

Management liability – professional and legal liability (charity, club, association and not for profit)

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.
Computer or digital technology	Any programs , computer network, hardware, software, operational technology, internet-connected device, network-connected device, electronic device, information technology, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet, website or cloud computing services.
Cyber attack	Any digital attack or interference, whether by a hacker or otherwise, designed to disrupt access to, the operation of or cause damage to any data or computer or digital technology , including but not limited to any: <ol style="list-style-type: none"> 1. programs designed to damage, disrupt, extract data from, or gain unauthorised access to computer or digital technology including, but not limited to, malware, wipers, worms, trojans, rootkits, spyware, dishonest adware, crimeware, ransomware, crypto-jacking and other malicious software or viruses; or 2. denial of service attack or distributed denial of service attack.
Data subject	Any natural person who is the subject of personal data .
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 to investigate or defend any claim 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 volunteer solely whilst under your control in connection with your business. 4. Any applicant or candidate for employment with you.
Employee dishonesty loss	Your direct financial loss discovered during the period of insurance in the performance of your business within the geographical limits , arising from the dishonesty of an employee ,

where there was a clear intention to cause **you** financial loss or damage and to obtain a personal financial gain in addition to salary, bonus or commission.

Employment claim

Any **claim** by any **employee** for any actual or alleged:

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;

arising solely as a result of the employment or non-employment by **you** of any current or former **employee**, or the treatment of any volunteer whilst undertaking work for **you** and under **your** control and supervision.

Hacker

Anyone, including an employee of **yours**, who gains unauthorised access to or unauthorised use of any:

1. **computer or digital technology**; or
2. data held electronically by **you** or on **your** behalf.

**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.

Identity crime

An agreement entered into by any third party representing themselves as **you**.

Investigation

An official examination, official enquiry or official investigation into **you** first notified as being required during the **period of insurance** and conducted by the Charity Commission or any regulator, government department or other body legally empowered.

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.

**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

1. Reasonable and necessary 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

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:

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**.



Loss does not include any criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes or remuneration.

Personal data	Any information about an individually identifiable natural person, including but not limited to such information protected by the Data Protection Act 2018 or the General Data Protection Regulation (EU) 2016/679, including any similar or successor legislation or regulation.
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 and necessary 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 professional and legal liability or other equivalent entity insurance that has run continuously without a break in cover. If since that date you have merged or consolidated with another company, entity other organisation, or any party has acquired more than 50% of your issued share capital, assets 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, 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. <p>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.</p>
Social engineering communication	Any request directed to you or someone on your behalf by a person improperly seeking to obtain possession or the transfer to a third-party of virtual currency, money, securities, data or property that such person or third-party is not entitled to.
Subsidiary	Any entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar in which you : <ol style="list-style-type: none">1. own directly or through one or more of your subsidiaries more than 50% of the share capital or assets or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors, trustees, governors or equivalent; or2. control a majority of its voting rights under a written agreement with other shareholders or members. <p>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 wrongful act, taking place, or alleged to have taken place before it ceased to be a subsidiary.</p>
Unintentional error	Any error or omission by anyone that was not intentional or deliberate.



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. defamation;
5. breach of warranty of authority; or
6. 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** 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

Pension or employee benefit schemes

Pollution

Cyber incidents

Identity crime

Taxation

Emergency defence costs

- a. **We** will pay on **your** behalf the **loss** arising from a **claim** against **you** for any **wrongful act** committed within the **geographical limits**, including any:

i. **health and safety/manslaughter claim**;

ii. **claim** arising from **your** operation or administration of any pension or employee benefit scheme or trust fund of **yours**;

iii. **claim** arising from **pollution**;

iv. **claim** arising from the management of, or response to, any **cyber attack** or other cyber-related incident or event

v. **claim** arising from **identity crime**; or

vi. **claim** arising from **your** failure to comply with any taxation regulations.

- b. **We** will pay **emergency defence costs** in relation to a covered **claim**.

2. Investigations

Losses including legal representation costs

Health and safety/manslaughter

Pension or employee benefit schemes

Pollution

Taxation

Investigation mitigation costs

- a. **We** will pay on **your** behalf the **loss** arising from an **investigation** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place within the **geographical limits**, including any:

i. **health and safety/manslaughter investigation**;

ii. **investigation** arising from **your** operation or administration of any pension or employee benefit scheme or trust fund;

iii. **investigation** arising from **pollution**; or

iv. **investigation** arising from **your** failure to comply with any taxation regulations.

- b. **We** will also pay **investigation mitigation costs** in relation to a covered **investigation**, provided that:

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

- 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.

We will not make any payment for any part of an **investigation** not covered by this section.

Pre-investigation costs

- c. **We** will pay **pre-investigation costs** in relation to a covered **investigation**.

Emergency legal representation costs

- d. **We** will pay **emergency legal representation costs** in relation to a covered **investigation**.

3. Additional covers

Public relations expenses

- 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.

Court attendance compensation

- b. 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**.

Dishonesty of employees

- c. **We** will pay **your employee dishonesty loss**.

Loss of documents

- d. 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.

What is not covered

- A. **We** will not make any payment for any **claim, loss, investigation**, or any other liability:

Deliberate or dishonest acts

- 1. against or suffered by **you** based upon, attributable to or arising out of:
 - 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 equivalent funds or advantage to which the individual concerned is not legally entitled; or
 - c. an act intended to secure or which does secure a profit or equivalent funds for any other company, entity or other organisation to which the company, entity or other organisation was not legally entitled,

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**.

Prior claims and litigation

- 2. based upon, attributable to or arising out of:
 - 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** or **you**, initiated before the **prior and pending date**.

Defamation

- 3. based upon, attributable to or arising out any statement **you** or a **relevant person** knew or ought to have known was defamatory at the time of publication by **you** or the **relevant person**.

Claims by you or a relevant person

- 4. based upon, attributable to or arising out of any **claim** brought or maintained by:
 - a. **you**; or

b. a **relevant person** within or subject to the laws of the United States of America.

This exclusion does not apply to:

- i. **defence costs**;
- ii. any shareholder derivative proceedings brought in **your** name without **your** or any **relevant person's** solicitation, assistance or participation;
- 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	5. for bodily injury or property damage . This exclusion does not apply to any health and safety/manslaughter claim . However, we will not in any event make any payment for any health and safety/manslaughter claim 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.
Pollution clean-up costs	6. based upon, attributable to or arising out of any: <ol 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	7. based upon, attributable to or arising out of any a wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place after: <ol style="list-style-type: none"> a. you merge or consolidate with another company or entity; or b. any party acquires: <ol style="list-style-type: none"> i. more than 50% of your issued share capital or assets; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors, trustees, governors or equivalent.
Changes to subsidiaries	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: <ol 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	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.
Defined benefit pension schemes	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.
Failure to fund pension and employee benefit schemes	11. based upon, attributable to or arising out of your failure to fund any pension, employee benefit scheme or trust fund.
Employment claims	12. based upon, attributable to or arising out of any employment claim .
Products	13. based upon, attributable to or arising out of the manufacture, sale supply, installation or maintenance of any product.
Medical services	14. based upon, attributable to or arising out of the provision of or failure to provide any medical services required in the treatment or care of any person.
Infringement of intellectual property	15. based upon, attributable to or arising out any actual or alleged infringement of patent, trademark, infringement of copyright, intellectual property right or registered design.

Contractual liability	16. based upon, attributable to or arising out of 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.
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.
Claims outside the applicable courts	19. 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 .
Cyber incidents	20. based upon, attributable to or arising out of any: <ul style="list-style-type: none"> a. cyber attack; b. hacker; c. unintentional error in or affecting any computer or digital technology; or d. social engineering communication. <p>This exclusion does not apply to any claim brought by any shareholder or creditor of you either directly or derivatively, directly due to your management of or response to a. to d. above. However, we will not, in any event, make any payment for any claims by data subjects relating to personal data arising from a. to d. above.</p>
Personal data claims	21. where any claim is brought by a data subject arising from the processing, acquisition, destruction, loss, alteration, disclosure, use of or access to personal data and which arises: <ul style="list-style-type: none"> a. from your breach of duty to that data subject; and b. in the performance of your business activities.
Matters specific to dishonesty of employees	B. We will not make any payment under What is covered, 3. Additional covers, c. Dishonesty of employees , for any employee dishonesty loss based upon, attributable to or arising out of: <ul style="list-style-type: none"> 1. any accounting or arithmetical error or omission or unexplained shortage; 2. any default or non-payment of any loan or other credit arrangement; 3. your or any relevant person's expenses incurred in establishing the amount of any financial loss; 4. any loss of interest, loss of profit or equivalent funds or any any indirect losses which result from the incident which caused you to claim; or 5. any act, breach, omission or infringement deliberately, spitefully, dishonestly or recklessly committed, condoned or ignored by any director, officer or partner of yours.

Special conditions

Extended notification period	If: <ul style="list-style-type: none"> 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 other organisation or any party acquires more than 50% of your issued share capital or assets or the majority of your voting rights during the period of insurance, <p>you may make a request to us in writing for an extended notification period, which will be granted at our sole discretion. If we agree to such request, the extended notification period will be granted in accordance with the options stated below:</p> <table border="0" style="margin-left: 40px;"> <tr> <td>One-year period</td> <td>200% of the annual premium for this section</td> </tr> <tr> <td>Two-year period</td> <td>300% of the annual premium for this section</td> </tr> <tr> <td>Three-year period</td> <td>400% of the annual premium for this section</td> </tr> </table>	One-year period	200% of the annual premium for this section	Two-year period	300% of the annual premium for this section	Three-year period	400% of the annual premium for this section
One-year period	200% of the annual premium for this section						
Two-year period	300% of the annual premium for this section						
Three-year period	400% of the annual premium for this section						



If **we** agree to grant **you** an extended notification period, 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.

We will not in any event agree to any request from **you** to purchase an extended notification period if:

1. cover under this section is continued solely as a result an extended notification period;
2. this section of the **policy** is replaced or succeeded by any other policy providing professional and legal liability cover 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.

How much we will pay

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 stated in the schedule.

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** and any other covered liabilities arising after, as well as during, the **period of insurance**.

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.

You must pay any relevant **excess** stated in the schedule.

Paying out the limit of indemnity

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 other covered liability.

Dishonesty of employees

When **we** settle **employee dishonesty loss** under **What is covered, 3. Additional covers, c. Dishonesty of employees**, for losses perpetrated by any individual or group of individuals who own or control any shares in **you** or who are entitled to participate in **your** profits, the amount **we** pay will be reduced by proportion to such person or persons' share in **your business** or entitlement to participate in **your** profits.

Special limits

All special limits below are included within, and not in addition to, the limit of indemnity stated on the schedule.

The most **we** will pay in total for each item below is the corresponding amount stated in the schedule, regardless of the number of **claims, losses, investigations** or other covered liabilities:

Pollution defence costs and legal representation costs

1. **pollution defence costs** and **legal representation costs**;

Public relations expenses

2. **public relations expenses**;

Emergency defence costs

3. **emergency defence costs**;

Emergency legal representation costs	4. emergency legal representation costs;
Investigation mitigation costs	5. investigation mitigation costs;
Pre-investigation costs	6. pre-investigation costs;
Dishonesty of employees	7. employee dishonesty loss under What is covered, 3. Additional covers, c. Dishonesty of employees;
Court attendance compensation	8. court attendance compensation, including any court attendance compensation payable under any management liability section of this policy ; and
Loss of documents	9. losses under What is covered, 3. Additional covers, d. Loss of documents.

Your obligations

Notification	<p>1. We will not make any payment under this section:</p> <ul 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: <ul style="list-style-type: none"> i. your first awareness of any wrongful act that is likely to lead to a claim; ii. any claim or threatened claim against you; iii. any investigation into you; or iv. your first awareness of any act, omission or occurrence that is likely to lead to any other covered liability. <p>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.</p>
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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. 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**, 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.