spouse, civil or unmarried partner of any person in 1 to 4 above solely because of their spousal, civil or unmarried partner relationship following a **claim** or **investigation** against that person.
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 for a **claim** or **investigation** against that person.

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

Securities

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

Subsidiary

Any entity in which **you**:

1. 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 the right to appoint or remove a majority of the entity's board of directors; or
2. control a majority of its voting rights under a written agreement with other shareholders or members.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover will continue but only for a **claim** or **investigation** against **you** arising from any act, incident or occurrence performed, or taking place, or alleged to have taken place before it 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 **subsidiary**:

1. existing at the start of the **period of insurance**;
2. created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
 - a. is not domiciled in the United States of America or Canada; and
 - b. does not trade any of its securities on any stock exchange.

What is covered

1. Claims against you

Losses including defence costs

Health and safety/
manslaughter

- a. **We** will pay on **your** behalf the **loss** arising from a **claim** against **you** for any **wrongful act** within the **geographical limits**, including any:
 - i. **health and safety/manslaughter claim**;

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Pension or employee benefit schemes	ii. claim arising from your operation or administration of any pension or employee benefit scheme or trust fund of yours ;
Shareholder pollution claims	iii. claim arising from pollution brought by any shareholder of you either directly or derivatively;
Cyber and data	iv. claim arising from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;
Identity crime	v. claim arising from identity crime ;
Taxation	vi. claim arising from your failure to comply with any taxation regulations; or
Bodily injury and property damage	vii. claim for bodily injury or property damage , other than any claim brought by or on behalf of any party who: <ol style="list-style-type: none"> 1. suffered the bodily injury; or 2. owns or is legally responsible for the tangible property that suffered such property damage.
Defence costs only	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 you either directly or derivatively;
Bodily injury and property damage	ii. for any claim brought by or on behalf of any party who: <ol style="list-style-type: none"> 1. suffered the bodily injury; or 2. owns or is legally responsible for the tangible property that suffered such property damage. <p>The most we will pay for defence costs relating to bodily injury and property damage is £50,000 in the aggregate, regardless of the number of claims. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
Breach of contract	iii. for breach of contract, whether actual or implied, written or oral which is greater than the liability you would have at law without the contract. <p>The most we will pay for defence costs relating to such breach of contract is £100,000 in the aggregate, regardless of the number of claims. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
Intellectual property	iv. for infringement of intellectual property, including any patent, trade mark, copyright, registered design or other intellectual property right. <p>The most we will pay for defence costs relating to infringement of intellectual property is £25,000 in the aggregate, regardless of the number of claims. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
Emergency defence costs	c. We will pay emergency defence costs in relation to a covered claim . <p>The most we will pay for emergency defence costs is £100,000 in the aggregate, regardless of the number of claims. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
2. Investigations	
Losses including legal representation costs	a. We will pay on your behalf the loss arising from an investigation and arising from any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place within the geographical limits , including any:

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Health and safety/manslaughter	i. health and safety/manslaughter investigation;
Pension or employee benefit schemes	ii. investigation arising from your operation or administration of any pension or employee benefit scheme or trust fund;
Pollution	iii. investigation arising from pollution;
Cyber and data	iv. investigation arising from from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;
Taxation	v. investigation arising from your failure to comply with any taxation regulations; or
Bodily injury and property damage	vi. investigation arising from bodily injury or property damage .
Investigation mitigation costs	<p>b. We will also pay investigation mitigation costs in relation to a covered investigation, provided that:</p> <p>i. where reasonably possible, you must obtain our prior written agreement before incurring such costs. Where it is not possible to obtain our written agreement, you must notify us as soon as possible after such sums are incurred; and</p> <p>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.</p> <p>The most we will pay for investigation mitigation costs is £100,000 in the aggregate, regardless of the number of investigations. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p> <p>We will not make any payment for any part of an investigation not covered by this section.</p>
Pre-investigation costs	<p>c. We will pay pre-investigation costs in relation to a covered investigation.</p> <p>The most we will pay for pre-investigation costs is £100,000 in the aggregate, regardless of the number of investigations. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
Emergency legal representation costs	<p>d. We will pay emergency legal representation costs in relation to a covered investigation.</p> <p>The most we will pay for emergency legal representation costs is £100,000 in the aggregate, regardless of the number of investigations. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
3. Additional covers	
Public relations expenses	<p>a. We will pay public relations expenses on your behalf following a covered claim or investigation which, without the incurrance 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.</p> <p>The most we will pay for public relations expenses in total for each relevant person is £25,000 in the aggregate, regardless of the number of claims or investigations. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p> <p>The most we will pay in total for public relations expenses for all relevant persons across all management liability sections of this policy is £100,000 in the aggregate, regardless of the number of claims or investigations. This limit is included within, and</p>

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		not in addition to, the limits of indemnity shown on the schedule.
Court attendance compensation	b.	<p>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.</p> <p>The most we will pay for court attendance compensation is £250 each day for each employee or £500 each day for each director, partner, member or officer. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p> <p>The most we will pay for court attendance compensation for all relevant persons across all management liability sections is £100,000 in the aggregate, regardless of the number of claims or investigations.</p>
Loss of documents	c.	<p>If during the period of insurance any document, information or data of yours which is necessary for the performance of your business is 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.</p> <p>The most we will pay for this additional cover is £100,000 in the aggregate. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>
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What is not covered		We will not make any payment for any claim, loss, investigation , or any other liability under this section:
Deliberate or dishonest acts	1.	<p>against or suffered by you based upon, attributable to or arising out of:</p> <ol 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 or omission was committed or condoned by you or any individual who falls within paragraphs 1. to 3. of the definition of relevant person. This exclusion will only apply after a judgment or other final adjudication or an admission by you or the relevant person that such act, breach of statute or omission did occur. In the event of such finding or admission, you must reimburse all payments made by us in relation to the corresponding claim, loss or investigation.</p>
Prior claims and litigation	2.	<p>based upon, attributable to or arising out of:</p> <ol 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, you or an outside entity, initiated before the prior and pending date.
Defamation	3.	based upon, attributable to or arising out of defamation.
Claims by you or a relevant person	4.	<p>based upon, attributable to or arising out of any claim brought or maintained by:</p> <ol 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> <ol 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;

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	<ul style="list-style-type: none"> 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 in relation to motor vehicles	<p>5. for bodily injury or property damage arising from the use, ownership or possession of any motor vehicle in relation to which you are obliged under any compulsory insurance law to maintain insurance in respect of any liability.</p> <p>This exclusion does not apply to defence costs or legal representation costs relating to any criminal or regulatory proceeding.</p>
Pollution clean-up costs	<p>6. based upon, attributable to or arising out of any:</p> <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.
Takeovers and mergers	<p>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:</p> <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	<p>8. based upon, attributable to or arising out of any wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place:</p> <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	<p>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.</p>
Defined benefit pension schemes	<p>10. based upon, attributable to or arising out of your operation or administration of any defined benefit pension scheme or the breach of any legislation or regulation relating to these activities.</p>
Failure to fund pension and employee benefit schemes	<p>11. based upon, attributable to or arising out of your failure to fund any pension, employee benefit scheme or trust fund.</p>
Employment claims	<p>12. based upon, attributable to or arising out of any employment claim.</p>
Products	<p>13. based upon, attributable to or arising out of the manufacture, sale, supply, installation or maintenance of any product.</p>
Securities offerings	<p>14. based upon, attributable to or arising out of any claim or investigation in relation to any actual public offering of your securities.</p>
Infringement of intellectual property	<p>15. based upon, attributable to or arising out any actual or alleged infringement of patent, trade mark, infringement of copyright, intellectual property right or registered design. This exclusion does not apply to defence costs.</p>
Contractual liability	<p>16. based upon, attributable to or arising out 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.</p> <p>This exclusion does not apply to defence costs.</p>

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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 claim or investigation relating to any breach of professional duty or failure to provide professional services.
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, 1. Claims against you, b. Defence costs only .

Special conditions

Extended notification period

If:

1. **we** or **you** refuse to renew this section of the **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**;

you may purchase an extended notification period, in accordance with the options shown below:

One-year period	50% of the annual premium for this section
Three-year period	100% of the annual premium for this section
Six-year period	200% of the annual premium for this section

If **you** do so, 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**.

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**.

If **you** do so, the first paragraph 1a. 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 the 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.

You will not have the right 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 the **policy** is replaced or succeeded by any other policy providing corporate legal or equivalent entity cover; or
3. this section or the **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.

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Management buy-outs	<p>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 45 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.</p> <p>This cover will only apply excess of any other insurance and indemnification available from any other source.</p>
How much we will pay	<p>The most we will pay for each claim, loss, investigation, or any other covered liability, including their defence costs and legal representation costs is the limit of indemnity shown in the schedule or within the relevant clause of What is covered.</p> <p>All claims, losses, investigations or any other covered liabilities and circumstances likely to give rise to a claim, loss, investigation, or any other covered liability which arise from the same original cause, a single source or a repeated or continuing shortcoming will be regarded as one claim under the policy. This includes claims, losses, investigations or any other covered liabilities arising after, as well as during, the period of insurance.</p> <p>Each claim, loss, investigation or other covered liability shall be treated as first made when we receive notice of the first claim, loss, investigation or other covered liability.</p> <p>You must pay any relevant excess shown in the schedule.</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 any claim, loss, investigation or any other covered liability.</p>
Special limit	
Pollution defence costs and legal representation costs	<p>The most we will pay for defence costs under What is covered, 1. Claims against you, b. Defence costs only, i. Pollution and cover under What is covered, 2. Investigations, a. Losses including legal representation costs, iii. Pollution is £100,000 in the aggregate, regardless of the number of claims or investigations. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule;</p>

Your obligations

Notification	<ol style="list-style-type: none"> 1. We will not make any payment under this section: <ol style="list-style-type: none"> 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 for any problem you become aware of within the 30 days before expiry: <ol style="list-style-type: none"> i. any claim against you. ii. any investigation into you; iii. the commencement of proceedings against you for pollution. 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 this policy by an amount equal to the detriment we have suffered as a result.
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Control of defence and payment under this section

You must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to defend any **claim, investigation**, or any other covered liability. **You** should not do anything which may prejudice **our** position.

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 investigation**, or any other covered liability.

Arranged by

Jelf

Insured by


HISCOX

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If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the **claim, investigation**, or any other covered liability.

Where there is a dispute between **us** and **you** over cover, proposed settlement or continuing the defence of a **claim investigation**, or any other covered liability, **you** or **we** may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction. Such opinion shall be binding on **us** and **you** and will establish whether policy cover exists, defence of said **claim, investigation**, or any other covered liability will continue or settlement will be agreed. The costs of such opinion shall be met by **us**.

We shall pay **defence costs** and **legal representation costs** above any **excess** and covered by this section on an ongoing basis prior to the final resolution of any **claim, investigation**, or any other covered liability. **You** must reimburse **us** for any **defence costs** and **legal representation costs** paid where it is determined there is no entitlement under this section.

If a **claim, investigation**, or any other covered liability is made which is not wholly covered by this section or is also made against **you** and any other party which is not covered under this section, **we** and **you** shall use our best endeavours to agree a fair allocation between **loss** that is covered and **loss** not covered by this section.

Internet and email

Policy wording

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

Special definitions for this section

Computer system	Your own computer network, including any third party software programs.
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
Hacker	<p>Anyone who specifically and maliciously targets you and gains access to the website via the internet or other external electronic link, solely by circumventing electronically the security systems in place to protect against such access.</p> <p>A hacker does not include:</p> <ol style="list-style-type: none"> any director or partner of yours or any sub-contractor, self-employed freelancer or third party on your premises without permission; anyone who gains access directly through either any computer, computer system or network of yours or the physical possession of any password or other security code.
Website	Any website(s), intranet or extranet where you have full control over the content and which you run for the promotion of your own business .
You / your	Also includes any person who was, is or during the period of insurance becomes your partner or director or officer or senior manager in actual control of your operations

What is covered

Claims against you	<p>If during the period of insurance, and as a result of your business, any party brings a claim against you arising from:</p> <ol style="list-style-type: none"> the content of your email, intranet, extranet or website (including its domain name, metatags and hyperlinks and the marketing and advertising of your business on the website), including alterations or additions made by a hacker, but not connected with any professional business activity for a client, and due to: <ol style="list-style-type: none"> your infringement of any intellectual property rights, including any copyright, trademark, passing off or linking to or framing of another page; any defamatory statement on your website or in your email, including any defamatory statement concerning a client or business competitor of yours; your breach of confidence or infringement of any right to privacy; your negligent transmission of a computer virus, worm, logic bomb or trojan horse to anyone with whom you do business or who uses your website in the course of their business; your unauthorised collection or misuse of any data concerning any customer or potential customer of yours which is either confidential or subject to statutory restrictions on its use and which you obtained through the internet or extranet or website and hold electronically; a third party's good faith reliance on a hacker's fraudulent use of your encrypted electronic signature, encrypted electronic certificate, email or website where there was a clear intention to cause you loss or obtain a personal gain for the hacker; <p>we will indemnify you against the sums you have to pay as compensation.</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>
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Your losses from vandalism

If, during the **period of insurance**, a **hacker** damages, destroys or alters **your website** or **computer system**, **we** will pay the reasonable and necessary costs and expenses **you** incur with **our** prior written consent to repair or replace the affected part of the **website** or **computer system** to the same or equivalent standard and with the same contents or as near as reasonably possible as immediately before it was damaged, destroyed or altered.

If, during the **period of insurance**, a **hacker** threatens to damage **your website** in a way which would be covered by this section, **we** will indemnify **you** against the ransom paid with our prior written consent or, if the demand is for goods or services, their market value at the time of surrender. **We** will only indemnify **you** in this way if **you** can demonstrate to **us** that the ransom has been surrendered under duress and that before agreeing to its payment **you** took all reasonable efforts to determine that the threat was genuine and not a hoax and to ensure that at least one of **your** senior officers agreed to the ransom's payment.

If a claim arises from the cover provided in either of the two immediately preceding paragraphs **we** will also pay any advertising or publicity expenses reasonably and necessarily incurred, and with our prior permission, in contacting any people who attempted to use the **website** while it was damaged, destroyed or altered.

What is not covered

Matters specific to your business

- A. **We** will not make any payment for any claim or loss directly or indirectly due to:
1. any **virus**, worm, logic bomb or Trojan horse written or created by **you**, **your** employee or any self-employed freelancer directly contracted to **you** and under **your** supervision.
 2. any **virus**, worm, logic bomb or Trojan horse which indiscriminately replicates itself and is automatically disseminated on a global or national scale, or to an identifiable class or sector of users, unless specifically passed on to **you** by a **hacker** of **your website** or **computer system**.
 3. the infringement of any patent.
 4. any unauthorised or fraudulent use of any credit, debit, charge or store card.
 5. the use or provision of any games, or any gaming, gambling, lottery or auctioneering facilities or services.
 6. the failure or interruption of the service provided by an internet service provider or any telecommunications or other utility provider.
 7. any pornographic, sexually explicit or obscene material unless arising directly from the activities of a **hacker**.
 8. any defamatory statement concerning any partner, director or employee of **yours** or a self-employed freelancer directly contracted to **you** and under **your** supervision.
 9. **your** liability under any contract which is greater than the liability **you** would have at law without the contract.
 10. any data or software unique to your company.

Matters insurable elsewhere

11. the death or any bodily or mental injury or disease suffered by anyone.
12. anyone's employment with or work for **you**, or any breach of an obligation owed by **you** as an employer or any kind of discrimination, harassment or unfair treatment.
13. any personal liability incurred by a director or officer of **yours** when acting in that capacity or managing **your** business, or **your** breach of any fiduciary duty, or any statement, representation or information concerning **you** or **your** business contained in **your** accounts, reports or financial statements.
14. **your** supply, manufacture, sale, installation or maintenance of any product.

Deliberate, reckless or dishonest acts

15. any statement **you** knew, or ought reasonably to have known, was defamatory at the time of publication.

Internet and email

Policy wording

	16. any act, breach, omission or infringement you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore.
Date recognition.	17. date recognition.
War, terrorism and nuclear	18. war, terrorism or nuclear risks.
	B. We will not make any payment for:
Pre-existing problems	1. any claim, potential claim or loss or payment which could be made under this section which you knew about, or ought reasonably to have known about, before we agreed to insure you .
Non-compensatory payments	2. fines and contractual penalties, punitive or exemplary damages. 3. any trading loss or trading liability including those arising from the loss of any client, account or business.
Claims outside the applicable courts	4. any claim, including arbitration, brought outside the countries set out in the schedule under 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

The most **we** will pay for the total of all claims, their **defence costs** and **your** own losses is the limit of indemnity shown in the schedule irrespective of the number of claims or losses. However, the most **we** will pay for **your** own losses from vandalism, including any advertising or publicity expenses, is the amount shown in the schedule. This does not increase the limit of indemnity. **You** must pay the relevant **excess** shown 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**.

Paying out the limit of indemnity

At any stage **we** can pay **you** the limit of indemnity or what remains after any earlier payment from that limit. **We** will then have no further liability for any claim, **defence costs** or loss.

Your obligations

If a problem arises

1. **We** will not make any payment under this section unless:
 - a. **you** notify **us** promptly of the following 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:
 - i. **your** first awareness of any matter 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;
 - ii. any claim or threatened claim against **you**;
 - iii. **your** first awareness of any fraud, threatened fraud or suspicion of fraud involving **your website**, electronic signature or electronic mail;
 - iv. any damage, destruction or alteration to **your website** or **computer system**;
 - v. **your** first awareness of any threat to damage **your website**;
 - b. **you** inform the police of any ransom demand as soon as is practicable.
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 without **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.

Arranged by

Jelf

Insured by


HISCOX

Internet and email

Policy wording

Computer systems protection
and back-ups

3. **You** must:

- a. take reasonable steps to use, maintain and upgrade any program which protects against computer viruses or any unauthorised use of or access to **your computer system**, network, electronic link or **website**;
- b. make back-up copies of any data, file or program at reasonably frequent intervals;
- c. cancel any user name, password or other security protection after **you** knew or had reasonable grounds to suspect that it had been made available to any unauthorised person.

We will not make any payment under this section 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, damage, accident or injury occurring in the circumstances in which it occurred.

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.

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

Breach costs

Cover for your own losses

Special definitions for this section

Breach	<p>a. The unauthorised acquisition, access, use, or disclosure of personally identifiable information, which compromises the security or privacy of that information such that it poses a significant risk of financial harm to the data subject; or</p> <p>b. any unauthorised acquisition, access, use or disclosure of personally identifiable information which triggers your obligations under any statute, law or regulation to notify of such unauthorised acquisition, access, use or disclosure.</p>
Breach claim	Any written assertion of liability or any written demand for financial compensation or injunctive relief first made against you within the applicable courts .
Breach loss	Any financial harm caused to your business as a result of a breach .
Breach retroactive date	The date stated as the breach costs retroactive date on the schedule.
Data subject	Any natural person to whom personally identifiable information relates.
Personally identifiable information	Any non-public individually identifiable information about a data subject , including but not limited to such information protected by the Data Protection Act 1998 or any similar or successor legislation.
Potential breach claim	Any matter reasonably likely to lead to a breach claim covered under this section.
Related matters	All matters that have as a common nexus any fact, circumstance, situation, event, transaction or cause or series of related facts, circumstances, situations, events, transactions or causes.

What is covered

If during the **period of insurance you** first become aware of a **breach of personally identifiable information** held or transmitted in any form or medium by **you**, or by anyone on **your** behalf **we** will pay for:

Computer forensics costs	a. all reasonable and necessary costs you incur for computer forensic analysis conducted by outside forensic experts to confirm the breach and identify the affected data subjects ; as well as outside legal fees associated with maintaining the lawyer-client privilege of forensic reports and findings.
Breach notification costs	<p>b. all reasonable and necessary costs you incur:</p> <p>i. for outside legal fees to identify applicable notification obligations and draft text of notifications;</p> <p>ii. to notify each affected data subject (or client of you, as required) of the breach and offer the credit monitoring services below;</p> <p>iii. to notify any entities as required by any statute, law or regulation, including but not limited to the information commissioner or any other governmental or regulatory body, and the media;</p> <p>iv. to use a third-party call centre, if you do not have one that is qualified for this purpose, to answer enquiries from affected data subjects after the date the data subject notices are sent.</p>
Credit monitoring service costs	<p>c. all reasonable and necessary costs you incur to provide one year of credit monitoring services or other credit protection services offered by you with our prior written consent to each affected data subject. Such services must be redeemed by the data subject within 12 months of your first knowledge of the breach.</p> <p>However, we will only pay for credit monitoring services or other credit protection services offered to data subjects following a breach of their national insurance number, driver's licence number or other government issued identification number that can be used (in combination with other information) to open a new financial account or a new insurance</p>

Breach costs

Cover for your own losses

account, or where required under any statute, rule or regulation.

What is not covered

- A. **We** will not make any payment toward any portion(s) of any **breach loss** arising directly or indirectly from:
1. any damage to, or destruction or loss of use of any tangible property; however, this exclusion does not apply to damage to data, or destruction or loss of use of data.
 2. any discrimination, harassment or unfair treatment.
 3.
 - a. any prior or pending litigation, **breach claim**, written demand, arbitration, administrative or regulatory proceeding or investigation which was filed or commenced against **you** and of which **you** had notice prior to the first date of the **period of insurance** (or if this policy is a renewal then prior to the first date of the first policy issued to **you** by **us** and from which the current policy forms an unbroken chain of successive policies issued to **you** by **us**); or
 - b. the same or **related matters** as alleged in such prior or pending litigation, **breach claim**, written demand, arbitration, administrative or regulatory proceeding or investigation referenced in 3 a above.
 4.
 - a. any **breach claim**, **breach loss** or matter, or **potential breach claim** or **breach loss**, which has been the subject of any written notice given under any other policy before the effective date of this **policy**; or
 - b. the same or **related matters** as any **breach claim**, **breach loss** or matter, or **potential breach claim** or **breach loss**, referenced in 4 a. above.
 5. any 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 **personally identifiable information** relating to any citizen or resident of the USA or Canada.
 7. any **breach** that occurred before the **breach retroactive date**.
 8. any fraudulent conduct, dishonest conduct, criminal conduct, malicious conduct, conduct committed in reckless disregard of another's rights, 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 any act **you** knew, or reasonably ought to have known at the time **you** performed it, would give rise to a **breach**.
This exclusion will not apply unless:
 - 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.
 9. any matter that prior to the first date of the **period of insurance** (or if this **policy** is a renewal then prior to the first date of the first policy issued to **you** by **us** and from which the current **policy** forms an unbroken chain of successive policies issued to **you** by **us**), **you** knew or reasonably ought to have known would be likely to lead to a **breach**.
 10. any failure or interruption of service provided by an internet service provider, telecommunications provider or other utility provider.
 11. **your** insolvency or the insolvency of any supplier.

Breach costs

Cover for your own losses

Special conditions

Automatic extended reporting period

If **we** renew this section, then **we** agree to accept **your** proper notification of the unauthorised acquisition, access, use, or disclosure of **personally identifiable information** under this section up to 30 days after the **period of insurance** has expired, provided **you** first become aware of the unauthorised acquisition, access, use, or disclosure during the last 30 days of the **period of insurance**.

If **we** cancel or do not renew this section, or **you** cancel or do not renew this section and do not obtain replacement coverage as of the effective date of such cancellation or nonrenewal, then **we** agree to accept **your** proper notification of a **breach** under this section up to 30 days after the **period of insurance** has expired, provided **you** first become aware of the **breach** during the last 30 days of the **period of insurance** or during the 30 day window immediately following the **period of insurance**, and such **breach** first occurs on or after the **breach retroactive date** but before the end of the **period of insurance**.

The automatic extended reporting periods described in this section do not apply unless **we** are notified of such **breach** as soon as practicable but no later than 30 days from the date **you** first learned of the unauthorised acquisition, access, use, or disclosure. They also do not apply to any policy that **we** have cancelled or refused to renew due to **your** non-payment of premium or failure to comply with Your obligations to us.

It is agreed that the applicable extended reporting period(s) set out in this section shall be superseded by any conflicting applicable law that provides **you** with a longer extended reporting period.

How much we will pay

We will pay up to the limit shown in the schedule for each item under **what is covered** unless limited below:

The most **we** will pay for computer forensic costs in any one **period of insurance** is the amount shown in the schedule. **You** must pay the relevant **excess** shown in the schedule.

The most **we** will pay for breach notification costs in any one **period of insurance** is the amount shown in the schedule. **You** must pay the relevant **excess** shown in the schedule.

The most **we** will pay for credit monitoring service costs in any one **period of insurance** is the amount shown in the schedule. **You** must pay the relevant **excess** shown in the schedule.

Breach response providers

We will only make payments if the services are provided by **our** list of pre-approved firms on the Breach Response Team, unless **you** obtain **our** prior written approval to obtain services and incur costs from a firm not on the list.

In the event **you** incur costs for services provided by a firm not pre-approved by **us**, the maximum payment by **us** will be £15 per affected **data subject**.

Your obligations

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

- a. notify **us** of any unauthorised acquisition, access, use, or disclosure promptly after **you** first learn of such unauthorised acquisition, access, use, or disclosure, and within the **period of insurance**; and
- b. give **us**, or anyone appointed by **us**, at **your** expense, all the assistance, co-operation and information which **we** reasonably require, and **you** must do anything which **we** reasonably request to avoid, minimise, or resolve any **breach claim**, **potential breach claim**, or **breach loss**, including paying the **excess** when requested by **us**; and
- c. give **us** all assistance and co-operation **we** reasonably require to pursue at **our** expense any subrogated right of recovery **we** may have in connection with such **breach claim**, **potential breach claim**, or **breach loss**; and
- d. take reasonable steps to correct any **breach** or potential **breach**.