

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: <ol style="list-style-type: none"> any senior person who was, is or during the period of insurance becomes your partner or director or senior manager in actual control of your operations; and any person who was, is or during the period of insurance becomes your 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 you are responsible for his or her conduct under the Financial Conduct Authority's rules.

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:</p> <ol style="list-style-type: none"> any party brings a claim against you for any civil liability, including any civil liability for which you are responsible arising from the business activity of any business you acquired before the period of insurance; or any party refers or threatens to refer any complaint arising directly from your breach of a duty of care, to any ombudsman; <p>we will indemnify you against the sums you have to pay as compensation.</p> <p>We will also pay defence costs, including the cost of representing you before the Financial Conduct Authority or any other regulatory body for any disciplinary complaint which may lead to a claim against you. We will not pay costs for any part of a claim not covered by this section and we will not pay costs for any claim referred to an ombudsman.</p>
Your own losses	
Dishonesty of your employees.	<p>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 past or present employees, but not any partner or director of yours, 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.</p>
Loss of documents	<p>If during the period of insurance any document, information, data, artwork or model 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.</p>

What is not covered

	A. We will not make any payment for any claim or part of a claim or loss directly or indirectly due to:
Matters specific to your business	<ol style="list-style-type: none"> the insolvency or financial difficulties of any insurer, bank, building society, unit trust, partnership, firm or company. 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 you have informed your client of this and of the fact that the policy will not be protected by the Financial Services Compensation Scheme and your client has nevertheless given you written instructions to place the business with that insurer or reinsurer.

	3. market trends and fluctuations over which you have no control.
	4. any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.
	5. your breach of a common law duty of care when you were acting as agent for an insurer or building society unless the insurer or building society has obtained judgment against you in an applicable court.
	6. your , but not your employees', failure to keep client funds in properly designated and separate client accounts.
	7. your completion of a proposal form on behalf of your client, other than on a VDU/computer screen or where the insurer does not require the proposer's signature, unless your client checks the information provided and signs the declaration on the form; or your signing a proposal form on behalf of your client.
	8. transmission of a computer virus .
	9. your liability under any contract which is greater than the liability you would have at law without the contract.
	10. your failure to account for any monies received.
Matters insurable elsewhere	11. 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 .
	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. your ownership, possession or use of any land or building, any animal, any aircraft, watercraft or any motor vehicle.
	14. the loss, damage or destruction of any tangible property: <ul style="list-style-type: none"> 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. <p>This clause does not apply to your own loss under the Loss of documents cover in What is covered.</p>
	15. your loss, damage or destruction of any bearer bonds, coupons, share certificates, stamps, money or other negotiable paper.
	16. the loss or distortion of any data of yours held electronically.
	17. 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.
	18. your supply, manufacture, sale, installation or maintenance of any product.
Deliberate, reckless or dishonest acts	19. any statement you knew, or ought reasonably to have known, was defamatory at the time of publication.
	20. any dishonest, fraudulent or malicious act, breach, omission or infringement committed, condoned or ignored by you .
	21. your , but not your employees', dishonest investment of client funds in any business in which you have a financial or managerial interest.
Pre-existing problems	22. 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	23. date recognition .
War, terrorism and nuclear	24. war, terrorism or nuclear risks .
Asbestos	25. asbestos risks .

Claims brought by a related party	<p>B. We will not make any payment for:</p> <ol style="list-style-type: none"> 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.
Lost profit and VAT	<ol style="list-style-type: none"> your lost profit, mark-up, liability for value added tax or its equivalent.
Trading losses	<ol style="list-style-type: none"> any trading loss or trading liability including those arising from the loss of any client, account or business.
Non-compensatory payments	<ol style="list-style-type: none"> finest 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	<ol style="list-style-type: none"> any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts. <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>
Related business in North America	<ol style="list-style-type: none"> any claims, including arbitration, arising from the business of a parent, subsidiary, associated company or related partnership of yours whose principal place of business is in the United States of America or Canada. any activities you perform in the United States of America or Canada.

How much we will pay

We will pay up to the overall limit of indemnity for this section shown 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** shown in the schedule.

When **we** settle a loss under **Your own losses**, Dishonesty of employees, **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 shown in the schedule for accountants' fees you incur in investigating **your** loss. **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**.

Special limits

Dishonesty of your employees	<p>The most we will pay for the total of your own losses arising from the dishonesty of your employees is the amount shown in the schedule. You must pay the relevant excess shown in the schedule.</p>
Ombudsman awards	<p>We will pay up to the amount shown 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 shown in the schedule.</p>
Lost, damaged or destroyed documents	<p>For lost, damaged or destroyed documents, information, data, artwork or models, we will pay the reasonable expenses you incur with our prior written consent in restoring or replacing them. The most we will pay for the total of all such expenses is the relevant amount shown in the schedule. You must pay the relevant excess shown in the schedule.</p>
Paying out the limit of indemnity	<p>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.</p>

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** 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. 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.

Special condition

General condition 5. Cancellation set out in the **General terms and conditions** does not apply to this section.

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**.