

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

Special definitions for this section

Business activity	The activities shown in the schedule, which you perform in the course of your business .
Defence costs	Costs incurred with our prior written agreement to investigate, settle or defend a claim against you .
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	<p>If during the period of insurance, and as a result of your business activity within the geographical limits for clients, any party brings a claim against you for:</p> <ol style="list-style-type: none">negligence or breach of a duty of care,negligent misstatement or negligent misrepresentation,infringement of intellectual property rights including copyright, patent, trademark or moral rights or any act of passing-off,breach of confidence or misuse of any information, which is either confidential or subject to statutory restrictions on its use,defamation,dishonesty of your individual partners, directors, employees or self-employed freelancers directly contracted to you and under your supervision,any other civil liability unless excluded under What is not covered below, <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>
Avoiding a potential claim against you	<p>If your client has reasonable grounds for being dissatisfied with the work you have done, refuses to pay for any or all of it, including amounts you legally owe to subcontractors at the date of the refusal, and threatens to bring a claim against you for more than the amount owed, it may be possible to settle the dispute with the client by your agreeing not to press for the disputed amount. If so, we will pay you the amount owed to you at that time if we believe that this will avoid a legitimate claim for a greater amount and we have given our prior written approval to settling in this way and for this 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 will pay the amount owed to you at that time. 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 shown 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 this payment 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 part of a claim not covered by this section.</p>

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** suffer a loss from the dishonesty of **your** employees 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.

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 cover **you** against the cost of restoring or replacing it.

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 investment of, or direct advice on the investment of, client funds.
 2. any survey or valuation of physical property or any construction or erection work, other than heating, lighting, electrical, venting and other work normally undertaken by a Building Services Engineer.
 3. **your** 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 **your** breach of any legislation or regulation related to these activities.
 4. **your** breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation.
 5. any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
 6. the work of any personnel supplied by **you** to a client, unless **you** have breached a duty of care in supplying them.
 7. transmission of a computer **virus**.
 8. **your** liability under any contract which is greater than the liability **you** would have at law without the contract.

Matters insurable elsewhere

9. the death or any bodily or mental injury or disease suffered by anyone, unless arising directly from **your** breach of a duty of care in the performance of a **business activity**.
10. 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.
11. the ownership, possession or use of any land or building, any animal, any aircraft, watercraft or any motor vehicle.
12. the loss, damage or destruction of any tangible property:
 - a. other than documents in **your** care, custody or control in connection with a **business activity** for a client; or
 - b. 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**.
13. the loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.
14. the loss or distortion of any data held electronically.
15. 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, 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.
16. **your** supply, manufacture, sale, installation or maintenance of any product.

Professional indemnity for accountants

Policy wording

Deliberate, reckless or dishonest acts	<p>17. any statement you knew, or ought reasonably to have known, was defamatory at the time of publication.</p> <p>18. any act, breach, omission or infringement you deliberately, spitefully, dishonestly or recklessly commit, condone or ignore. This does not apply to any claim or your own loss under the dishonesty cover in What is covered, but we will not in any event provide cover to any party who actually commits, condones or ignores any dishonesty.</p>
Pre-existing problems	19. any shortcoming in your work or your own loss which you knew about, or ought reasonably to have known about, before we agreed to insure you .
Date recognition	20. date recognition .
War, terrorism and nuclear	21. war, terrorism or nuclear risks .
Asbestos	22. asbestos risks .
Claims brought by a related party	<p>B. We will not make any payment for:</p> <p>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.</p>
Restricted recovery rights	2. that part of any claim where your right of recovery is restricted by any contract.
Other losses	<p>3. your lost profit, mark-up or liability for VAT or its equivalent.</p> <p>4. any trading loss or trading liability including those arising from the loss of any client, account or business.</p>
Non-compensatory payments	5. 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	<p>6. any claim, including arbitration, brought outside the countries set out in the schedule under 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>

How much we will pay

We will pay up to the limit of indemnity shown in the schedule unless limited below. **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. **You** must pay the relevant **excess** shown in the schedule.

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

For lost, damaged or destroyed documents, information or data, **we** will pay the reasonable expenses **you** incur with **our** prior written consent in restoring or replacing them.

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

For claims and **your** own losses arising from dishonesty and from the physical loss or destruction of or damage to tangible property and from the death, disease or bodily or mental injury of anyone, the most **we** will pay is a single limit of indemnity for the total of all such claims, their **defence costs** and **your** own losses. **You** must pay the relevant **excess** shown 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

We will not make any payment under this section:

1. unless **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:
 - a. **your** first awareness of a shortcoming in **your** work for a client 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 or self-employed freelancer has acted dishonestly.
2. if, when dealing with **your** client or a third party, **you** admit that **you** are liable for what has happened or make any offer, deal or payment, unless **you** have **our** prior written agreement. **You** must also not reveal the amount of cover available under this insurance, unless **you** had to give these details in negotiating a contract with **your** client or have **our** prior written agreement.

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.