

Estate Agents

Professional Multi Risk Insurance
PMR EA Civil OP ML 0417

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General Definitions

Applying to Sections 1, 2 and 4 Only

For definitions applying to section 3, please refer to section 3 'Definitions (Applicable to Section 3 Only)

The following words will have the same meaning attached each time they appear in section(s) 1, 2 and 4 in bold type face, whether with a capital first letter or not. Where the meaning of a word is defined below and the same word is defined differently under a separate section(s) of this policy, the definition provided under the separate section applies to that section only.

Where the context so admits or requires, words importing the singular will include the plural and vice versa and words importing the masculine will import the feminine and the neuter. References to 'a person' will be construed so as to include any individual, company, partnership, or any other legal entity. References to a statute or regulation will be construed to include all its amendments or replacements. All headings within the policy are included for convenience only and will not form part of this policy.

Insurer

means HCC International Insurance Company plc.

Period of insurance

is that as stated in the Schedule.

General Definitions Applying to Sections 1 and 2 Only

For the purposes of Sections 1 and 2 of this Policy the words or terms that appear in bold will be interpreted as follows:

Employee

Is:

- a. any person employed by the **Insured** under a contract of service, training or apprenticeship; and
- b. any voluntary worker; and
- c. any locum, seasonal or temporary personnel; and
- d. any self employed person, who is not an independent contractor; and
- e. any person supplied or remunerated through a contract hire company or agency, who is not an independent contractor but is employed by the contract hire company on a supply only basis, working as a member of the **Insured's** staff;

but only if such person is working under the **Insured's** direction, control and supervision.

Insured

is any person or firm stated in the Schedule and includes any current or previous partner, director, principal, member or **Employee** of any firm or company stated in the Schedule and any other person who becomes a partner, director, principal, member or **Employee** of the firm.

Personal appointment

is any individual appointment of a professional nature arising out of the ordinary professional activities of the **Insured** other than any appointment as a director or officer of a company or as a trustee.

Professional business

is the business of the **Insured** as stated in the Schedule including the holding of any **Personal appointment** but in respect of Section 1 shall mean only the professional services of the **Insured's** business.

General Conditions Applying to Sections 1, 2 and 4 Only

For general conditions applying to section 3, please refer to section 3 'General Section Conditions)

In addition to the general conditions set out immediately below, conditions specific to each section also apply and these can be found within the relevant sections and sub-sections of this policy.

If a condition is stated below and the same condition is described differently under another section of this policy, the condition provided under that section will apply to that section only.

1. Policy construction and disputes

Any phrase or word in this Policy and the Schedule will be interpreted in accordance with the laws of England and Wales. The Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

Any dispute concerning the interpretation of the terms, Conditions or Exclusions contained herein is understood and agreed by both the **Insured** and the **Insurer** to be subject to the laws of England and Wales. Each party agrees to refer any such dispute to a mediator to be agreed between the **Insured** and the **Insurer** within 14 working days of any dispute arising under the Policy. If a mediator is not agreed then either party may apply to the Centre for Effective Dispute Resolution ('CEDR') for the appointment of a mediator. The parties agree to share equally the costs of CEDR and of the mediator and that the reference of the dispute to mediation will be conducted in confidence.

The **Insured** and the **Insurer** agree to perform their respective continuing obligations under this Policy while the dispute is resolved unless the nature of the dispute prevents such continued performance of those obligations. If any such dispute is not resolved by mediation or the **Insured** and the

Insurer cannot agree upon the appointment of a mediator or the form that the mediation will take the dispute will be submitted to the exclusive jurisdiction of any court of competent jurisdiction within England and Wales and each party agrees to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such court.

2. Fraudulent claims

If the **Insured** shall make any claim knowing the same to be fraudulent or false as regards the amount or otherwise (including the provision of false or fraudulent documents or statements) then

The **Insurer** will:

- i. refuse to pay the whole of the claim; and
- ii. recover from the Insured any sums that it has already paid in respect of the claim.

The **Insurer** may also notify the **Insured** that it will be treating (all sections of) this policy as having terminated with effect from the date of the earliest of any of the fraudulent act. In that event the **Insured** will:

- a. have no cover under the Policy from the date of termination; and
- b. not be entitled to any refund of premium.

3. Contracts (Rights of Third Parties) Act 1999

The **Insured** and the **Insurer** are the only parties to this contract and no other person has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

4. Cancellation

This Policy may be cancelled by or on behalf of the **Insurer** by thirty days notice given in writing to the **Insured**.

5. Invalidity

If any provision of this Policy is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable this will not affect the other provisions of this Policy which will remain in full force and effect.

6. Notices

Notice shall be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed to:

- a. in the case of the **Insured**, either to the **Insured's** last known address or the last known address of the **Insured's** broker;
- b. in the case of the **Insurer**, to HCC International Insurance Company PLC at Fitzwilliam House, 10 St Mary Axe, London EC3A 8BF.

7. Reasonable steps to avoid loss

Without prejudice to the Notification and Claims Conditions in this Policy, the **Insured** shall take all reasonable steps to avoid or mitigate any loss, damage or liability that may result in any claim or **Circumstance** notifiable under this Policy.

8. Premium Payment Clause

If the premium due under this Policy has not been so paid to **Insurers** by the 60th day from the inception of this Policy, (and, in respect of instalment premiums, by the date they are due), **Insurers** shall have the right to cancel this Policy by notifying the **Insured** via their broker in writing. In the event of cancellation, premium is due to **Insurers** on a pro rata basis for the period that **Insurers** are on risk but the full policy premium shall be payable to **Insurers** in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this Policy.

It is agreed that **Insurers** shall give not less than 15 days prior notice of cancellation to the **Insured** via their broker. If premium due is paid in full to **Insurers** before the notice period expires, notice of cancellation shall automatically be revoked. If not, this Policy shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

9. International Sanctions

The **Insurer** will not provide cover, be liable to pay any claim or provide any benefit if to do so would expose the **Insurer** (or any parent company, direct or indirect holding company of the **Insurer**) to any penalty or restriction (including extraterritorial penalties or restrictions so far as such do not contradict laws applicable to the **Insurer**), arising out of any trade and economic sanctions laws or regulations which are applicable to it.

10. Assignment

This policy of insurance (including any benefits it provides) are not assignable to any third party without the express approval of the **Insurer** confirmed in writing by the **Insurer**

11. Change of control

In the event that the **Insured** merges into or consolidates with or sells all or substantially all of its assets or shares to a third party (whether a company, corporation or any other legal entity or person) or there is any acquisition of more than fifty percent (50%) of the voting share capital of the **Insured** by a third party (whether a company, corporation or any other legal entity or person) the **Insured** shall give written notice of such event prior to its execution. Upon receipt of such notice, the **Insurers** may at their absolute discretion agree to continuation of the policy of insurance, to be confirmed by way of a written endorsement to the policy. In the absence of such agreement and/or if notice is not forthcoming as required under this General Condition 11 – Change of control, the cover provided by this policy of

insurance shall cease with immediate effect at the date of the change of control.

For the avoidance of doubt, the **Insured** shall not be entitled to an indemnity in respect of any claims made under Section 1 of this policy of insurance where notification of the claim occurs after a change in control (as referred to in this General Condition 11 – Change of control) where the change of control was not reported to **Insurers** and approved in accordance with this General Condition 11.

12. Complaints (Sections 1, 2 & 4 only)

We are dedicated to providing you with a high quality service and we want to ensure that we maintain this at all times. If you feel that we have not offered you a first class service please write and tell us and we will do our best to resolve the problem. If you have any questions or concerns about your policy or the handling of a claim you should in the first instance contact

Compliance Officer
Tokio Marine HCC
1 Aldgate
London
EC3N 1RE

The Financial Ombudsman Service (FOS)
Should you be dissatisfied with the outcome of your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service. The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. Contacting the FOS does not affect your right to take legal action.

The FOS's contact details are as follows:

Financial Ombudsman Service
Exchange Tower
London E14 9SR

Email: complaint.info@financial-ombudsman.org.uk
Telephone: +44 (0)30 0123 9123
Website: www.financial-ombudsman.org.uk

The European Commission Online Dispute Resolution Platform (ODR)
If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online Dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate your complaint to your local dispute resolution service – this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>. This platform will direct insurance complaints to the Financial Ombudsman Service. However, you may contact the FOS directly if you prefer, using the details as shown above.

Complaints (Section 3 only)

Please refer to Section 3 'NOTICES' for details of how to make a complaint.

Useful Information

If HCC (Sections 1, 2 & 4), Tokio Marine Kiln Insurance Ltd (Section 3, Sub-sections 1 to 3 only) or DAS Legal Expenses

Insurance Company Ltd (Section 3, Sub-section 4 only) are unable to meet their liabilities to policyholders, you may be able to claim compensation from the Financial Services Compensation Scheme. The level of compensation differs depending on the type of cover:

Compulsory Insurance	Non-compulsory Insurance
100% of the claim	90% of the claim

Further information can be obtained from:
Financial Services Compensation Scheme
10th Floor, Beaufort House
15 St Botolph Street
London EC3A 7QU
Telephone: 0800 678 1100 or 020 7741 4100 or
enquiries@fscs.org.uk www.fscs.org.uk

Data Protection Notice

Tokio Marine HCC respects your right to privacy. In our Privacy Notice (available at <https://www.tmhcc.com/en/legal/privacy-policy>) we explain who we are, how we collect, share and use personal information about you, and how you can exercise your privacy rights. If you have any questions or concerns about our use of your personal information, then please contact DPO@tmhcc.com.

We may collect your personal information such as name, email address, postal address, telephone number, gender and date of birth. We need the personal information to enter into and perform a contract with you. We retain personal information we collect from you where we have an ongoing legitimate business need to do so.

We may disclose your personal information to:

- our group companies;
- third party services providers and partners who provide data processing services to us or who otherwise process personal information for purposes that are described in our Privacy Notice or notified to you when we collect your personal information;
- any competent law enforcement body, regulatory, government agency, court or other third party where we believe disclosure is necessary (i) as a matter of applicable law or regulation, (ii) to exercise, establish or defend our legal rights, or (iii) to protect your interests or those of any other person;
- a potential buyer (and its agents and advisers) in connection with any proposed purchase, merger or acquisition of any part of our business, provided that we inform the buyer it must use your personal information only for the purposes disclosed in our Privacy Notice; or
- any other person with your consent to the disclosure.

Your personal information may be transferred to, and processed in, countries other than the country in which you are resident. These countries may have data protection laws that are different to the laws of your country. We transfer data within the Tokio Marine group of companies by virtue of our Intra Group Data Transfer Agreement, which includes the EU Standard Contractual Clauses.

We use appropriate technical and organisational measures to protect the personal information that we collect and process about you. The measures we use are designed to

provide a level of security appropriate to the risk of processing your personal information.

You are entitled to know what data is held on you and to make what is referred to as a **Data Subject Access Request ('DSAR')**. You are also entitled to request that your data be **corrected** in order that we hold accurate records. In certain circumstances, you have other data protection rights such as that of **requesting deletion, objecting to processing, restricting processing** and in some cases **requesting portability**. Further information on your rights is included in our Privacy Notice.

You can **opt-out of marketing communications** we send you at any time. You can exercise this right by clicking on the "unsubscribe" or "opt-out" link in the marketing e-mails we send you. Similarly, if we have collected and processed your personal information with your consent, then you can **withdraw your consent** at any time. Withdrawing your consent will not affect the lawfulness of any processing we conducted prior to your withdrawal, nor will it affect processing of your personal information conducted in reliance on lawful processing grounds other than consent. You have the **right to complain to a data protection authority** about our collection and use of your personal information.

Section 1 - Professional Indemnity Insurance

Definitions Applicable to Section 1

For the purposes of this Section the words or terms that appear in **bold** will be interpreted as follows:

Circumstance

shall mean any circumstance, incident, occurrence, fact, matter, act, omission, state of affairs or event which is likely to give rise to a claim against the **Insured** or a claim by the **Insured** under this section.

Computer system

shall mean any computer, data processing equipment, media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or any computer software (including but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode, or any electronic documents utilised in the ownership, security and management of the **Insured's** electronic communications system, world-wide web site, internet site, intranet site, extranet site or web address(es).

Damages

shall mean monetary relief.

Defence costs and expenses

shall mean all reasonable costs and expenses incurred, with the **Insurer's** prior written consent, in the investigation, defence and settlement of any claim first made against the **Insured** or of any **Circumstance** first notified during the **Period of insurance**. It does not include the **Insured's** own overhead costs and expenses.

Documents

shall mean digitised data, information recorded or stored in a format for use with a computer, microcode, deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates, written or printed documents or forms of any nature whatsoever (excluding any bearer bonds or coupons, bank or currency notes, share certificates, stamps or other negotiable paper).

Excess

is the first amount paid in respect of each claim as stated in the schedule under section 1. The **Excess** is not payable in respect of **Defence costs and expenses**. The **Indemnity limit** is additional to the **Excess**.

Financially associated person or entity

shall mean:

- a. any business controlled or managed by the **Insured** or in which the **Insured** has an executive interest;

- b. any company in which the **Insured** directly or indirectly owns or controls more than 15% of the issued share capital;
- c. any person having an executive or managerial role in the **Insured** or who would be considered to be a shadow director (as defined in s.251 of the insolvency act 1986) of the **Insured**;
- d. any company that directly or indirectly owns or controls any of the issued share capital of the **Insured** or any of whose issued share capital is directly or indirectly owned or controlled by any other company or person who directly or indirectly owns or controls any of the issued share capital of the **insured**.

FSA 86

shall mean the Financial Services Act 1986.

FSMA

shall mean the Financial Services and Markets Act 2000.

Indemnity limit

shall mean the **Insurer's** total liability to pay **Damages** and claimant's costs, and shall not exceed (except where specific sums are stated in the insuring clauses of this section) the sum(s) stated in the schedule against section 1 in respect of any one claim or series of claims arising out of one originating cause regardless of the number of persons claiming an indemnity from the **Insurer** under the terms of this section.

Insurance and investment services

shall mean:

- a. any activity which is investment business within the meaning of **FSA 86**;
- b. any regulated activity within the meaning **FSMA** even if, by virtue of an order of the Treasury under **FSMA**, the **Insured** is regarded as not carrying on regulated activity;
- c. any activity which, under **FSMA**, constitutes engaging in or communication or inducement to engage in investment activity;
- d. the provision of or the failure to provide advice in connection with or the arrangement of insurances of whatsoever nature.

Jurisdiction

means the jurisdiction stated in the schedule against Section 1. Where no jurisdiction is stated in the schedule then the **Jurisdiction** shall be worldwide but excluding the United States of America (including its territories and /or possessions) and Canada.

TPO / NALS award

shall mean an award by The Ombudsman Services: Property, The Property Ombudsman Scheme (TPO) and The Property Redress Scheme, operating within the Ombudsman's terms of reference or by an arbitrator appointed under the Arbitration Scheme for the National

Approved Letting Scheme and operating within the National Approved Letting Scheme Rules.

Virus

shall mean any unauthorised executable code uploaded to, or replicated through, a **Computer system** or network whether termed a virus or known by any other name and whether it is self-replicating or non-replicating which causes damage or loss to data or the **Computer system**.

Insuring Clauses

In consideration of the premium having been paid to the **Insurer**, the **Insured** is indemnified as follows:

1. Indemnity

Up to the **Indemnity limit** for **Damages** and claimant's costs for which the **Insured** is legally liable to pay resulting from claims first made against the **Insured** during the **Period of insurance** and arising out of the ordinary course of the **Professional business**, in consequence of:

- a. Breach of professional duty;
- b. Dishonest, fraudulent or malicious act or omission of any former or present **Employee** (which term, for the purpose of this clause alone, shall not include any principal, partner, member or director of the **Insured**) provided that no indemnity shall be given under this section in the event that any principal, partner, member or director of the **Insured** conspired to commit or condoned any such dishonest, fraudulent or malicious act or omission;
- c. Libel or slander or defamation;
- d. Unintentional breach of confidentiality or other invasion, misuse of private information, infringement or interference with rights of privacy or publicity including false light and the public disclosure of private facts including misuse of any information which is either confidential or subject to statutory restrictions;
- e. Unintentional infringement of intellectual property rights except patents;
- f. The loss of or damage to **Documents**;
- g. Any other civil liability not otherwise excluded.

2. Legal defence costs and expenses

The **Insurer** will pay in addition to any indemnity under insuring clause 1, all **Defence costs and expenses** provided that:

- a. if the amount paid or agreed to be paid by or on behalf of the **Insured** to dispose of a claim exceeds the **Indemnity limit** the **Insurer** will only be liable for that proportion of the **Defence costs and expenses** which the **Indemnity limit** bears to the amount paid or agreed to be paid;
- b. in the event that the **Insurer** elects to make a payment to the **Insured** pursuant to notification and claims condition 3.2 then the **insurer** shall have no liability to pay **Defence costs and expenses** incurred after the date upon which such payment is made.

3. Costs for prosecuting infringement of the Insured's intellectual property rights

Up to a maximum of GBP 25,000 in the aggregate in the **Period of insurance**, for the reasonable and necessary costs and expenses incurred by the **Insured**, with the **Insurer's** prior written consent, in the pursuance of any claim first made by the **Insured** against a third party during the **Period of insurance**, for infringement of intellectual property rights first discovered by the **Insured** during the **Period of insurance** where the ownership of such rights is vested in the **Insured**.

For the purposes of this insuring clause **Insurers** will only give prior consent where the **Insured** has provided, at their own expense, an opinion from a solicitor, barrister or suitably qualified intellectual property agent evidencing the existence of the **Insured's** intellectual property rights, the infringement of those rights, a measurable loss and a reasonable prospect of success.

4. Costs for representation

Up to a maximum of GBP 250,000 in the aggregate in the **Period of insurance** for all reasonable and necessary legal costs incurred by the **Insured** with the **Insurer's** prior written consent for representation at any inquiry or other proceeding which has, in the **Insurer's** sole opinion, a direct relevance to any claim, **Circumstance** or event which could form the subject of indemnity under this Section. For the avoidance of doubt costs for representation cover does not apply to insuring clause 3.

5. Data protection defence costs

Up to a maximum of GBP 250,000 in the aggregate in the **Period of insurance**, for reasonable and necessary legal costs and expenses incurred by the **Insured** with the **Insurer's** prior written consent in the defence of any criminal proceedings brought against the **Insured**, during the **Period of insurance** under the Data Protection Act 1998 or amending or superseding legislation provided always that:

- a. the act, error or omission giving rise to the proceedings shall have been committed by the **Insured** in the ordinary course of the **Professional business**;
- b. the **Insurer** shall be entitled to appoint solicitors and Counsel to act on behalf of the **Insured**;
- c. the **Insurer** shall have no liability to pay costs and expenses incurred subsequent to a plea or finding of guilt on the part of the **Insured**, or in the event that Counsel should advise that there are no reasonable prospects of successfully defending the proceedings, except for costs incurred solely for the purpose of making a plea in mitigation before sentencing or costs incurred in making an appeal if Counsel shall advise that the prospects of a successful appeal following a finding of guilt are reasonable.

6. TPO / NALS awards

In respect of any legally enforceable **TPO / NALS award** provided always that:

- a. **Insurers** shall not be liable to indemnify the **Insured** in respect of an **TPO / NALS award** arising from racial

discrimination, sexual discrimination or a dispute over professional fees; and

- b. An indemnity would have been provided to the **Insured** under this Policy in respect of the claim or complaint that is the subject matter of the **TPO/NALS award** notwithstanding the **TPO/NALS award**; and
- c. any payment made by **Insurers** under this insuring clause shall be part of and not in addition to the **Indemnity Limit**.

The **Excess** shall be GBP500 in respect of any claim under this Insuring Clause.

7. Breach of statutory obligation defence costs

In respect of 80% of costs and expenses incurred with the **Insurer's** prior written consent in the defence of any proceedings brought against the **Insured** under the Consumer Protection from Unfair Trading Regulations 2008 &/or the Business Protection from Misleading Marketing Regulations 2008 but only where the **Insurers** believe that defending such proceedings may protect the **Insured** against any subsequent or concurrent civil claim arising from the subject matter of those proceedings and where indemnity would be given under this Policy in respect of any such civil claim.

As a condition precedent to their right to be indemnified under this Insuring Clause the **Insured** shall inform **Insurers** as soon as possible, and in any event within 5 working days (provided always that such notification is received by **Insurers** before the expiry of the **Period of insurance**) of:

- a. the receipt, awareness or discovery of any claim or complaint made against them which might lead to a **TPO/NALS award**;
- b. the receipt of any notice indicating an intention to investigate a possible offence from, or any requirement to deliver up any document to, the relevant enforcement authority under the Consumer Protection from Unfair Trading Regulations 2008 &/or the Business Protection from Misleading Marketing Regulations 2008, or any other indication that a prosecution under the Consumer Protection from Unfair Trading Regulations 2008 &/or the Business Protection from Misleading Marketing Regulations 2008 was imminent.

Such notice having been given, any subsequent claim made (including any civil claim arising from the same subject matter of any proceedings under the Consumer Protection from Unfair Trading Regulations 2008 &/or the Business Protection from Misleading Marketing Regulations 2008) shall be deemed to have been made during the **Period of insurance**.

For the avoidance of doubt the indemnity provided under Insuring Clauses 3), 4), 5), 6) and 7) is not additional to and shall not increase the **Indemnity limit**.

Exclusions Applicable to Section 1

The **Insurer** shall not be liable to indemnify the **Insured** against any claim:

1. Employers liability

arising directly or indirectly from bodily injury, sickness, disease, psychological injury, emotional distress, nervous shock or death sustained by any **Employee** arising out of or in the course of their employment by the **Insured**, or for any breach of any obligation owed by the **Insured** as an employer to any partner, principal, director, member or **Employee** or applicant for employment;

2. Bodily injury/property damage

for bodily injury, sickness, disease, psychological injury, emotional distress, nervous shock or death sustained by any person or any loss, damage or destruction of property unless such claim arises directly from negligent advice, design, specification, formula or other breach of professional duty by the **Insured**;

3. Land, buildings etc

arising directly or indirectly from the ownership, possession or use by or on behalf of the **Insured** of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle;

4. Dishonesty

arising directly or indirectly from any dishonest, fraudulent, malicious or illegal act or omission of the **Insured** committed or condoned by any partner, principal or director of the **Insured**, except as covered by Insuring Clause 1b);

5. Contractual liability

arising directly or indirectly from any breach or alleged breach of any contractual duty or duty of care owed or alleged to have been owed by the **Insured** to any third party but only to the extent that such duty is more onerous than any duty that would otherwise be implied by common law or statute;

6. Products

arising out of or relating to:

- a. goods or products sold, supplied, repaired, altered, manufactured, installed or maintained; or
- b. buildings, building works or physical structures constructed, repaired, installed, erected, removed or demolished;

by the **Insured** or any related company or sub-contractor of the **Insured**;

7. Insolvency/bankruptcy of Insured

arising out of or relating directly or indirectly to the insolvency, liquidation, receivership or bankruptcy of the **Insured**;

8. Seepage and pollution

based upon, arising out of or relating directly or indirectly to, in consequence of or in any way involving seepage, pollution or contamination of any kind;

9. Claims or Circumstances known at inception

arising directly or indirectly from any claim or **Circumstance** of which the **Insured** was, or ought reasonably to have been, aware prior to inception of this policy, whether notified under any other insurance or not;

10. Other insurance

In respect of which the **Insured** is, or but for the existence of this policy would be, entitled to indemnity under any other insurance except in respect of any excess beyond the amount which is payable under such other insurance;

11. Geographical limits

in respect of work carried out outside the geographical limits stated in the schedule;

12. Legal action

in respect of an action for **Damages**:

- a. brought outside the **Jurisdiction** (including the enforcement within the **Jurisdiction** of a judgment or finding of another court or tribunal that is not within the **Jurisdiction**);
- b. in which it is contended that the governing law is outside the **Jurisdiction**;
- c. brought outside the **Jurisdiction** to enforce a judgment or finding of a court or other tribunal in any other jurisdiction.

13. Fines and penalties

for penalties, fines, multiple, exemplary, liquidated or other non-compensatory **Damages** awarded other than in actions brought for libel, slander or defamation in so far as they are covered by this policy;

14. Claims by financially associated persons or entities

made against the **insured** by any **Financially associated person or entity** whether alone or jointly with any other person or entity. However, this exclusion shall not apply to any claim brought against such **financially associated person or entity** by an independent third party which would, but for this exclusion, be covered by this policy;

15. Retroactive date

made by or against or incurred by the **Insured** arising from any act or omission or originating cause that occurred prior to the Retroactive date stated in the Schedule;

16. Radioactive contamination or explosive nuclear assemblies

caused by or contributed to by or arising from:

- a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or

- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

17. Excess

for the amount of or less than the **Excess**. The **Excess** shall be deducted from each and every claim paid under this Section;

18. War

arising directly or indirectly out of, happening through or in consequence of, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;

19. Terrorism

arising directly or indirectly out of, happening through or in consequence of any act or acts of force or violence for political, religious or other ends directed towards the overthrowing or influencing of any government, or for the purpose of putting the public in fear by any person or persons acting alone or on behalf of or in connection with any organisation.

In the event of any dispute as to whether or not this exclusion applies the **Insured** shall have the burden of proving that this exclusion does not apply;

20. Asbestos

arising directly or indirectly out of or resulting from or in consequence of or in any way involving asbestos or any materials containing asbestos in whatever form or quantity;

21. Other appointments

made against any **Insured** in the capacity of:

- a. director or officer of the **Insured** or of any other company or arising out of the management of the **Insured** or of any other company; or
- b. trustee of any trust or as officer or employee of any pension fund or any other employee benefit scheme, whether for the benefit of members or **Employees** of the **Insured** or otherwise;

22. Trading losses

arising out of:

- a. any trading loss or trading liability incurred by any business managed or carried on by the **Insured** (including the loss of any client account or business);
- b. loss caused by the **Insured** in consequence of a share or asset sale to any prospective purchaser, associated business, merger partner, joint venture partner or similar because of any misstatement or misrepresentation made by the **Insured**;
- c. the actual or alleged over-charging or improper receipt of fees by the **Insured**;

23. Virus

arising directly or indirectly from any **Virus**;

24. Patents

arising directly or indirectly from the infringement of any patent;

25. Insolvency

the insolvency of any **Insurer**, Building Society, Bank or other lender;

26. Insurance and investment services

arising from **Insurance and Investment Services** regardless of whether or not such **Insurance and Investment Services** are in contravention of or breach **FSA 86** or **FSMA**;

27. Surveys or valuations

arising from Surveys or valuations other than for the purpose of the establishment of a price for the marketing of a property for sale;

28. Employee benefit schemes / stocks and shares

arising directly or indirectly from the operation or administration of any pension or other employee benefit scheme or trust fund, or the sale or purchase or dealing in any stocks, shares or securities or the misuse of any information relating to them or the breach of any related legislation or regulation;

29. Taxation, competition, restraint of trade

arising directly or indirectly from the breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation;

30. Official action or investigation

arising from any official action or investigation by or decision or order of any public, local or government body or authority except to the extent covered by Insuring Clause 5 (Data protection defence costs);

31. Loss, damage or destruction of bearer bonds or coupons

arising from the loss, damage or destruction of any bearer bonds, coupons, bank or currency notes, share certificates, stamps or other negotiable paper;

32. Deliberate acts

arising directly or indirectly from any deliberate or reckless breach, act, omission or infringement committed, condoned or ignored by the **Insured**, except as covered under Insuring Clause 1b);

33. Costs and expenses incurred without prior consent

for costs and expenses incurred without the prior consent of the **Insurer**;

34. Claims by Employees

made against the **Insured** by any present or former **Employee**.

Notification and Claims Conditions Applicable to Section 1

1. Claim/circumstance notification

As conditions precedent to their right to be indemnified under Section 1 of this Policy the **Insured**

- 1.1 shall inform the **Insurer**, in writing, as soon as possible, and in any event within 28 days of the receipt, awareness or discovery during the **Period of insurance** of:-
 - a. any claim made against them;
 - b. any notice of intention to make a claim against them;
 - c. any Circumstance;
 - d. the discovery of reasonable cause for suspicion of dishonesty or fraud.

provided always that such notification is received by the **Insurer** before the expiry of the **Period of insurance**, or if the **Insured** renews this Policy with the **Insurer**, within 7 days after its expiry.

Such notice having been given as required in b), c) or d) above, any subsequent claim arising out of such notified matters shall be deemed to have been made during the **Period of insurance**;

- 1.2 shall not, in respect of any of the matters specified in 1.1a) to 1.1d) above, admit liability, make any offer for or settle any claim, or incur any costs or expenses in connection with any such claim or **Circumstance**, without the prior written consent of the **Insurer**; and
- 1.3 shall, as soon as practicable given the circumstances, give all such information and assistance as the **Insurer** may require and provide their full co-operation in the defence or settlement of any such claim.

Every letter of claim, writ, summons or process and all documents relating thereto and any other written notification of claim shall be forwarded, unanswered, to the **Insurer** immediately they are received. The **Insured** shall at all times, in addition to their obligations set out above, afford such information to and co-operate with the **Insurer** to allow the **Insurer** to be able to comply with such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice.

2. Notifications

Any and all notifications of **Circumstances** and claims for an indemnity pursuant to the policy of insurance shall be

notified to HCC International Insurance Company PLC by either (a) email (b) telephone or (c) first class post.

If by email then such must be addressed to PI Claims and sent to mail@tmhcc.com

If by telephone, please dial the following number and ask for a PI claims underwriter:

Telephone- +44 (0)20 7702 4700

If by post:

PI Claims HCC International Insurance Company PLC
Fitzwilliam House, 10 St Mary Axe, London EC3A 8BF.

3. Conduct of claims

3.1 Following notification under condition 1. above the **Insurer** shall be entitled at its own expense to take over and within its sole discretion to conduct in the name of the **Insured** the defence and settlement of any such claim.

Nevertheless neither the **Insured** nor the **Insurer** shall be required to contest any legal proceedings unless a Queens Counsel (to be mutually agreed upon by the **Insured** and the **Insurer**) shall advise that such proceedings should be contested.

3.2 The **Insurer** may at any time in connection with any claim made, pay to the **Insured** the **Indemnity limit** (after deduction of any sums already paid) or any lesser sum for which, in the sole opinion of the **Insurer**, the claim can be settled and upon such payment being made the **Insurer** shall relinquish the conduct and control of and have no further liability in connection with the claim. For the avoidance of doubt the **Insurer** shall have no liability to pay **Defence costs and expenses** incurred after the date upon which any such payment is made.

3.3 Waiver of subrogation against Employees

The **Insurer** shall not exercise any right of subrogation against any former or present **Employee**, unless the **Insurer** shall have made a payment brought about or contributed to by any act or omission of the **Employee** or former **Employee** which was dishonest, fraudulent or malicious or the **Employee** or former **Employee** conspired to commit or condoned any such dishonest, fraudulent or malicious act.

3.4 Dishonest or fraudulent act or omission

In the event of a loss or claim which involves the dishonest, fraudulent or malicious act or omission of any former or present **Employee** the **Insured** shall take all reasonable action (including legal proceedings) to obtain reimbursement from the **Employee** concerned (and from any **Employee** who may have conspired to commit or have condoned such act) or from the estate or legal representatives of such **Employee**. Any monies which but for such dishonest, fraudulent or malicious act or omission would be due to such **Employee** from the **Insured** or any monies held by the **Insured** for such **Employee** shall be deducted from any amount payable under this Policy.

Special Notification Conditions

The **Insured** shall, as a condition precedent to their right to indemnity under Section 1 of this Policy, additionally comply with the Special Notification Conditions below.

For the purposes of these Special Notification Conditions **Adjudication notice** shall mean any adjudication notice pursuant to contract (including a "Notice of Adjudication" and/or "referral notice" pursuant to the Scheme For Construction Contracts (England & Wales) Regulations 1998 and/or the Scheme For Construction Contracts (England & Wales) Regulations 1998 (Amendment) (England) Regulations 2011 and/or The Scheme for Construction Contracts (Scotland) Regulations 1998) and "adjudication" and "adjudicator shall be construed in that context:-

1. The **Insured** shall give the **Insurer** written notice within 2 working days of:
 - a. the receipt of any such Adjudication notice;
 - b. the receipt of any indication, whether in writing or otherwise, of an intention on the part of any party to serve the **Insured** with an **Adjudication notice**;
 - c. becoming aware of circumstances in which the commencement of an adjudication involving the **Insured** is likely.

This notice must be given during the **Period of insurance**.

2. The **Insured** must promptly supply the **Insurer** with all details relating to any references to adjudication, including copies of all documentation made available to the **Insured**.
3. The **Insured** must
 - a. allow the **Insurer** to appoint advisors and to have conduct of the adjudication as they deem appropriate;
 - b. co-operate with the **Insurer** and their advisors in the conduct of the adjudication;
 - c. meet any request, direction or timetable of the adjudicator;
 - d. not agree to accept the decision of the adjudicator as finally determining the dispute without the prior written consent of the **Insurer**.
4. The adjudication provisions in the Contract (if any) or otherwise applying to the Contract must:
 - a. provide that the adjudicator must be independent of the parties to the dispute;
 - b. not allow for the adjudicator's decision to finally determine the dispute;
 - c. not allow the adjudicator to disregard the legal entitlements of the parties in order to reach a decision based on commercial or other considerations;
 - d. not place restrictions upon the timing of the commencement of legal or arbitration proceedings (for the sake of clarity this does not apply to adjudication proceedings).

Further condition

The **insurer** shall be entitled to pursue legal proceedings, arbitration or other proceedings in the name of and on behalf of the **insured** to challenge, appeal, re-open or amend any decision, direction, award or exercise of any power of the adjudicator or to stay the enforcement of any such decision, direction, award or exercise of power. The **insured** shall give all such assistance as the **insurer** may reasonably require in relation to such proceedings or arbitration.

General Condition Applicable to Section 1

Mergers and acquisitions

If during the Period of Insurance the Insured:

- a. purchases assets or acquires liabilities from another entity in an amount no greater than 10% of the assets of the **Insured** as listed in its most recent financial statement; or
- b. acquires another entity whose annual revenues are no more than 10% of the annual revenues of the **Insured** for their last completed financial year; and
- c. there is no material deviation to the **Insured's Professional business**; and
- d. prior to the acquisition of the acquired company not being aware of any professional indemnity claims or circumstances that could give rise to a claim

then Section 1 of this Policy shall automatically include such entity as an **Insured** but only in respect of any act or omission occurring on or after the date of merger or acquisition unless otherwise agreed by the **Insurer**.

Section 2 – Liability Insurance

Definitions Applicable to Section 2

For the purposes of this Section the words or terms that appear in **bold** will be interpreted as follows:

Damage

shall mean loss of possession of or damage to tangible property.

Damages

shall mean monetary compensation capable of being awarded in civil proceedings but excluding aggravated and exemplary damages.

Defence costs

shall mean all costs and expenses incurred by the **Insured** with the **Insurer's** prior written consent in the investigation, defence or settlement of any claim under this Section other than in respect of any actions in the United States of America or Canada and shall include legal expenses:

1. arising out of representation at any Coroner's Inquest or Fatal Accident Inquiry;
2. arising out of any criminal prosecution or proceedings relating to an offence alleged to have been committed during the **Period of insurance** and in the course of the **Professional business** in respect of matters which may form the subject of indemnity by this Section (including with the **Insurer's** prior consent **Employees**, partners or directors of the **Insured**) provided that:
 - 2.1 the **Insurer** shall not be liable for any fines or penalties imposed as a consequence of such prosecution;
 - 2.2 the **Insurer** shall not be responsible for **Defence costs** where at the **Insurer's** discretion they may require the opinion of counsel (whose appointment is at the **Insurer's** sole discretion) as to whether or not such costs should extend or continue to extend to the support of such defence and where such counsel's opinion is that there is no reasonable defence to the prosecution;
 - 2.3 the **Insurer's** liability for **Defence costs** in cases of breach or alleged breach of the United Kingdom Health & Safety at Work Act 1974 (and/or any legislation of similar effect) are limited to prosecutions under Section 33(1)(a) to (c) of the Act or similar duty imposed under legislation in Northern Ireland, the Isle of Man or the Channel Islands;
 - 2.4 the **Insurer's** liability for **Defence costs** in cases of breach or alleged breach of Part II of the Consumer Protection Act 1987 will be limited to proceedings not consequent upon a deliberate act or omission

arising out of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of Indemnity by this Section.

Excess

is the first amount paid in respect of each claim as stated in the Schedule under Section 2. The **Excess** is not payable in respect of **Defence costs**.

Injury

shall mean death, bodily injury, illness or disease of or to any person.

Offshore

shall mean from the time an **Employee** of the **Insured** embarks onto a conveyance at the point of final departure to an offshore rig or offshore platform until such time the **Employee** disembarks from the conveyance onto land upon return from an offshore rig or an offshore platform.

Pollution

shall mean pollution or contamination of the atmosphere or of any water, land or other tangible property.

Product

shall mean any property after it has left the custody or control of the **Insured** which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the **Insured**.

Terrorism

shall mean an activity that (1) involves a violent act or the unlawful use of force or an unlawful act dangerous to human life, tangible or intangible property or infrastructure or a threat thereof and (2) appears to be intended to (i) intimidate or coerce a civilian population or (ii) disrupt any segment of the economy of a government de jure or de facto state or country; or (iii) overthrow, influence or affect the conduct of policy of any government de jure or de facto by intimidation or coercion; or (iv) affect the conduct of a government de jure or de facto by mass destruction, assassination, kidnapping or hostage-taking.

Indemnity Clauses

1. Section 2A – Employers' Liability

The **Insurer** will indemnify the **Insured** against their liability to pay **Damages** (including claimant's costs and expenses) and **Defence costs** according to the laws of Great Britain, Northern Ireland, the Isle of Man and the Channel Islands and not to judgments obtained elsewhere nor to judgments or orders obtained in the said courts for the enforcement of foreign judgments whether by way of reciprocal agreements or otherwise.

2. Section 2B, C and D – Public, Products and Pollution Liability

The **Insurer** will indemnify the **Insured** against their liability to pay **Damages** (including claimant's costs and expenses) and **Defence costs** in accordance with the law of any country but not in respect of any judgment, award, payment or settlement made within countries which operate under the

laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part) unless the **Insured** has requested that there shall be no such limitation and has accepted the terms offered by the **Insurer** in granting such cover which offer and acceptance must be signified by specific endorsement to this Policy.

The indemnity applies only to such liability as defined by each insured Section of Section 2 of this Policy arising out of the **Professional business** subject always to the terms, Conditions and Exclusions of such Section and of the Policy as a whole.

Indemnity Limits

In Respect of Section 2A

The **Insurer's** liability to pay **Damages** (including claimant's costs and expenses) and **Defence costs** shall not exceed the sum stated in the Schedule against Section 2A in respect of any one occurrence or series of occurrences arising out of one originating cause.

In Respect of Sections 2B, C and D

The **Insurer's** liability to pay **Damages** (including claimant's costs and expenses) shall not exceed the sum stated in the Schedule against each Section in respect of any one occurrence or series of occurrences arising out of one originating cause but under Section 2C and Section 2D the Indemnity Limits represent the **Insurer's** total liability in respect of all occurrences. The Indemnity Limit shall apply in addition to the **Excess**.

Defence costs will be payable in addition to the Indemnity Limits unless this Policy is specifically endorsed to the contrary.

In the event of any one originating cause giving rise to an occurrence or series of occurrences which form the subject of indemnity by more than one Section of Section 2, each Section shall apply separately and be subject to its own separate Indemnity Limit provided always that the total amount of the **Insurer's** liability shall be limited to the greatest Indemnity Limit available under one of the Sections affording indemnity for the occurrence or series of occurrences.

Insuring Clauses

Section 2A – Employers' Liability

The **Insured** is indemnified by this Section in accordance with INDEMNITY CLAUSE 1 but only for **Injury** to any **Employee** arising out of and in the course of their employment with the **Insured** where such **Injury** is caused during the **Period of insurance**.

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in Great Britain, Northern Ireland, the Isle of Man, the Island of Jersey, the Island of Guernsey, the Island of Alderney and offshore installations in territorial waters around Great Britain and its Continental Shelf but the **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer**

would not have been liable to pay but for the provisions of such law, ordinance or statute.

Section 2B - Public Liability

The **Insured** is indemnified by this Section in accordance with INDEMNITY CLAUSE 2 for **Injury** and/or **Damage** occurring during the **Period of insurance** but not against liability:

1. arising out of or in connection with any **Product**;
2. arising out of **Pollution**;
3. arising out of **Terrorism**.

Section 2C - Products Liability

The **Insured** is indemnified by this Section in accordance with INDEMNITY CLAUSE 2 for **Injury** and/or **Damage** occurring during the **Period of insurance** but only against liability arising out of or in connection with any **Product** and not against liability arising out of **Pollution**.

Section 2D - Pollution Liability

The **Insured** is indemnified by this Section in accordance with INDEMNITY CLAUSE 2 for **Injury** and/or **Damage** occurring in its entirety during the **Period of insurance** and arising out of **Pollution** but only to the extent that the **Insured** can demonstrate that such **Pollution**:

1. was the direct result of a sudden, specific and identifiable event occurring during the **Period of insurance**; and
2. was not the direct result of the **Insured** failing to take reasonable precautions to prevent such **Pollution**.

Conditions Applicable to Sections 2B, C and D

1. Bona Fide Subcontractors Condition

It is a condition precedent to the **Insured's** right to be indemnified under Section 2 of this Policy that all bona fide subcontractors engaged by the **Insured** shall have in full force and effect throughout the duration of their contract with the **Insured**, insurances as follows:

1. Employers Liability insurance in respect of the **Insured's** liability at law for **Injury** to any **Employee**;
2. Public/Products Liability insurance in respect of the **Insured's** liability at law for:
 - a. **Injury** to any person;
 - b. loss of or damage to tangible property;
 - c. nuisance trespass or interference with any easement right of air light water or way

with a Limit of Indemnity of at least GBP 5,000,000 or that shown in the Schedule in respect of Section 2 (whichever is the lower) any one occurrence or series of occurrences arising out of one original cause.

and that:

1. such insurances contain an Indemnity to Principals Clause;

2. the **Insured** shall have obtained and retained a copy of written evidence of such insurances.

For the purposes of this condition the term bona fide subcontractors means any independent subcontractor engaged by the **Insured** under a contract for services.

2. Burning Welding and Cutting Conditions

It is a condition precedent to the **Insured's** right to be indemnified under Section 2 of this Policy that the following precautions shall be adhered to on each occasion where the **Insured** or persons acting on behalf of the **Insured** are using any oxy-acetylene or electric welding or cutting/grinding equipment or blow lamp or blow torch or hot air gun:

1. the immediate area in which the operation is to be carried out must be segregated to the greatest practicable extent by the use of screens made of metal and/or fire retardant material;
2. the whole of this segregated area must be adequately cleaned and freed from combustible material before operations commence;
3. if work is to be carried out overhead the area beneath must be similarly cleaned and combustible material removed;
4. combustible floors/substances in or surrounding this segregated area must be liberally covered with sand or protected by overlapping sheets of incombustible material;
5. where work is being carried out in any enclosed area an additional **Employee** of the **Insured** or an employee of the occupier shall be present at all times to guard against an outbreak of fire;
6. no work should be carried out unless specifically authorised by the occupier who should also be asked to approve the safety arrangements;
7. the following must be kept available for immediate use near the scene of operations
 - a. suitable and fully charged fire extinguishers and/or
 - b. a hose connected to the nearest hydrant with water turned on and controllable at the nozzle of the hose in readiness for immediate use and tested prior to the commencement of the work;
8. a thorough examination must be made in the vicinity of the work approximately one hour after the termination of each operation. In the event that it is not practicable for such examination to be carried out by the **Insured's** own **Employee** then appropriate arrangements must be made with the occupier;
9. before "burning off" metal work built into or projecting through walls or partitions an examination must be made to confirm that the other end of the metal is not in a hazardous proximity to combustible material which may be ignited by the conduction of heat.

Furthermore where the **Insured** or persons acting on behalf of the **Insured** burns debris it is a condition precedent to the **Insured's** right to be indemnified under Section 2 of this

Policy that the following precautions are adhered to on each occasion:

1. Fires to be in a cleared area and at a distance of at least fifteen metres from any property;
2. Fires not to be left unattended at any time;
3. A suitable and fully charged fire extinguisher to be kept available at the scene of the operations for immediate use;
4. Fires to be extinguished at least one hour prior to leaving site at the end of each working day.

Exclusions

Exclusions Applicable to Sections 2A, B, C and D

These Sections do not provide indemnity in respect of liability:

1. arising in connection with:
 - a. any work of demolition except demolition solely undertaken with hand held tools and of structures not exceeding 5 metres in height by **Employees** in the direct service of the **Insured** when such work forms an ancillary part of a contract for construction, alteration or repair carried out by the **Insured**;
 - b. the construction, alteration or repair of bridges, towers, steeples, chimney shafts, blast furnaces, viaducts, mines, dams or transport tunnels;
 - c. pile driving, tunnelling or quarrying;
 - d. the use of explosives for any purpose;
 - e. excavations below 3 metres in depth;
 - f. any work carried out at a height in excess of 15 metre;
 - g. ship repair/ship breaking and/or work on vessels or aircraft;
2. directly or indirectly arising from:
 - a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof but as far as concerns Section 2A this Exclusion will only apply where such legal liability is:
 - i. that of any principal;
 - ii. accepted under agreement and would not have attached in the absence of such agreement;
3. which forms the subject of insurance by any other Policy and this Policy shall not be drawn into contribution with such other insurance;
4. arising directly or indirectly out of, happening through or in consequence of, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by

or under the order of any government or public or local authority.

Exclusions Applicable to Section 2A – Employers' Liability

1. This Section does not provide any indemnity in respect of any liability for which compulsory motor

insurance or security is required under the Road Traffic Act 1988 as amended by the Motor Vehicles (Compulsory Insurance) Regulations 1992 and the Road Traffic (Northern Ireland) Order 1981 as amended by the Motor Vehicles (Compulsory Insurance) Regulations (Northern Ireland) 1993 or any other Compulsory Road Traffic Legislation.

2. This Section does not provide indemnity in respect of:
 - a. medical costs and expenses incurred by the **Insured** and/or any employee of the **Insured**
 - b. repatriation costs and expenses incurred by the **Insured** and/or any employee of the **Insured** who is injured outside Great Britain Northern Ireland the Channel Islands or the Isle of Man.

Exclusions Applicable to Section 2B – Public Liability

This Section does not provide indemnity in respect of liability:

1. arising out of ownership, possession or use of any mechanically propelled vehicle where a Certificate of Motor Insurance or surety is required under any Road Traffic Act or similar legislation other than:
 - a. vehicles designed primarily to operate as tools of trade (which term shall be deemed to include any plant primarily designed to operate on or about a contract site);
 - b. other vehicles brought on to site for use on site.

This exclusion shall not apply in respect of the use of vehicles belonging to **Employees** or third parties in connection with the **Professional business** unless indemnity is provided:

- a. to any **Employee**;
 - b. to third parties;
 - c. to the **Insured** under any other insurance;
 - d. in respect of loss of or damage to any vehicle of any **Employee** or third party to whom the indemnity is provided or any property conveyed therein or thereon;
2. arising out of the ownership, possession or use by or on behalf of the **Insured** of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15 metres in length and then only whilst on inland waterways);
 3. for **Damage** to property owned, leased or hired by or under hire purchase or on loan to the **Insured** or otherwise in the **Insured's** care, custody or control other than:
 - a. premises (or the contents thereof) temporarily occupied by the **Insured** for work therein (but no indemnity is granted for **Damage** to that part of the

property on which the **Insured** is working and which arises out of such work);

- b. **Employees'** and visitors' clothing and personal effects including vehicles and their contents;
- c. premises tenanted by the **Insured** to the extent that the **Insured** would be held liable in the absence of any specific agreement.

Exclusions Applicable to Section 2C – Products Liability

This Section does not provide indemnity in respect of liability:

1. for **Damage** to any **Product** or part thereof;
2. for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning or replacement;
3. arising out of the recall of any **Product** or part thereof;
4. arising out of any **Product** which with the **Insured's** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft except where specifically stated to be included in the **Professional business**;
5. arising out of **Terrorism**;
6. arising out of any **Product** which is intended for incorporation into any marine equipment upon which the navigation or safety of a waterborne vessel depends except where specifically stated in the **Professional business**;
7. arising out of any **Product** which is intended for use in a motor vehicle except where especially stated to be included in the **Professional business**;
8. arising out of any **Product** which is intended for use in connection with railways or tramways except where especially stated to be included in the **Professional business**.

Exclusions Applicable to Section 2D – Pollution Liability

This Section is subject to the Exclusions to Sections 2B and 2C and also does not provide indemnity in respect of liability:

1. for **Damage** to premises presently or at any time previously owned or tenanted by the **Insured**;
2. for **Damage** to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the **Insured** or otherwise in the **Insured's** care custody or control.

Exclusions Applicable to Sections 2B, C and D – Public, Products and Pollution Liability

These Sections do not provide indemnity in respect of liability:

1. for **Injury** to any **Employee**;
2. arising out of the deliberate, conscious or intentional disregard by the **Insured's** technical or administrative

- management of the need to take all reasonable steps to prevent **Injury or Damage**;
3. arising out of liquidated damages clauses, penalty clauses or performance warranties until proven that liability would have attached in the absence of such clauses or warranties;
 4. arising from exposure or alleged exposure to asbestos or materials or products containing asbestos;
 5. for an amount less than the **Excess**. The **Excess** shall be deducted from each and every claim paid under the Policy;
 6. arising out of or in connection with the design, sale or supply of computer software (which shall not include the media or its packaging on which such software is stored);
 7. arising out of or in connection with advice, design, specification, formula or other breach of professional duty by the **Insured**;
 8. for loss, damage, deterioration of or corruption (whether permanent or temporary) to computer programs or electronic data including consequential or pure financial loss;
 9. arising out of work on any part of any aerodrome or airport provided for take off or landing of aircraft or the movement of aircraft or parking of aircraft including associated surface roads and ground equipment parking areas.

Extensions to Section 2

1. Principals

Where the **Insured** so requests the **Insurer** agrees to indemnify any Principal of the **Insured** but only to the extent that such liability arises solely out of the work performed for the Principal by or on behalf of the **Insured** and such Principal shall be subject to and comply with the terms, Conditions and Exclusions herein and this clause shall in no way operate to increase the Indemnity Limits as stated in the Schedule.

2. Indemnity to Others

At the request of the **Insured** the indemnity granted extends to:

- a. any party who enters into an agreement with the **Insured** for any purposes of the **Professional business** but only to the extent required by such agreement to grant such indemnity and subject always to Exclusion 3.c) to Section 2B and Exclusion 3. to Sections 2B, C and D;
- b. officials of the **Insured** in their business capacity arising out of the performance of the **Professional business** and/or in their private capacity arising out of their temporary engagement of the **Insured's Employees**;
- c. any person or firm arising out of the performance of a contract with the **Insured** constituting the provision of labour only;

- d. the officers, committee and members of the **Insured's** canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacity as such;
- e. the personal representatives of any person indemnified by reason of this Extension in respect of liability incurred by such person;

provided always that all such persons or parties shall observe fulfil and be subject to the terms, Conditions and Exclusions of this Policy as though they were the **Insured**.

3. Cross Liabilities

Each person or party specified as the **Insured** in the Schedule is separately indemnified in respect of claims made against any of them by any other subject to **Insurer's** total liability not exceeding the stated Indemnity Limits.

4. Unsatisfied Court Judgments (applicable only to Section 2A)

The **Insurer** at the request of the **Insured** will pay to the **Employee** or the personal representatives of the **Employee** the amount of any **Damages** and awarded costs to the extent that they remain unsatisfied in whole or in part six months after the date of a judgment being obtained within any court in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man:

- a. by any **Employee** or the personal representatives of any **Employee** in respect of **Injury** sustained by the **Employee** arising out of and in the course of their employment by the **Insured** in the **Professional business** and caused during the **Period of Insurance**; and
- b. against any company or individual operating from premises within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man,

provided always that:

- there is no appeal outstanding against such judgment; and
- if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** shall assign the benefits of such judgment to the **Insurer**.

The liability of the **Insurer** for all amounts payable under this Extension relating to any claimant or number of claimants in respect of an occurrence or series of occurrences arising out of one originating cause shall not exceed the Indemnity Limit stated in the Schedule against section 2A.

5. Compensation For Court Attendance

In the event of any of the persons stated below attending court as a witness at the request of the **Insurer** in connection with a claim in respect of which the **Insured** is entitled to indemnity under these sections the **Insurer** will provide compensation to the **Insured** at the following rates per day for each day on which attendance is required:

- a. any director or partner of the **Insured**: GBP 250;
- b. any **Employee** of the **Insured**: GBP100.

Notification and Claims Conditions Applicable to Section 2

Conditions 1,2, 3 and 4 below are conditions precedent to the **Insured's** right to be indemnified under Section 2 of this Policy.

1. The **Insured** shall give written notice to the **Insurer** as soon as reasonably practicable of any occurrence that may give rise to a claim under this Policy and shall give all such additional information as the **Insurer** may require. Every letter of claim, writ, summons or process and all documents relating thereto and any other written notification of claim shall be forwarded unanswered to the **Insurer** immediately they are received.

The **Insured** shall at all times, in addition to their obligations set out above, afford such information to and co-operate with the **Insurer** or their appointed agents to allow the **Insurer** to be able to comply with such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice.
2. No admission, offer, promise or payment shall be made or given by or on behalf of the **Insured** without the written consent of the **Insurer** who shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for their own benefit any claim for indemnity or **Damages** or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the **Insured** shall give all such information and assistance as the **Insurer** may reasonably require.
3. The **Insured** shall give notice, as soon as reasonably practicable, of any fact or event which materially affects the risks insured by this Policy.
4. Where the premium is provisionally based on the **Insured's** estimates the **Insured** shall keep accurate records and after expiry of the **Period of insurance** declare as soon as possible such details as the **Insurer** requires. The premium shall then be adjusted and any difference paid by or allowed to the **Insured** as the case may be subject to any minimum premium that may apply. Where such estimates include remuneration to **Employees** the required declaration shall also include remuneration to persons engaged by the **Insured** to perform a contract constituting the provision of labour only.
5. The **Insurer** may at any time in connection with any claim made, pay to the **Insured** the Indemnity limit (after deduction of any sums already paid) or any lesser sum for which, in the sole opinion of the **Insurer**, the claim can be settled and upon such payment being made the **Insurer** shall relinquish the conduct and control of and have no further liability in connection with the claim. For the avoidance of doubt, the **Insurer** shall have no liability to pay **Defence costs** and expenses incurred after the date upon which any such payment is made.
6. Except where the Indemnity Limit is inclusive of **Defence costs** if a payment exceeding the Indemnity

Limit has to be made to dispose of a claim the liability of the **Insurer** to pay all **Defence costs** in connection therewith shall be limited to such proportion of the said **Defence costs** as the Indemnity Limit bears to the amount paid to dispose of a claim.

Employers Liability Tracing Office (ELTO)

Certain information relating to your insurance policy including, without limitation, the policy number(s), employers' names and addresses (including subsidiaries and any relevant changes of name), coverage dates, employer's reference numbers provided by HMRC and Companies House Reference Numbers (if relevant), will be provided to the Employers' Liability Tracing Office, (the "ELTO") and added to an electronic database, (the "**Database**").

This information will be made available in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2010.

The Database will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on, or who carried on, business in the UK and who are covered by the employers' liability insurance of their employers, (the "**Claimants**"):

- to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- to identify the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their Appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

Section 3 - Office Protect

Notices

Documentation

This document, the schedule and any endorsement(s) attaching to this document and/or schedule constitute the **policy**, which is the insurance contract and sets out the terms of this insurance between **you** and **us**.

Your compliance with policy terms

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may result in **your** claim being refused or reduced where that claim has been affected by **your** failure to comply.

Defined terms

Certain words or phrases in this section have specific meaning as defined within this section and wherever these words appear in bold in Section 3 of this **policy** the defined meanings shall apply. These defined words or phrases can be found under:

- the Definitions section under Section 3 applicable for sub-sections 1-3 of this **policy**, and
- under the relevant sub-section under Section 3 of this **policy**, where applicable.

Where a word or phrase is defined in a sub-section then that definition will apply to that sub-section only.

Understanding this policy

This **policy** must be read by **you** as conditions, exclusions and other limitations apply.

The **policy** is made up of different classes of insurance, which are set out in separate sections and sub-sections of this **policy** with specific terms applying to each section and sub-section separately in addition to terms that apply to all of Section 3. The cover **you** have selected under this **policy** is shown in the schedule.

You must ensure that the cover **you** have purchased under this **policy** is adequate for **your** needs.

If **you** think there is a mistake in or a change needs to be made to this **policy**, then **you** must immediately notify **your insurance broker**.

When a word or phrase is used in the singular in this Section 3 it shall be interpreted as the plural when the context in which it is used requires it to be plural, and when a word is used in the plural in this Section 3 it shall be interpreted as the singular when the context in which it is used requires it to be singular.

How to make a claim under sub-sections 1 to 3 of Section 3

If **you** need to make a claim, please first check **your policy** to make sure **you** are covered. **You** must then follow the instructions provided under the Claim

notification condition and Claim procedure condition under Conditions Applicable to Section 3 of this **policy** and, where applicable, under the

relevant sub-section.

24 Hour Claims Line: 0207 256 3102
Address: APC Underwriting, 80
Leadenhall Street, London, EC3A 3DH

Our claims helpline is open 24 hours a day, alternatively **you** can contact **your insurance broker** who will help **us** deal with **your** claim quickly and fairly.

How to make a complaint under sub-sections 1 to 3 of Section 3

If at any time **you** have any concerns regarding **your** contract of insurance, **you** should in the first instance refer to **your insurance broker**, if any.

Alternatively, or after **you** have referred to **your insurance broker**, **you** can contact Anglo Pacific Consultants (London) Ltd (APC) about **your** concerns.

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with.

It may be that APC can resolve **your** complaint over the telephone and **you** can contact the relevant department on 0207 256 3100.

Should **you** feel that APC have been unable to offer **you** a resolution by telephone, please email complaints@apcuw.com or alternatively write to:

The Chief Operating Officer at Anglo Pacific Consultants (London) Ltd, 80 Leadenhall Street, London, EC3A 3DH.

However, **your** complaint may require further investigation. If so, APC will send **you** a written acknowledgment within 2 working days stating:

- How **your** complaint will be handled
- Who will handle **your** complaint
- What **you** need to do, if anything.

Your complaint will be investigated by one of **our** trained staff and a detailed response will be sent to **you** within 2 weeks of APC receiving **your** complaint. Their response will either:

- Accept **your** complaint and offer some form of redress if necessary
- Reject the complaint giving full reasons for doing so.

If **you** have any concerns in the meantime, **you** can contact the person identified on the acknowledgment letter.

If **you** are not satisfied with APC's response, or have not heard from APC within two weeks, **you** are entitled to refer the matter to the Complaints Team at Tokio Marine Kiln Insurance Ltd:-

Post:
Complaints
Tokio Marine Kiln Insurance Ltd
20 Fenchurch Street
London EC3M 3BY
Email: complaints@tokiomarinekiln.com
Telephone: +44 (0) 20 7886 9000

Tokio Marine Kiln Insurance Ltd will then conduct a full investigation of **your** complaint and provide **you** with a written final response.

If **you** are still not satisfied, and **you** are a small business, charity or trust, **you** can contact the Insurance Division of the Financial Ombudsman Service (FOS) at:

Exchange Tower, Harbour Exchange Square, London, E14 9SR.

You can also contact them on 0800 023 4567 (free from mobile phones and landlines), 0300 123 9123 or email them at complaint.info@financial-ombudsman.org.uk. Website: www.financial-ombudsman.org.uk.

The FOS will deal with complaints from policyholders who are private individuals or small businesses or charities or trusts. Not all businesses, charities or trusts are eligible to complain to the FOS; **your** eligibility to complain to the FOS will depend on the size of the business, charity or trust. To check if **you** are eligible **you** can refer to the FOS using the contact details immediately above.

Using these services does not affect **your** right to take legal action, however if legal proceedings have started before **you** have referred the matter to the FOS, the FOS will not be able to deal with **your** complaint.

How to make a complaint under sub-section 4 (legal expenses)

DAS always aim to give **you** a high quality service. If **you** think **DAS** have let **you** down, please write to their Customer Relations Department at:-

DAS Customer Relations Department, **DAS** Legal Expenses Insurance Company Limited, **DAS** House, Quay Side, Temple Back, Bristol, BS1 6NH.

Alternatively, **you** can phone **DAS** on **0344 893 9013** or email **DAS** at customerrelations@das.co.uk. Details of **DAS'** internal complaint-handling procedures are available on request.

If **you** are still not satisfied, and are a small business, **you** can contact the Insurance Division of the Financial Ombudsman Service at:

Exchange Tower, Harbour Exchange Square, London, E14 9SR.

You can also contact them on **0800 023 4567** (free from mobile phones and landlines), **0300 123 9123** or email them at complaint.info@financial-ombudsman.org.uk. Website: www.financial-ombudsman.org.uk.

Your complaint may be more suitably handled by a comparable complaints scheme, the Legal Ombudsman Service. **You** can contact the Legal Ombudsman Service at: **PO Box 6806 | Wolverhampton | WV1 9WJ**.

You can also contact them by telephone on **0300 555 0333** or email them at enquiries@legalombudsman.org.uk. Website: www.legalombudsman.org.uk.

Using these services does not affect **your** right to take legal action.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from the FSCS if in the unlikely event that **we** are unable to meet **our** obligations under this **policy**. If **you** were entitled to compensation under the FSCS, the level of compensation payable would depend on the nature of the insurance granted under this **policy**.

Further information about the FSCS is available from the FSCS at the address immediately below or on their website: www.fscs.org.uk

Financial Services Compensation Scheme
Address: 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU

Data protection statement

We and other group companies will use information given together with other information for the administration of this **policy**, the handling of claims and the provision of customer services.

The information may also be disclosed to **our** service providers and agents for these purposes. It may also be disclosed to **your** Insurance Adviser.

You have a right to request a copy of the information, to correct any inaccuracies and of erasure in certain circumstances.

If further information is required as to how data is processed by **us**, or as to the exercise of any rights under any data privacy laws, **you** should read the Data Protection Policy on **our** website at: <http://www.tokiomarinekiln.com/privacy>

or contact:

The Data Protection Officer

Tokio Marine Kiln, 20 Fenchurch Street, London EC3M 3BY

T: +44 (0)20 7886 9000

dpo@tokiomarinekiln.com

Insurance premium tax

The premium payable under this **policy** may be subject to compulsory insurance premium tax, which shall be payable by **you** at the appropriate rate. The applicable insurance premium tax is shown in the schedule and/or on the applicable premium debit note(s) / invoice(s).

In the event that the rate or application of insurance premium tax changes during the **period of insurance** and any premium payable during the **period of insurance** is subject by law to such change or application, then that premium payable shall incorporate such change or application.

Choice of law and jurisdiction

By mutual agreement **you** and **us** are free to choose the law applicable to this insurance. Unless specifically agreed otherwise, this insurance shall be subject to English Law and any dispute shall be handled in the Courts of England and Wales.

Trading sanction(s) restrictions

We shall not provide any cover under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

Agreement to insure

The insurance provided by this section of the **policy** has been arranged through HCC International Insurance Company PLC of Fitzwilliam House, 10 St Mary Axe, London EC3A 8BF

HCC International Insurance Company PLC is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA, with a Financial Services Register number of: 202655

HCC International Insurance Company PLC has arranged the insurance provided under this **policy** in accordance with the authorisation granted to it under a contract(s) of delegated authority by the **insurer(s)** (the reference of the delegated authority agreement(s) can be found in the schedule).

This **policy** is an insurance contract between **us** and **you**.

Provided the premium (including the applicable insurance premium tax) has been paid by **you** in accordance with the terms of this **policy**, **we** shall provide the insurance in accordance with the terms of this **policy**.

Only **you** and **us** can enforce the terms of this **policy**. The Contracts (Rights of Third Parties) Act 1999 will not grant any additional rights under this **policy** in favour of any third party.

Tokio Marine Kiln Insurance Ltd and HCC International Insurance Company PLC are part of the Tokio Marine Holdings Inc group.

Your insurers' regulatory status:

- In respect of section 3 - sub-sections 1 to 3

Tokio Marine Kiln Insurance Ltd is authorised by the PRA and regulated by the FCA and the PRA and its Financial Services Register number is: 202574.

Tokio Marine Kiln Insurance Ltd is incorporated in England and Wales with registration number 989421, and the registered address is: 20 Fenchurch Street, London EC3M 3BY.

The above can be checked and further details obtained from:

www.bankofengland.co.uk for the PRA, and
<https://register.fca.org.uk> for the FCA

For Section 3 – sub-section 4, please refer to page 70 for **your insurer's** regulatory status.

Definitions (Applicable to Sub-Sections 1 -3 of Section 3 Only)

The following words will have the same meaning attached each time they appear in sub-sections 1 to 3 of this section 3 in bold type face, whether with a capital first letter or not.

Where the meaning of a word is defined below and the same word is defined differently under a separate section(s) of this **policy**, the definition provided under the separate section applies to that section only.

Building(s)

The building or buildings in which the **premises** are situated including:

- a. outbuildings attached to or detached from the main building
- b. walls gates and fences around the building(s) and belonging to them
- c. landlord's fixtures and fittings
- d. car parks yards paved areas roads pavements and footpaths and for which **you** are legally responsible.

Business

The business specified in the schedule conducted solely from within the **territorial limits** including the ownership repair and maintenance of the **premises**.

Business hours

The period during which the **premises** are actually occupied by **you** and/or **your employees** for **business** purposes.

Computer

All equipment including interconnected wiring, fixed disks and telecommunications equipment used at the **premises** for the storage and communication of electronically processed data but excluding:

- a. mobile devices where the sole or primary function of the item is to make send and receive telephone calls and SMS messages, and
- b. any such equipment controlling any manufacturing process;

belonging to **you** or leased, hired or rented to **you** and for which **you** are legally responsible.

Computer records

All current and backup computer records excluding fixed disks and paper records of any description incorporating stored programs and information stored on them belonging to **you** or leased, hired or rented to **you** and for which **you** are legally responsible.

Consequential loss

Loss resulting from interruption or interference with the **business** carried on by **you** at the **premises** in consequence of **damage**.

Contents

The contents of the **premises** used in connection with the **business** belonging to **you** or for which **you** are legally responsible including:

- a. patterns models moulds plans and designs
- b. paintings or other works of art subject to a maximum of £500 for any one loss

- c. wines and spirits kept for entertainment purposes subject to a maximum of £500 for any one loss
- d. directors' partners' or **employees'** personal effects clothing pedal cycles and tools subject to a maximum of £500 per person for any one loss
- e. visitors' personal belongings subject to a maximum of £500 for any one loss

Damage

Loss, destruction of or damage to the **property** insured.

De jure or de facto

In law or as a matter of fact.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems including but not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

Documents

Documents deeds manuscripts and **business** books for their value as stationery and materials and the cost of labour expended in reinstating or restoring them from copies.

Employee

- a. any person under a contract of service or apprenticeship with **you** or
- b. any of the following persons whilst working for **you** in connection with the **business**
 - i. any labour master or labour only subcontractor or person supplied by them
 - ii. any self-employed person providing labour only
 - iii. any trainee or person undergoing work experience
 - iv. any voluntary helper
 - v. any person who is hired to or borrowed by **you**

Excess

The amount for which **you** are responsible for each and every loss as specified in the schedule.

Goods in transit

Stock in connection with the **business** belonging to or being the responsibility of **you** whilst being:

- a. loaded on or in a **vehicle**
- b. carried by a **vehicle**
- c. temporarily contained on or in a **vehicle** whilst parked or stationary or within a secure storage location for a continuous period of no more than 48 hours

- d. unloaded off or from a **vehicle** but excluding positioning installation commissioning or erection once it has been unloaded.

Gross revenue

The money paid or payable to **you** for work carried out or services rendered in the course of the **business** at the **premises** less the cost of purchases.

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether **your** property or not.

Increased cost of working

The additional expenditure incurred with **our** prior written consent for the sole purpose of avoiding or diminishing the reduction in **gross revenue**.

Indemnity period

The period beginning with the occurrence of the **damage** and ending not later than the **maximum indemnity period** as stated in the schedule afterwards during which the results of the **business** shall be affected in consequence of the **damage**.

Injury

Bodily injury, death, illness or disease.

Insurance broker

The insurance broker or other intermediary who arranges **your** insurance under this **policy**. The insurance broker's or other intermediary's details can be found in the Terms of Business Agreement or other documentation provided to **you** by that insurance broker or other intermediary.

Insured perils

Those insurable perils for which **you** have purchased cover as shown in the schedule.

Insurer

Tokio Marine Kiln Insurance Ltd, which is the insurance company providing the insurance under sub-sections 1 to 3 of Section 3 of this **policy**. Also referred to as **we** or **us** or **our**.

Intruder alarm system

All the component parts of the alarm and including devices used to transmit or receive signals.

Keyholder

You or any person or company authorised by **you** who has been fully trained in the operation of the **intruder alarm system** including but not limited to the setting and un-setting of the system and is available at all times to accept notification of faults or alarm signals relating to the **intruder alarm system** and to attend and allow access to the **premises**.

Loss of limbs or eyes

Physical injury which solely and directly results in:

- a. total loss or permanent and total loss of use of one or more limbs or
- b. total and irrecoverable loss of all sight in one or both eyes.

Maximum indemnity period

The number of months stated in the schedule as applying to the **indemnity period**.

Money

Cash bank currency notes uncrossed cheques uncrossed postal orders and money orders unused postage stamps National Insurance stamps trading stamps luncheon vouchers lottery and other prize scratch cards utility vouchers top up cards, mobile phone vouchers and International Phone Cards held in connection with the **business** belonging to **you** or for which **you** are legally liable.

Non-negotiable money

Crossed cheques, crossed giro cheques, crossed bankers' drafts, crossed giro drafts, crossed postal and crossed money orders, national savings certificates, premium bonds, unexpired units in franking machines, stamped national insurance cards, credit card sales vouchers, debit card sales vouchers and VAT purchase invoices held in connection with the **Business** belonging to **you** or for which **you** are legally liable.

Notifiable human disease

An illness sustained by any person caused by:

- a. food or drink poisoning
- b. any human infectious or contagious disease

an outbreak of which the competent local authority has stipulated shall be notified to them.

Office front

The windows doors frames signs external blinds and walling including **intruder alarm systems** security fittings fixed associated and electrical equipment all forming part of the front of the **premises**.

Outstanding debit balances

The total amount of the Outstanding Debit Balances in customers' credit accounts including hire purchase and credit sales accounts at the date of the **damage** adjusted for bad debts.

Period of insurance

Is the period during which **you** are insured under this **policy** as shown in the schedule.

Permanent total disablement

Physical injury not resulting in death or **loss of limbs or eyes** which results in the permanent inability of **you** or **employee** to engage in any gainful employment.

Physical Injury

Bodily injury by external violent and visible means sustained by **you** or an **employee** in the course of the **business** where such injury arises directly from assault.

Policy

This document and the schedule and any endorsements amending and attaching to this document and/or schedule.

Pollution or contamination

- a. all pollution or contamination of buildings or other structures or of water or land or the atmosphere and
- b. all **Injury** loss or damage directly or indirectly caused by such pollution or contamination

All pollution or contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

Premises

The office space occupied by **you** at the risk address stated in the schedule for which **you** are legally responsible.

Property

- a. Tenants' improvements, office front, contents, computers, computer records, documents and stock
- b. in respect of sub-section 3, **Computer Equipment**

We agree to accept the classification under which any **property** has been entered in **your** books.

Rent

The money paid or payable by **you** for accommodation and services provided (including service charges unless excluded by Endorsement) at the **premises**.

Safe/strong room

An item being of substantial construction with key and /or combination locks and manufactured for the secure storage of **money** or **non-negotiable money**.

This does not include cash boxes, tills, filing cabinets or any item constructed of sheet metal whether lockable or not.

Standard gross revenue

For the purpose of a new business that has not yet been trading 12 months, the proportional equivalent for a period equal to the **indemnity period** of the **gross revenue** realised during the period between the commencement of the **business** and the date of the **damage**.

For all other businesses, the **gross revenue** during the period immediately before the date of the **damage** which corresponds with the **indemnity period**.

Stock

Stock and materials in trade and trade samples including raw materials, work in progress, finished goods and goods in trust for which **you** are responsible at the **premises**.

Temporary total disablement

Physical injury which results in the temporary inability of **you** or an **employee** to engage in any gainful employment.

Tenants' improvements

All improvements, alterations and decorations effected by or on **your** behalf as occupier of the **premises**.

Territorial limits

Great Britain, Northern Ireland, the Isle of Man or the Channel Islands.

Terrorism

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government **de jure or de facto**.

Unoccupied

Any **building** or parts thereof that are wholly or mainly unoccupied, unfurnished or not in use by **you** for more than 30 consecutive days.

In respect of any residential accommodation at the **premises**, unoccupied means unfurnished or untenanted and not resided in regularly overnight by **you** or a tenant for more than 30 consecutive days.

Vehicle

A mechanically driven conveyance with or without attached trailers for conveying the **goods in transit**.

Virus or Similar Mechanism

Program code programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not including but not limited to trojan horses, worms and logicbombs.

We / us / our

Tokio Marine Kiln Insurance Ltd, which is the insurance company providing the insurance under sub-sections 1 to 3 of Section 3 of this **policy**. Also referred to as **Insurer**.

You / your

The person(s), firm, company or organisation shown in the schedule as the legal entity(ies) that is/are insured under this **policy**.

Conditions Applicable to All of Section 3

Conditions specific to this section apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to claim under this **policy**.

Some of the conditions below impose an obligation or obligation(s) on **you** that require **you** to do certain things; such conditions are referred to as a condition with obligation. If **you** fail to carry out the obligation(s) (or part of an obligation) under a condition with obligation **we** may, depending on the extent of the obligation(s):

- a. not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation), and/or
- b. suspend the cover granted under this **policy**:
 - i. from the date **you** failed to fulfil the obligation(s) (or part of an obligation),
 - ii. until **you** have fulfilled the obligation(s).

1. Alteration in ownership

The cover provided under this section 3 shall cease from the date:

- a. **your** interest in the property insured under this **policy** ceases except by will or operation of law; or
- b. the **business** is wound up or carried on by a liquidator or receiver or permanently discounted unless **we** have agreed in writing to accept such an alteration.

2. Cancellation

Cooling Off Period

If this insurance does not meet **your** requirements then **you** have the right to cancel this **policy**, provided that:

- the duration of this **policy** is longer than 30 continuous days as shown under the **period of insurance**, and
- there have been no claims either paid or reported under this **policy** and **you** are not aware of any accident, incident or circumstance likely to give rise to a claim under this **policy**,

then **you** can cancel this **policy** within 14 days of:

- the start date of this insurance as shown under the **period of insurance**, or
- the date **you** received this **policy**,

whichever the later.

In exercising **your** right to cancel in this way, **you** withdraw from this contract of insurance from the start date as stated in the **period of insurance** and **we** will return the premium paid.

You can do this by advising **your insurance broker** and returning this **policy** to **your insurance broker**.

Cancellation at other times by **you**

You may cancel this insurance by giving **us** 30 days' notice in writing. **We** will refund the part of **your** premium which applies to the remaining **period of insurance**, (provided that there have been no claims either paid, reported or outstanding and **you** can confirm that there have been no incidents that are likely to give rise to a claim) subject to the Premium Cancellation Charges and application of any Minimum and Deposit premium stated in the schedule.

We may cancel this insurance if:

- **you** provide any information that proves to be inaccurate or incomplete (see General condition 6. Disclosure and accuracy of information condition in this **policy**), or
- there is a change or variation in the risk which means:
 - i. **we** can no longer provide the insurance cover under this **policy** and **we** will cancel this **policy** by giving **you** 30 days' written notice via **your insurance broker**. The cancellation will take effect 30 days after the day **you** are notified of the cancellation and **we** shall return the premium paid for the unused **period of insurance**, or
 - ii. the extent of the change or variation makes the risk unacceptable to **us** and **we** cannot continue to insure **you** for any further period, **we** will cancel this **policy** by giving **you** immediate notice via **your insurance broker**. The cancellation shall take effect on the day **you** are notified of the cancellation and **we** shall return the premium for the unused **period of insurance**.

In accordance with General condition 3. Change in risk information, **we** may not pay any claim where that claim arises from or relates to or so contributed to by a change or variation in risk.

- **you** make a claim under this **policy** through concealment, misstatement or by recklessly or deliberately providing false information (see General condition 7. Fraud), then **we** shall cancel this **policy** with immediate effect from the date the fraud was committed and **we** shall not return any premium. The cancellation shall be in writing to **your** address shown in the schedule.

We may cancel the insurance immediately if **you** do not pay a premium. If **you** fail to pay a premium under any direct debit instalment scheme subject to the Consumer Credit Act and/or any subsequent legislation where this is applicable, the insurance will be cancelled as stated under General condition 11. Paying by instalments. **We** will not refund any premium **you** have paid by instalments. If **we** have accepted a claim for loss or damage under this insurance, **we** may take any premium instalments **you** owe from the claim payment.

3. Change in risk information

If the information **you** have given **us** in relation to the insurance provided under this **policy** changes or there is any change in or variance of the risk(s), before or during the **period of insurance** then **we** need to know as it may result in:

- a. **us** applying different terms, and/or
- b. a claim not being paid (in whole or in part), and/or
- c. it being determined that the policy is no longer suitable to meet **your** needs.

You must make a fair presentation of the risk(s) to **us** if there is any change in or variance of the risk(s) before or after the start date of this insurance as shown in the **period of insurance**. An explanation of fair presentation of the risk(s) is shown under General condition 6. Disclosure and accuracy of information.

To enable **us** to assess any such changes or variations in information and/or risks **you** must tell **us** immediately or as soon as practicable of any such changes or variations.

4. Claim notification

You must, as soon as reasonably practicable:

- a. give **us** notice of any circumstances which might lead to a claim under this **policy**,
- b. give **us** all the information **we** request,
- c. on receipt send **us** every letter, court order, summons or other legal documents served upon **you**,
- d. tell **us** about any prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential claim under this **policy**,
- e. notify the police of any loss or **damage** that has been caused by malicious persons, thieves, rioters, strikers or vandals.

5. Claim procedure

In respect of any claim or potential claim under this **policy** **you** must:

- a. take, or allow others to take, practical steps to prevent further loss or damage, recover property lost and otherwise minimise the claim.
- b. at **your** expense provide **us** with
 - i. full details in writing of any **injury**, loss or damage and any further information or declaration **we** may reasonably require,
 - ii. any assistance to enable **us** to settle or defend a claim,
 - iii. details of any other relevant insurances.
- c. not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- d. following a claim allow **us** or anyone authorised by **us**
 - i. access to the **premises**,
 - ii. to take possession of, or request delivery to **us** of the property insured.
- e. not abandon any property to **us**.
- f. allow **us** complete control of any proceedings and settlement of the claim.

If **you** do not comply with this condition, it may influence when **we** pay **your** claim and/or how much **we** pay.

6. Disclosure and accuracy of information

You must take care to give accurate and complete information relating to the insurance provided by this **policy**. In addition to answering all the questions **you** are asked **you** are required to disclose to **us** information including material circumstances that fairly present the risks that are or would be insured under this **policy**.

A fair presentation of the risks means that, in addition to answering all the questions asked **you** must:

- a. disclose to **us** every material circumstance which **you** know or ought to know or, failing that, sufficient information to alert **us** that they need to make further enquiries; and
- b. make such disclosure in a reasonably clear and accessible manner; and
- c. ensure that, in such disclosure, any material representation as to:
 - i. a matter of fact is substantially correct; and
 - ii. a matter of expectation or belief is made in good faith.

A circumstance or representation is material if it would influence **our** judgement (as a prudent underwriter) in determining whether to provide insurance and if so, on what terms. If **you** are in any doubt as to the whether a circumstance or representation is material, then **you** should disclose it.

If **you** become aware that the information they have given to **us** is inaccurate or incomplete or **you** have any particular concerns about any of the information they have provided or should provide, before or after the start date of this insurance as shown in the schedule, then **you** must advise **us**.

If the information **you** have given **us** in relation to this insurance proves to be inaccurate or incomplete, then **we** may:

- a. amend the terms of this **policy**, which may be applied as if they were already in place prior to any claim where the validity of that claim was impacted by the inaccurate or incomplete information, or
- b. reduce the amount **we** pay on a claim in the proportion the premium paid bears to the premium **we** would have charged **you** had the information not been inaccurate or incomplete, or
- c. treat this **policy** as if it never existed, which means no claims will be paid and the premium paid under it will be returned to **you**. This will only be done if this insurance would not have been provided.

If **we** establish that **you** deliberately or recklessly provided false or misleading information in relation to the insurance provided under this **policy**, **we** will treat this insurance as if it never existed for the **period of insurance**, which means no claims will be paid and **we** will not return the premium. If this happens **we** will advise **you** in writing.

7. Fraud

If **we** establish that **you** or anyone acting for **you** makes a claim under this **policy** through concealment, misstatement or by deliberately providing false information, then **we** will:

- a. have no liability to pay the fraudulent claim
- b. be entitled to recover any payments which have been made in respect of the fraud
- c. be entitled to treat the **policy** as cancelled with effect from the time of the fraudulent act (not the discovery of it) and retain the insurance premium
- d. be entitled to refuse all claims arising after the date of the fraud.

8. Legal representatives

In the event of **your** death, **we** will indemnify **your** legal personal representatives in respect of liability at law previously incurred by **you** provided they observe fulfil and be subject to the terms, conditions and limitations of the **policy** to the extent that they can apply.

9. Limit of indemnity

All the sums insured, limits of indemnity and any other restrictions on the amount of **our** liability stated in the section shall apply as maximum limits to **our** liability irrespective of the number of persons entitled to indemnity under the **policy**.

For the purposes of the sums insured, limits of indemnity and any other restrictions on the amount of **our** liability, **you** and all other persons entitled to be indemnified under this section, shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **us** as one party and **you** and all other persons entitled to be indemnified as the other party.

10. Other insurance

If, at the time of any loss, damage or liability covered under this insurance, **you** have any other insurance which covers the same loss, damage or liability, **we** will only pay **our** share of the claim.

11. Paying by instalments

If **you** have agreed to pay **your** premium by instalments under a linked credit agreement, the following will apply.

- If **you** do not pay an instalment when it is due, or if the instalment instruction has been cancelled for any reason, **you** must pay all the remaining instalments and any administration fee within 7 days of receiving the written notice. If **you** do not pay the amount **you** owe within these 7 days, **we** will subject to the Consumer Credit Act and/or any subsequent legislation where this is applicable cancel the remaining cover under this insurance and notify **you** in writing as shown in General section condition 3.
- If any extra premium is needed during the **period of insurance**, it will be spread out over the remaining instalments due for that year. If **you** have already paid all **your** instalments, **you** must immediately pay any extra premium when it is due.
- If **we** owe **you** any return of premium, the amount **we** owe may be taken off the instalments due for the year. If **you** have already paid all **your** instalments, **we** will pay any return premium to **you**.

12. Reasonable care

You must take all reasonable steps to prevent/minimise loss, damage, **injury** or accident and to minimise the cost of claims or legal proceedings and keep all property insured by the **policy** in efficient condition and good repair. **You** must also take reasonable care when selecting **employees**.

13. Subrogation

We will be entitled to undertake in **your** name or on **your** behalf:

1. the defence or settlement of any claim,
2. steps to enforce rights against any other party before or after payment is made by **us**.

Exclusions Applicable to All of Section 3

In addition to any sub-section exclusions, this section does not cover:

1. War, government action, radioactive contamination and sonic bangs

Any loss, **damage**, expense, **consequential loss** or legal liability caused by, contributed to by or arising from:

- a. war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b. nationalisation confiscation requisition seizure or destruction by the government or any public authority
- c. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e. pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonicspeeds.

2. Terrorism

Any loss, **damage**, expense, or **consequential loss** caused by, contributed to by or arising from **terrorism**.

In any action suit or other proceedings where **we** allege that by reason of this exclusion as far as it relates to **terrorism**, any loss, **damage**, expense or **consequential loss** is not covered by this section, the burden of proving that such loss, **damage**, expense or **consequential loss** is covered shall be upon **you**.

3. Northern Ireland limitation

Any loss, **damage**, expense, or **consequential loss** caused by, contributed to by or arising from:

- a. riot and civil commotion, and
- b. strikers locked-out workers or persons taking part in labour disturbances or malicious persons (except in respect of damage by fire or explosion)

in Northern Ireland

In any action suit or other proceedings where **we** allege that by reason of this exclusion as far as it relates to **terrorism**, any loss, **damage**, expense or **consequential loss** is not covered by this section, the burden of proving that such loss, **damage**, expense or **consequential loss** is covered shall be upon **you**.

4. Date recognition

Damage, consequential loss or liability for damages attaching to **you** or any associated costs relating to, arising from or consisting of the failure or inability of any:

- a. computer data processing equipment microchip integrated circuit or any similar device or any computer software or computer firmware
- b. media or systems used in connection with any of the above whether the property is **yours** or not
 - i. to recognise correctly any date as its true calendar date
 - ii. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

but in respect of sub-section 1 and sub-section 2 of this section this shall not exclude subsequent damage not otherwise excluded which itself results from the **insured perils**.

5. Marine policies

Damage to property which at the time of the **damage** is insured by or would but for the existence of this section be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this section not been effected.

6. Computer virus

Damage to any computer, other equipment, component, system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property is **yours** or not, where such damage is caused by **virus or similar mechanism, hacking, denial of service attack or consequential loss** caused by or arising from **virus or similar mechanism, hacking or denial of service attack**.

7. Illegal deliberate and criminal activities

- a. **Damage** caused as a result of the **premises** being used for illegal activities by **you**
- b. deliberate or criminal acts by the **you**.

Sub-Section 1 - Material Damage

Insuring Clauses

In the event of **damage** to **property** insured at the **premises** from an **insured peril** during the **period of insurance** we will indemnify **you** for the loss or amount of **damage** or at its option replace or reinstate such **property** in accordance with the provisions of this sub-section and provided that during the **period of insurance** our liability under this sub-section shall not, in respect of each item, exceed the lesser of:

- a. its sum insured or limit of indemnity stated in this sub-section or the schedule at the time of the **damage**, or
- b. the sum insured or limit of indemnity remaining after deduction for any other **damage** for which a claim has been paid under this **policy** in the same **period of insurance** unless **we** have agreed to reinstate any such sum insured or limit of indemnity.

In addition, **we** will indemnify **you** in respect of loss of **rent** as a result of **damage** to the **premises** from an **insured peril** during the **period of insurance** rendering the **premises** uninhabitable provided that **our** liability shall not exceed the lesser of:

- a. the **rent** sum insured stated in the schedule at the time of **damage**
- b. the **rent** payable for the period the **premises** are uninhabitable

Insurable Perils

The following are the insurable perils operative as **insured perils** if stated in the schedule:

1. Fire excluding:
 - a. **damage** caused by its own spontaneous fermentation or heating or its undergoing any heating process or any process involving the application of heat
 - b. **damage** caused by explosion resulting from fire
2. Lightning
3. Explosion excluding **damage** caused by the bursting of a boiler (not being used for domestic purposes) economizer or other vessel machine or apparatus in which internal pressure is due to steam only and belonging to **you** or under **your** control.
4. Aircraft or other aerial devices or articles dropped from them
5. Earthquake and subterranean fire
6. Riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons excluding:
 - a. **damage** arising from cessation of work or due to confiscation, nationalisation, seizure, requisition or destruction by order of the government or any public authority

- b. **damage** by theft or attempted theft
- c. **damage** whilst the **premises** are **unoccupied**
7. Theft or attempted theft involving entry to or exit from the **premises** by forcible and violent means or actual or threatened hold up assault or violence excluding:
 - a. loss from any structure which is incapable of being locked
 - b. **damage** in respect of **property** in the open
 - c. **damage** whilst the **premises** are **unoccupied**
 - d. **damage** in respect of **stock** at exhibitions that is not contained in an indoor exhibition hall which is locked and/or guarded outside business hours
 - e. theft or attempted theft by **employees**
8. Storm excluding:
 - a. **damage** caused by frost subsidence ground heave or landslip
 - b. **damage** attributable solely to change in the water table level
 - c. **damage** to fences gates and moveable **property** in the open or in open fronted or open sided **buildings**
9. Flood excluding:
 - a. **damage** caused by frost subsidence ground heave or landslip
 - b. **damage** attributable solely to change in the water table level
 - c. **damage** to fences gates and moveable **property** in the open or in open fronted or open sided **buildings**.
10. Impact by any road vehicles, animals, falling trees or boughs, breakage or collapse of aerials or satellite dishes excluding **damage** by lopping pruning or felling of trees.
11. Escape of water from any tank apparatus or pipe or escape of oil from any fixed oil-fired heating installation or leakage of beverages from storage containers or connected apparatus excluding:
 - a. **damage** by water discharged or leaking from any automatic sprinkler installation
 - b. **damage** whilst the **premises** are **unoccupied**
 - c. the cost of replacing the beverages
 - d. **damage** caused by subsidence ground heave or landslip.
12. Accidental escape of water from any automatic sprinkler installation excluding:
 - a. **damage** occasioned by or attributable to heat caused by fire
 - b. **damage** occasioned by or attributable to freezing whilst the **premises** are **unoccupied**
 - c. **damage** occasioned by or attributable to repairs alterations or extensions to the **buildings** and/or sprinkler installations.
13. Accidental damage excluding:

- a. **damage** caused by any other insurable peril
- b. **damage** to a **building** or structure caused by its own collapse or cracking
- c. **damage** to **property** insured caused by **pollution** or **contamination** other than **damage** caused by:
 - i. **pollution** or **contamination** which itself results from an **insured peril**
 - ii. an **insured peril** which itself results from **pollution** or **contamination**
- d. **damage** to **property** resulting from its undergoing any process of production, packing, treatment, testing, commissioning, servicing, adjustment or repair
- e. **damage** to **property** insured caused by or consisting of:
 - i. inherent vice, latent defect, gradual deterioration, wear and tear, frost or change in water table level
 - ii. its own faulty or defective design or material
 - iii. faulty or defective workmanship, operational error or omission on **your** part or any of **your employees**
- f. **damage** caused by
 - i. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching
 - ii. scratching tearing or fouling by pets or domesticated animals
 - iii. vermin or insects
 - iv. change in temperature colour, flavor, texture or finish
 - v. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping connected to them
 - vi. mechanical or electrical breakdown or derangement in respect of the particular machines apparatus or equipment in which the breakdown or derangement originates overrunning or electrical surges or spikes in electricity

but this shall not exclude such **damage** not otherwise excluded which itself results from any other accidental damage or subsequent **damage** which itself results from a cause not otherwise excluded
- g. **damage** caused by disappearance unexplained or inventory shortage misfiling or misplacing of information
- h. **damage** caused by acts of fraud or dishonesty
- i. **damage** occasioned by delay embargo nationalisation confiscation requisition seizure or destruction by the government or any public authority
- j. **damage** caused by electrical or magnetic disturbance or erasure of electronic records

Additional Covers to Sub-Section 1

All terms, exclusions and conditions of section 3 and sub-section 1 apply to all additional covers as listed below.

1. Glass and office front blinds and signs

We will indemnify **you** in respect of **damage** to fixed glass and **office front** for which **you** are responsible at the **premises** occurring during the **period of insurance**.

Following **damage** to fixed glass and **office front** at the **premises** **we** will also indemnify **you** in respect of:

- a. the cost of reinstating **intruder alarm systems** damaged as a result of glass breakage
- b. any boarding up costs incurred
- c. **damage** to goods on display in windows caused by the impact of falling glass

We will also indemnify **you** for **damage** at the **premises** to

- d. neon and illuminated signs and electric light fittings
- e. external blinds
- f. sanitary ware (fixed baths wash basins pedestals bidets shower trays sinks lavatory pans and cisterns) where such **damage** renders such article completely unserviceable
- g. lettering or other ornamental work and alarm foil on fixed glass

Our liability under c) d) e) f) and g) shall be restricted to £2,500 for any one loss.

Glass and office front blinds and signs exclusions

We shall not be liable for **damage**:

- a. to glass and **office front**:
 - i. caused by repairs or alterations to the **premises**
 - ii. caused by alteration installation or removal
 - iii. in any **premises** which is **unoccupied**
- b. to neon and illuminated signs and electric light fittings:
 - i. caused by or traceable to wear and tear or gradual deterioration mechanical or electrical breakdown or removal from the fixed position other than by theft or attempted theft
 - ii. of bulbs or tubes unless consequent upon **damage** to signs or fittings
- c. caused by or arising from:
 - i. superficial **damage** or scratching or cracking which does not result in the complete breakage of the glass or **office front**
 - ii. inherent or latent defect its own faulty or defective design or materials
 - iii. gradual deterioration or gradually operating cause wear and tear change in colour or finish
 - iv. changes in temperature or atmospheric or climatic conditions
 - v. defects in frames framework or any fitting

2. Money

We will indemnify **you** in respect of loss of or **damage** to **money** and **non-negotiable money** held in connection with

the **business** as detailed below occurring during the **period of insurance**:

- a. in the **premises** during **business hours** or whilst in a bank night safe
- b. in transit to and from the **premises** whilst in **your** custody or an authorised person acting on **your** behalf
- c. in **your** or any authorised person's private dwelling house
- d. in the **premises** whilst left unattended or outside **business hours** and not secured in a locked **safe**
- e. in the **premises** whilst left unattended or outside **business hours** and secured in a locked unspecified safe.

Our liability under this additional cover shall be restricted to the limits stated in the schedule for any one loss.

We will also indemnify **you** in respect of **damage** to:

- a. any **safe/strong room**, till or postal franking machine belonging to **you** or for which **you** are legally responsible up to an amount not exceeding the cost of repair or replacement
- b. clothing and personal effects belonging to **you** or any partner, director or **employee** of **yours** resulting from theft or attempted theft of **money** or **non-negotiable money** subject to a maximum of £500 for any one loss.

Money exclusions

We shall not be liable for loss from:

- a. shortage due to error or omission
- b. forgery deception or the use of counterfeit **money** or **non-negotiable money**
- c. the use of any form of payment which proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable for any reason
- d. theft or attempted theft not involving entry to or exit from the **premises** or any authorised person's private dwelling house by forcible and violent means or actual or threatened hold up, assault or violence
- e. theft or attempted theft by any **employee**
- f. an unattended vehicle and any coin operated gaming devices or machines
- g. **damage** not within the **territorial limits**
- h. any business or other activity not connected with the **business** conducted from the **premises** as stated in the schedule.

Money conditions

In addition to the General section conditions of this **policy**, there are conditions that apply to this additional cover (**money**).

The conditions below impose an obligation or obligation(s) on **you** that requires **you** to do certain things; such conditions are referred to as a condition with obligation. If **you** fail to carry out the obligation(s) (or part of an obligation)

under a condition with obligation **we** may, depending on the extent of the obligation(s) not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation).

1. It is a condition with obligation under this additional cover that **you** shall maintain the following minimum standards of precaution for the safety of **money** in transit (other than by specialist security carrier) at all times:
 - a. the times of transits routes and conveyances used shall be varied as far as is possible
 - b. all persons engaged in the transit of **money** shall be at least 18 years of age
 - c. transits of amounts of:
 - i. up to £3,000 shall be accompanied by at least one person
 - ii. £3,001 to £6,000 shall be accompanied by at least two people
 - iii. £6,001 to £10,000 shall be accompanied by at least three people or two people travelling by motor car or using an approved security case
 - iv. amounts exceeding £10,000 shall be transported by specialist security carrier.
2. It is a condition with obligation that when the **premises** or any authorised person's private dwelling house in which **money** is kept is left unattended:
 - a. all locks bolts and other protective devices are in full operation
 - b. all keys must be held in the personal custody of an authorised person and removed from:
 - i. the unattended **premises** as stated in the schedule; or
 - ii. from the final exit door of any authorised person's unattended private dwelling house.

3. Theft by employees

This additional cover is only operative if shown in the schedule.

For the purposes of this additional cover, employee shall mean permanent employees under a contract of service or apprenticeship with **you** and the section definition of **employee** shall not apply.

We will indemnify **you** for loss of **money** or **non-negotiable money** or **property** belonging to **you** or for which **you** are legally responsible:

- a. caused by any act of fraud or dishonesty committed during the **period of insurance** by any employee with the clear intention of making or which results in improper financial gain for themselves or for any other person or organisation and
- b. which is discovered by **you** and notified to **us** within 30 days of the loss

provided that

- a. all losses insured by this additional cover and committed by any one employee or more than one

employee working in collusion with each other shall be regarded as one specific event, and

- b. **our** liability shall be restricted to £5,000 in respect of any one specific event

Theft by employees' exclusions

We shall not be liable under this additional cover for:

- a. loss attributable solely to any unexplained shortages
- b. loss caused by an employee before this additional cover inception
- c. loss where **you** continue to entrust the defaulting employee with access to **money** or **non-negotiable money** or **property** after becoming aware of any material fact that questions the honesty of the employee
- d. any loss arising as a consequence of the specific event in respect of which indemnity is provided by this additional cover.

Theft by employees' basis of settlement

We shall pay the value of the **money** or **non-negotiable money** or **property** at the time of the loss or at **our** option replace or reinstate the **property**.

4. Personal accident (assault)

We will pay to **you** the applicable benefit shown in the schedule involving **physical injury** during the **period of insurance** that results in **your** or the **employee's**:

1. Death
2. **Loss of limbs or eyes**
3. **Permanent total disablement**
4. **Temporary total disablement**

within 24 consecutive months from the date of the assault causing the **physical injury**.

Personal accident (assault) exclusion

No payment will be made if the person who is assaulted is under 16 years of age at the time of the assault causing the **physical injury**.

Personal accident (assault) conditions

In addition to the General section conditions of this **policy**, there are conditions that apply to this additional cover (Personal accident (assault)).

- a. **we** shall only pay one of the benefits 1 to 4 shown immediately above for **you** or any one **employee** for each **physical injury** unless the assault also results in **Temporary total disablement** (benefit 4) prior to any benefit under 1 to 3 being paid, in which case benefit 4 will be paid in addition to one of the benefits under 1 to 3.

If a claim is payable under Personal accident (assault) and the **physical injury** results in a benefit being payable under more than one of the benefits 1 to 3 for

the same person, then the benefit with the greatest value shall be paid.

- b. payment under benefit 3 shall not be payable before 104 weeks from the date of the **physical injury**.
- c. payment under benefit 4 is payable for the period of **temporary total disablement** and only up to a maximum period of 104 weeks.

5. All risks on portable property

We will indemnify **you** against **damage** occurring during the **period of insurance** from the **insured perils** to portable computers and mobile telephones specified in the schedule used in connection with the **business** within the geographical areas specified in the schedule.

Our liability under this additional cover shall be restricted to the sums insured stated in the schedule for any one loss.

All risks on portable property exclusions

We shall not be liable for:

- a. **damage** to portable computers and mobile telephones left unattended unless contained in
 - i. a securely locked building or
 - ii. a vehicle which has been securely locked at all points of access and any security alarms and immobilisers fitted to the vehicle are in full operation and the portable property is concealed from view
- b. depreciation or electrical or mechanical breakdown
- c. **damage** arising from wear and tear or from any process of cleaning restoring adjusting or repairing
- d. **damage** by official confiscation or detention

6. Goods in transit

We will indemnify **you** for **damage** to **goods in transit** within the **territorial limits** during the **period of insurance** whilst being carried:

- a. on any **vehicle** owned or operated by **you**
- b. by a carrier other than **you** by means of road rail or inland air freight

Our liability under this additional cover shall be restricted to the limits stated in the schedule for any one loss.

Whilst **goods in transit** are being carried on any **vehicle** owned or operated by **you**, **we** will also indemnify **you** for:

- a. **damage** to packing materials, protective sheeting, ropes, chains and toggles belonging to **you** while being carried on the **vehicle** subject to a maximum of £2,500 for any one loss
- b. **damage** to personal effects belonging to the driver or attendant while carried by any **vehicle** in the course of the employment of the driver or attendant with **you** subject to a maximum of £500 for any one loss
- c. the removal of debris and site clearance of **goods in transit** damaged from the immediate area of the site where the **damage** occurred subject to a maximum of £2,500 for any one loss

- d. the additional costs incurred in transferring **goods in transit** to any other vehicle following fire, collision, overturning or impact of the **vehicle** including carrying the **goods in transit** to the original destination or place of collection subject to a maximum of £2,500 for any one loss
- e. reloading onto the **vehicle** any **goods in transit** which have fallen from the **vehicle** subject to a maximum of £2,500 for any one loss
- f. re-securing the **goods in transit** where there is dangerous movement of the load in transit subject to a maximum of £2,500 for any one loss.

Goods in transit exclusions

We shall not be liable under this additional cover for **damage** to any **goods in transit** arising out of or attributable to:

- a. theft or attempted theft from open-backed curtain sided soft sided or soft-topped **vehicle(s)**
- b. defective or inadequate packing or insufficient addressing
- c. breakdown of refrigeration or insufficient insulation
- d. spillage, leakage, evaporation, loss of weight or shrinkage
- e. depreciation, loss of market, delay or inadequate documentation
- f. any erection, dismantling or installation
- g. loss of sheets, ropes, chains, toggles or packing materials as a result of disappearance or shortage unless such loss is the result of an incident recorded by **you**.

Goods in transit conditions

In addition to the general section conditions of this **policy**, there are conditions that apply to this additional cover (**Goods in transit**).

One of the conditions below imposes obligation(s) on **you** that require **you** to do certain things; such conditions are referred to as a condition with obligation. If **you** fail to carry out the obligation(s) (or part of an obligation) under a condition with obligation **we** may, depending on the extent of the obligation(s) not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation).

- a. It is a condition with obligation for theft or attempted theft from any unattended **vehicle** that whenever a **vehicle** operated by **you** and carrying **goods in transit** is unattended it shall be protected:
 - i. between the hours of 9.00 am and 6.00 pm by all doors and windows and other means of access being securely fastened and locked and the alarm and/or immobiliser approved by **us** being switched on and made fully operational
 - ii. either garaged in a securely locked building of substantial construction or placed in a compound which has secure walls and/or fences and securely locked gates or in a guarded security park.

- b. The valuation of **stock** shall be at invoice cost. If an invoice has not been raised the basis of valuation shall be the value of the **stock** at the time of the commencement of the transit.

Extensions to Sub-Section 1

All terms, exclusions and conditions of section 3 and sub-section 1 apply to all extensions listed below.

1. Theft of keys and lock replacement

We will indemnify **you** for the cost of replacing locks and keys to the **premises** stated in the schedule and keys to **safes/strong rooms** or tills subject to a maximum limit for all losses combined of £1,500 in any one **period of insurance** provided that:

- a. the original keys were stolen during the **period of insurance** from the **premises** or **your** or any authorised **employee's** private residence.
- b. **damage** by theft is not excluded in its entirety.

2. Theft damage to premises

We will indemnify **you** against the cost of repairing **damage** that occurs during the **period of insurance** to the **premises** for which **you** are legally responsible and is not otherwise insured which directly results from **insured peril 7** provided that **our** liability under this extension shall not exceed a total maximum limit of £25,000 in any one **period of insurance**.

3. Temporary removal

We will indemnify **you** for **damage** that occurs during the **period of insurance** to **contents** whilst temporarily removed for cleaning renovation repair or similar purposes and to **documents** whilst temporarily removed elsewhere and in transit within the **territorial limits** from the **insured perils** subject to a maximum limit for any one loss of 10% of the sum insured shown for **contents** in the schedule or £100,000 whichever is the lesser amount.

This extension shall not apply to motor vehicles and motor chassis licensed for normal road use.

4. Exhibitions

We will indemnify **you** for **damage** that occurs during the **period of insurance** to **contents** and **stock** from the **insured perils** whilst in any building (not being of a temporary nature) and being used for an exhibition anywhere within the **territorial limits** and whilst in transit to and from the exhibition premises subject to a maximum of £5,000 for any one loss.

5. Other locations

We will indemnify **you** for **damage** that occurs during the period of insurance to **contents** and **stock** from the insured perils:

- a. whilst within the main building of the private residential home of a director or **employee** anywhere within the **territorial limits**; and

- b. whilst in transit to and from the main building of such private residential home and the **premises**

subject to a maximum of £2,500 for any one loss and a maximum for all losses combined of £10,000 in any one **period of insurance**.

6. Third party storage locations

We will indemnify **you** for **damage** that occurs during the **period of insurance** to **contents** and **stock** from the **insured perils** whilst at third party storage locations within the **territorial limits** subject to the maximum limits of: £5,000 at any one location during any one **period of insurance** and a total payable of £20,000 in any one **period of insurance**.

7. Fire extinguishment expenses

We will indemnify **you** for costs incurred with **our** consent in refilling fire extinguishment appliances replacing used sprinkler heads and refilling sprinkler tanks in the event of **damage** that occurs during the **period of insurance** at the **premises** to insured **property** caused by fire subject to a maximum limit of £10,000 for any one loss.

8. Computer records

In the event of **damage** that occurs during the **period of insurance** to **computer records** from the **insured perils** we will, in respect of that **damage**, indemnify **you** for the cost of the materials together with the cost of clerical labour and computer time expended in reproducing **computer records** and not for the value to **you** for the information contained in the **computer records** but excluding any expenses in connection with the production of information to be recorded in such **computer records** for a maximum limit of £10,000 for any one loss and all losses combined in any one **period of insurance**.

Clauses Applying to Sub-Section 1

1. Non-invalidating

The insurance by this sub-section shall not be invalidated by any act or omission or alteration unknown to or beyond **your** control whereby the risk of **damage** is increased as long as immediately **you** become aware of the increase in risk **you** inform **us** in writing and pay an appropriate additional premium if required by **us**.

2. Automatic Reinstatement

Unless written notice to the contrary be given by either **you** or **us** the insurance by this sub-section shall not be reduced by the amount of any loss and **you** shall pay the appropriate additional premium from the date of the **damage** to the date of expiry of the **period of insurance**.

3. Property more specifically insured

We shall not be liable for **damage** to any **property** insured more specifically by or on **your** behalf.

Basis of Settlement Clauses Applying to Sub-Section 1

1. Average

If the **property** covered by sub-section 1 shall at the time of the **damage** be collectively of greater value than the sums insured shown in the schedule, then **you** shall be considered as being **your** own insurer for the difference and shall bear a rateable share of the **damage** accordingly.

2. Property insured other than stock

In the event of **damage** to **property** insured other than **stock** and **computers** the basis of settlement shall be the cost of reinstatement meaning the rebuilding replacement repair or restoration of such **property** to a condition substantially the same as but not better or more extensive than its condition when new

In the event of **damage** to **computers** the basis of settlement shall be the cost of reinstatement meaning:

- a. where any item suffers **damage** beyond economic repair replacement by a new item of equal performance and/or capacity or if such be impossible replacement by an item having the nearest higher performance and/or capacity to the item damaged
- b. where the item suffers **damage** the repair of the **damage** and the restoration of the damaged portions to a working condition substantially the same as but not better or more extensive than its condition when new.

Provisions

- i. The replacement must be carried out without undue delay and no payment beyond the amount which would have been paid in the absence of this clause will be made until the cost of reinstatement has been incurred
- ii. Where **damage** occurs to only part of the **property** insured **our** liability shall not exceed the amount which **we** would have been liable to pay had such **property** been wholly destroyed
- iii. If at the time of reinstatement of any item, the sum representing 85% of the cost which would have been incurred in reinstating the whole of the **property** covered by such item exceeds its Sum Insured at the time of the **damage** the liability of the **insurer** shall not exceed that proportion of the amount of the **damage** which the said Sum Insured shall bear to the sum representing the total cost of reinstating the whole of such property at that time.

3. Stock

In respect of **stock** we will pay **you** the value of the **stock** at the time of its **damage** with adjustment for wear and tear.

If at the time of any **damage** the value of the **stock** insured under any item is greater than its sum insured, **you** shall be considered as being **your** own insurer for the difference and shall bear a rateable share of the loss accordingly.

4. Removal of debris

This insurance includes the costs incurred in respect of removal of debris of **property** insured resulting from **damage** from an **insured peril** excluding:

- a. costs incurred in removing debris except from the site of such **damage** and the area immediately adjacent to such site
- b. costs arising from **pollution or contamination** of property not insured by this sub-section

Our liability for **damage** to such **property** including such costs and expenses shall not exceed the sums insured stated in the schedule.

5. Capital additions

To the extent that they are not otherwise insured the insurance of **tenants' improvements** and **contents** shall extend to cover:

- a. alterations additions and improvements to **tenants' improvements** and **contents** at the **premises** but not appreciation of the value of such property
- b. any newly acquired office space occupied by **you** containing **tenants' improvements** and **contents** within the **territorial limits** from the commencement date of **your** responsibility

subject to:

- i. **you** advising **us** of the amendments as soon as practicable on becoming aware of the increase in the extent of cover required and paying the appropriate additional premium
- ii. the Sums Insured for **tenants' improvements** and **contents** at each office location only being increased by the value of the additional property up to no more than 10% of the existing Sums Insured or £250,000 whichever is the lesser at any one location.

6. Professional fees

The insurance by each item on **tenants' improvements** and **contents** includes an amount for architects' surveyors' consulting engineers' and legal fees incurred in the reinstatement or repair of such property consequent upon its **damage** but not for preparing any claim.

Our total liability for **damage** to such property including such fees shall not exceed the sums insured stated in the schedule.

7. Subrogation waiver

In the event of a claim arising under this sub-section **we** agree to waive any rights remedies or relief to which it might become entitled by subrogation against any parent company or subsidiary company to **you** or any company which is a subsidiary of or a parent company of which **you** are subsidiary in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **damage**.

8. Other interests

Interests of third parties which **you** are required to include herein under the terms of any mortgage property lease or hiring leasing or hire purchase agreement are automatically deemed to be held covered subject to notification by **you** to **us** at the time of the **damage**.

9. Business books

The basis of settlement of any claim for business books shall be their value as stationery together with the cost of clerical labour expended in their reproduction.

Exclusions Applying to Sub-Section 1

In addition to the general section 3 exclusions, the **insurer** shall not be liable for **damage** to:

- a. vehicles licensed for road use (including accessories on them) caravans trailers railway locomotives rolling stock watercraft or aircraft
- b. property or structures in the course of construction or erection and materials or supplies in connection with all such property or structures in the course of construction
- c. land piers jetties bridges culverts or excavations
- d. livestock growing crops or trees
- e. jewellery precious stones precious metals bullion or furs

Conditions Applying to Sub-Section 1

In addition to the general section conditions of this **policy**, conditions specific to this sub-section apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to claim under this **policy**.

Some of the conditions below impose an obligation or obligation(s) on **you** that require **you** to do certain things; such conditions are referred to as a condition with obligation. If **you** fail to carry out the obligation(s) (or part of an obligation) under a condition with obligation **we** may, depending on the extent of the obligation(s) not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation).

1. Stillage

It is a condition with obligation for **damage** by **insured perils** 8, 9 and 11 that **property** in the basement or sub-basement of the **premises** be kept at least 10cm above floor level.

2. Intruder alarm system condition

It is a condition with obligation that in respect of the **intruder alarm system** installed at the **premises**:

- a. the **intruder alarm system** is maintained in full and effective working order under a contract to provide

corrective and preventive maintenance with the installer or such other contractor agreed by **us** in writing

- b. the **premises** are not to be left unattended:
 - i. unless the **intruder alarm system** is tested and set in its entirety and is together with the means of communication used to transmit or receive signals in full and effective operation
 - ii. where the police have withdrawn their response to alarm activation
- c. the **intruder alarm system**:
 - i. is installed in accordance with a specification agreed in writing by the **insurer**
 - ii. must not be altered or amended in any way unless such amendment or alteration has been approved by the **insurer** and no alteration or substitution of the structure of the **premises** or changes to the layout of the **premises** which would affect the effectiveness of the **intruder alarm system** shall be made without the written consent of the **insurer**
 - iii. maintenance contract must not be altered or substituted without the written consent of the **insurer**
 - iv. procedures agreed by **you** for the police or any other response to any activation of or other warning signal pertaining to the **intruder alarm system** must not be altered or substituted without the written consent of the **insurer**
- d. **you** must:
 - i. maintain secrecy of the codes for the operation of the **intruder alarm system** and no details of such codes shall be left on the **premises** when the **premises** are left unattended
 - ii. immediately notify the **insurer** upon receipt of any communication giving notice that the level response to the **intruder alarm system** has been or will be reduced
 - iii. appoint at least two **keyholders** and lodge written details with the police and the alarm company
 - e. in the event of notification of:
 - i. any alarm fault;
 - ii. activation of the **intruder alarm system**;
 - iii. interruption of the means to transmit or receive signals to or from the **intruder alarm system** during the period that the **intruder alarm system** is set;

a **keyholder** must attend the **premises** as soon as possible in order to confirm the security of the premises and reset the intruder alarm system in its entirety.

If the **intruder alarm system** cannot be reset in its entirety or all means of communication used to transmit signals are not in full operation a **keyholder** must remain at the **premises** unless otherwise agreed in writing by the **insurer**.

3. Fire extinguishing appliances

You undertake to maintain the said appliances in efficient working order during the **period of insurance**.

Subject to observance of this undertaking sub-section 1 - Material Damage of this **Policy** shall not be invalidated by any defect in any of the said appliances due to any circumstances unknown or beyond **your** control.

4. Roof maintenance condition

It is a condition with obligation under sub-section 1 - Material Damage where **you** are legally responsible for the **buildings** that:

- a. any flat felted roof is inspected at least once every two years by a qualified builder or property surveyor and any defect identified by that inspection is repaired immediately
- b. any roof valley guttering is checked annually for blockages or defects and any remedial action required is immediately implemented where the responsibility of **you**.

5. Portable heater condition

It is a condition with obligation under sub-section 1 - Material Damage that portable naked flame gas or paraffin heaters are not used on the **premises**.

6. Minimum level of security

It is a condition with obligation that for loss or **damage** under sub-section 1 **you** shall have in place in full working order and in operation whenever the **premises** are closed for business or left unattended, the following minimum level of security or such level as is specified in the schedule:

- a. the final exit door of **your** portion of the **buildings** is to be fitted with either:
 - i. for timber or steel framed doors a mortice deadlock that has 5 or more levers and matching box striking plate which conform to BS 3621 or
 - ii. for timber or steel framed doors a rim latch deadlock that conforms to BS 3621
- b. all other external doors and internal doors giving access to any part of the buildings not occupied by **you** are to be fitted with either:
 - i. as described in a) i. and ii. above; or
 - ii. two key-operated security bolts for doors fitted approximately 30cms from the top and bottom of the doors respectively
- c. aluminium or UPVC framed doors are to be fitted with integral cylinder key operated mortice deadlocks
- d. all ground floor and basement opening windows/skylights and other opening windows/skylights accessible from roofs decks balconies fire escapes canopies down pipes are to be fitted with key operated window locks. This requirement does not apply to windows/skylights which are protected by solid steel bars grilles gates expanded metal or weld-mesh securely fixed to the brickwork surrounding the window.

Any door or window officially designated a fire exit by the fire authority is excluded from these requirements. These are to be secured internally by panic bolts or fire exit bolts. Any

additional devices are to be approved by the local Fire Prevention Officer.

Sub-Section 2 - Business Interruption

Insuring Clause

In the event of **damage** to the **property** used by **you** at the **premises** for the purposes of the **business** as a result of the **insured perils** listed under sub-section 1 during the **period of insurance**:

- a. resulting in interruption or interference with the **business**, or
- b. which prevents **you** from tracing or establishing customers' **outstanding debit balances** in whole or in part as a result of **your** books of account at the **premises** being damaged;

We will indemnify **you** in respect of the amount of loss resulting from such interruption or interference provided that at the time of the **damage** there shall be in force an insurance covering **your** interest in the **property** at the **premises** and that liability shall be admitted or payment made or payment would have been made or liability admitted but for the operation of a proviso in the insurance excluding liability for losses below a specified amount.

Our liability under this sub-section shall not exceed its sum insured or limit stated in this **policy** or the schedule at the time of the event.

Clause Applying to Sub-Section 2

Reinstatement following a loss

Our liability under this sub-section shall not exceed the sum insured or limit remaining after deduction for any other interruption or interference resulting from **damage** occurring during the same **period of insurance** unless **we** have agreed to reinstate any such sum insured or limit.

Basis of Settlement Clauses Applying to Sub-Section 2

1. Gross revenue

We will pay as indemnity to **you** the amount of **your** loss in respect of each item stated in the schedule as a result of loss of **gross revenue** and/or **increased cost of working**:

- a. the amount payable shall be the sum by which the **gross revenue** falls short of the **standard gross revenue** during the **indemnity period** as a result of the **damage**
- b. the amount payable in respect of the **increased cost of working** as a result of the **damage** not exceeding

the amount of the reduction in **gross revenue** thereby avoided less any sum saved during the **indemnity period** in respect of such charges and expenses of the **business** payable out of **gross revenue** that may cease or be reduced as a result of the **damage**

provided that adjustments shall be made as may be necessary to provide for the trend of the **business** and for variations in or other circumstances affecting the **business** either before or after the **damage** or which would have affected the **business** had the **damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **damage** would have been obtained during the relative period after the **damage**.

2. Average

If the sum insured is less than the **gross revenue** for the 12 months (or a proportionately increased multiple thereof where the **maximum indemnity period** exceeds 12 months) immediately prior to the occurrence of **damage** the amount payable shall be proportionately reduced after due provision has been made for the trend or variation in or other circumstances affecting or which would have affected the **business** either before or after the **damage**.

3. Alternative trading

If during the **indemnity period** work is done or services rendered elsewhere than at the **premises** for the benefit of the **business** either by **you** or by others on **your** behalf the amount paid or payable in respect of such work or services shall be accounted for in arriving at the **gross revenue** during the **indemnity period**.

4. Departmental

If the **business** is conducted in departments the independent trading results of which are ascertainable the basis of **gross revenue** shall apply separately for each department.

5. Accountants' and auditors' charges

We will pay to **you** the charges payable by **you** to **your** professional accountants and auditors for producing and certifying any particulars or details or any other proofs information or evidence as may be required by **us** under the terms of this sub-section and reporting that such particulars or details are in accordance with **your** books or documents.

6. Current cost accounting

For the purpose of this sub-section any adjustment implemented in current cost accounting shall be disregarded.

7. Outstanding debit balances

The amount payable by **us** in respect of **outstanding debit balances** is limited to loss sustained by **you** directly due to **damage** and the amount payable in respect of any one event shall not exceed

- a. the difference between the **outstanding debit balances** and the total of the amounts received or traced

- b. the additional expenditure incurred with **our** written consent in tracing and establishing customers' debit balances after **damage**.

8. Value added tax

To the extent that **you** are accountable to the tax authorities for value added tax all terms in this sub-section shall be exclusive of such tax.

9. Payments on account

Payments on account will be made to **you** during the **indemnity period** if so requested subject to appropriate adjustment at the end of the **indemnity period**.

Extensions to Sub-Section 2

All terms, exclusions and conditions of section 3 and sub-section 2 apply to all extensions listed below.

Our liability includes loss as insured by this sub-section resulting from interruption or interference with the **business** in consequence of:

1. Premises closure or restrictions

- a. closure or restrictions placed on the **premises** on the advice of or with the approval of the Medical Officer of Health for the Public Authority as a result of a **notifiable human disease** occurring at the **premises** and during the **period of insurance**
- b. injury or illness sustained by any person during the **period of insurance** caused by or traceable to foreign or injurious matter in food or drink sold from the **premises** by **you**
- c. vermin and pests at the **premises** during the **period of insurance**
- d. closure of the whole or part of the **premises** by order of the Public Authority consequent upon defects in the drains and other sanitation at the **premises** that occur during the **period of insurance**
- e. murder or suicide occurring at the **premises** and during the **period of insurance**

subject to a maximum limit of £50,000 for any one loss.

We shall not be liable under this extension for costs incurred in cleaning repair replacement recall or checking of property.

2. Suppliers

Damage that occurs during the **period of insurance** from the **insured perils** at the premises of any of **your** suppliers manufacturers or processors within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man but excluding the premises of any supply undertaking from which **you** obtain electricity gas water or telecommunications services subject to a maximum limit of £10,000 for any one loss.

3. Denial of access

Damage that occurs during the **period of insurance** from the **insured perils** to property within a one mile radius of the **premises** which shall prevent or hinder the use of or access

to the **premises** whether or not there has been **damage** to the **premises** or **your property** but excluding the property of any supply undertaking from which **you** obtain electricity, gas, water or telecommunications services subject to a maximum limit of £100,000 for any one loss.

4. Accidental failure of public supply

Accidental failure at the terminal ends of the public supply undertakings' feed to the **premises** of electricity, gas, water or telecommunications services as a direct result of damage that occurs during the **period of insurance** subject to a maximum limit of £100,000 for any one loss and providing the cessation of supply is of at least 30 minutes in respect of electricity, gas or water and for a minimum of 8 consecutive hours in respect of telecommunications excluding:

- a. atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- b. total or partial failure of the public supply occasioned by strike or lock-out total or partial withdrawal of labour or total or partial cessation of work.

5. Goods in transit

Damage that occurs during the **period of insurance** to **goods in transit** as insured by sub-section 1 and for which **we** have admitted liability subject to a maximum limit of £50,000 for any one loss.

6. Documents

Damage that occurs during the **period of insurance** from the **insured perils** to documents belonging to or held in trust by **you** whilst temporarily at premises not in the occupation of **you** or whilst in transit by road rail or inland waterway in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man subject to a maximum limit of £25,000 for any one loss.

7. Storage Sites

Damage that occurs during the **period of insurance** from the **insured perils** at any premises in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man not in the occupation of **you** but where **your property** is stored subject to a maximum limit of £25,000 for any one loss.

8. Contract Sites

Damage that occurs during the **period of insurance** from the **insured perils** at any situation in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man where the **insured** is carrying out a contract subject to a maximum limit of £25,000 for any one loss.

Exclusions Applying to Sub-Section 2

In addition to the general section exclusions:

- 1. **We** shall not be liable for **increased cost of working** due to:

- a. failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
 - b. atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
2. **We** shall not be liable under this sub-section for loss arising directly or indirectly from:
- a. erasure, loss, distortion or corruption of information on computer systems or other records programs or software caused deliberately by rioters, strikers, locked out workers, persons taking part in labour disturbances or civil commotion or malicious persons
 - b. other erasure, loss, distortion or corruption of information on computer systems or other records programs or software unless resulting from the **insured perils** insofar as it is not otherwise excluded.

Conditions Applying to Sub-Section 2

In addition to the general section conditions of this **policy**, conditions specific to this sub-section apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to claim under this **policy**.

Debit recording and storage

On a monthly basis **you** shall record the total amount of **outstanding debit balances** as set out in business books of account and such record shall be kept elsewhere than the **premises**.

Sub-Section 3 - Equipment Breakdown

Insuring Clause

In the event of an **accident** that occurs during the **period of insurance** at the **premises** to **covered equipment** owned by **you** or for which **you** are responsible **we** will indemnify **you** in respect of any loss resulting from such an **accident** or at its option replace or reinstate such **covered equipment** in accordance with the provisions of the **policy** provided that during the **period of insurance** our liability under this sub-section shall not exceed the limit of indemnity stated in the schedule.

Definitions Applicable to Sub-Section 3

The following words will have the same meaning attached each time they appear in this sub-section in bold type face, whether with a capital first letter or not. Where the meaning of a word is defined below and the same word is defined differently under a separate section(s) or sub-section of this **policy**, the definition provided under the separate section or sub-section applies to that section only.

Accident(s) means:

- a. electrical or mechanical **breakdown** including rupture or bursting caused by centrifugal force
- b. artificially generated electrical current including electric arcing that disturbs electrical devices appliances or wires
- c. **explosion** or **collapse** of **covered equipment** operating under steam or other fluid pressure
- d. loss destruction or damage to **covered equipment** operating under steam or other fluid pressure caused by or resulting from any condition or event (not otherwise excluded) occurring inside such boilers or equipment
- e. loss destruction or damage to hot water boilers other water heating equipment oil or water storage tanks caused by or resulting from any condition or event (not otherwise excluded) occurring inside such equipment
- f. loss destruction or damage caused by operator error
- g. loss destruction or damage caused by materials being processed

All **accidents** that are the result of the same event shall be considered one **accident**.

Breakdown means:

- a. The actual breaking, failure, distortion or burning out of any part of the **covered equipment** whilst in ordinary use arising from defects in the **covered equipment** causing its sudden stoppage and necessitating repair or replacement before it can resume work

- b. Fracturing of any part of the **covered equipment** by frost when such fracture renders the **covered equipment** inoperative
- c. The actual and complete severance of a rope but not breakage or abrasion of wires or strands even though replacement may be necessary.

Collapse means:

The sudden and dangerous distortion (whether or not attended by rupture) of any part of the **covered equipment** caused by crushing stress by force of steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents).

Computer equipment means:

- a. electronic **computer** or other data processing and/or storage equipment
- b. peripherals used in conjunction with a)
- c. software and programs licensed to **you** and installed on a).

Covered equipment means:

- a. **Computer equipment**
- b. Equipment at the **Premises** owned by **you** or for which **you** are responsible
- i. built to operate under vacuum or pressure (other than weight of contents) or
- ii. oil and water storage tanks or
- iii. used for the generation transmission storage or conversion of energy

excluding:

- a. any supporting structure foundation masonry brickwork cabinet
- b. any insulating or refractory material
- c. any vehicle aircraft floating vessels or any equipment mounted thereon (other than vehicle recovery cranes or equipment which are included but not the actual vehicle)
- d. self-propelled plant and equipment (other than fork lift trucks used by **you** at **your premises**) dragline excavation or construction equipment
- e. equipment manufactured by **you** for sale
- f. tools dies cutting edges crushing surfaces trailing cables non-metallic linings driving belts or bands or any part requiring periodic renewal
- g. any electronic equipment (other than **computer equipment**) used for research diagnostic treatment experimental or other medical or scientific purposes
- h. any **manufacturing production or process equipment**
- i. any electricity generating equipment other than emergency back-up power equipment or wind turbines (less than 10kw) or photovoltaic equipment less than 50kw.

Derangement means:

Electrical or mechanical malfunction of the machinery arising from a cause internal to the **computer equipment** unaccompanied by visible damage to or breaking out of any parts of the equipment.

Explosion means:

The sudden and violent rending of **covered equipment** by force of internal steam or other fluid pressure (other than pressure of chemical action or ignited flue gases or ignition of the contents) causing bodily displacement of any part of the **computer equipment** together with forcible ejection of the contents.

Hazardous substance means:

Any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

Manufacturing Production or Process Equipment means:

Any machine or apparatus (other than boilers lifts fork lift trucks dock levelers and lifting tables) which has a primary purpose of processing or producing a product or service intended for eventual sale by **you** and any equipment which exclusively serves such machinery or apparatus.

Media means:

All forms of electronic magnetic and optical tapes and discs for use in any **computer equipment**.

Verified means:

Checked for accuracy and integrity to ensure a precise match with the source data and capable of restoration.

Extensions and Sub-Limits to Sub-Section 3

1. Hazardous Substances

We shall be liable for the additional cost to repair or replace **covered equipment** because of contamination that occurs during the **period of insurance** by a **hazardous substance** including any additional expenses incurred to clean up or dispose of such property

Our liability shall not exceed £10,000 any one **accident** in respect of such additional costs.

2. Computer equipment reinstatement of data and increased costs of working

a. **We** shall be liable under this extension for loss, destruction or damage caused by or resulting from:

- i. an **accident** that occurs during the **period of insurance** to **computer equipment** at the **premises**. **Our** liability shall not exceed £500,000 for any one **accident**
- ii. an **accident** that occurs during the **period of insurance** to portable **computer equipment** providing it is insured and within the Geographical Areas specified in the schedule under sub-section 1 - All Risks on Portable Property.

Our liability shall not exceed £5,000 for any one **accident**.

- b. In addition, **we** shall be liable for costs incurred in reinstating data lost or damaged in consequence of an **accident** to or **derangement** of **computer equipment**

Our liability shall not exceed £50,000 for any one **accident** provided that:

- i. liability is limited solely to the cost of reinstating data onto **media**
- ii. **we** shall not be liable for loss of or damage to software
- c. In addition, **we** will pay costs necessarily incurred in minimising or preventing the resulting interruption or interference to **your** computer operations

Our liability shall not exceed £50,000 for any one **accident** in respect of such additional costs.

3. Business interruption

We shall be liable for loss as described under sub-section 2 - Business Interruption (provided that sub-section 2 - Business interruption is operative) caused by an **accident** that occurs during the **period of insurance** to **covered equipment**.

Our liability in any one **period of insurance** shall not exceed £100,000 under this extension.

4. Public authorities/law or ordinance

If an **accident** that occurs during the **period of insurance** to **covered equipment** damages **buildings** and the loss is increased by enforcement of any public authority ordinance or law in force at the time of the **accident** that regulates the construction or repair of buildings or establishes zoning or land use requirements, **we** shall be liable for the following additional costs to comply with such ordinance or law:

- a. **your** actual expenditures for the cost to demolish and clear the site of undamaged parts
- b. **your** actual expenditures for increased costs to repair rebuild or construct the **buildings** If the **buildings** are repaired or rebuilt it must be intended for similar use or occupancy as the current **buildings** unless otherwise required by zoning or land use ordinance or law
- c. loss as described in sub-section 2 – Business interruption as a result of a) or b) above only if sub-section 2 – Business interruption is operative.

We shall not be liable for:

- a. any fine
- b. any liability to a third party
- c. any increase in loss due to a hazardous substance other than as specifically insured under extension 1
- d. increased construction costs until the **buildings** are actually repaired or replaced

This extension is within and does not increase the Sum Insured for such **buildings** stated in sub-section 1 – Material damage of the schedule.

5. Expediting expenses

With respect to damaged **covered equipment** or **computer equipment** where the damage occurs during the **period of**

insurance **we** shall be liable for the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement subject to a maximum of £20,000 in respect of any one **accident**.

6. Hire of substitute item

If **covered equipment** is damaged as a result of an **accident**, **we** shall be liable for the cost of hire charges actually incurred by **you** during the **period of insurance** for the necessary hire of a substitute item of similar type and capacity during the period of repair or until permanent replacement of the item damaged subject to a maximum of £5,000 in respect of any one **accident**.

7. Loss of contents of oil storage tanks

We shall be liable for the loss of the contents of static oil storage tanks caused by:

- a. escape of contents - leakage discharge or overflow from the oil storage tanks caused by or resulting from an **accident** that occurs during the **period of insurance**
- b. contamination - contamination of the contents of oil storage tanks caused by or resulting from an **accident** that occurs during the **period of insurance** including cleaning costs incurred as a result of such loss.

For the purposes of this extension reference to oil storage tanks shall include all connected piping other than buried flexible or non-metallic piping.

Our liability under this extension shall not exceed £10,000 any one **accident**.

8. Refrigerator contents

We shall be liable for loss destruction or damage to frozen or chilled foodstuffs drugs or medicines owned by **you** or for which **you** are responsible in any frozen food cabinet deep freezer coldroom cold store or refrigerator which is owned by **you** or for which **you** are responsible by or due to a change in temperature caused by an **accident** or failure of the electricity supply that occurs during the **period of insurance**.

We shall not be liable for loss, destruction or damage caused by:

- a. the deliberate act of any electricity undertaking in terminating disconnecting restricting or withholding the public supply of electricity
- b. neglect or misuse
- c. wear tear deterioration of the cabinet or other gradually operating cause
- d. arising as a result of incorrect setting of thermostats or automatic controlling devices

This extension is provided subject to a maximum limit of £15,000 for any one loss and all losses combined at any one **premises** in any one **period of insurance** however **we** shall not be liable for the amount of

- a. the **excess**, or

- b. the **excess** or 20% of any loss whichever is the greater amount where the frozen food cabinet(s) deep freezer(s) cold room(s) cold store(s) or refrigerator(s) that is/are over 10 years old,

9. Damage to own surrounding property

We shall be liable for loss destruction or damage to property at the **premises** belonging to **you** or in **your** custody and control and for which **you** are responsible directly resulting from the **explosion** or **collapse** that occurs during the **period of insurance** of any **covered equipment** operating under steam pressure.

Our liability of the **insurer** under this Extension shall not exceed £1,000,000 any one **accident**.

Basis of Settlement Clause Applying to Sub-Section 3

Subject to the following conditions, the basis upon which the amount payable in respect of **covered equipment** is to be calculated shall be the reinstatement of the **covered equipment** the subject of an **accident**.

For this purpose, reinstatement means:

- a. the replacement of **covered equipment** the subject of an **accident** which provided **our** liability of the **insurer** is not increased may be carried out:
 - i. in any manner suitable to **your** requirements
 - ii. upon another site
- b. the repair or restoration of **covered equipment** the subject of an **accident**

in the case of a) or b) to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Basis of Settlement Conditions

1. **Our** liability for the repair or restoration of **covered equipment** the subject of an **accident** shall not exceed the amount payable for replacement of the **covered equipment**
2. No payment beyond the amount which would have been payable in the absence of this clause shall be made:
 - a. unless reinstatement commences and proceeds without unreasonable delay
 - b. until the cost of reinstatement shall have been actually incurred

Clauses Applying to Sub-Section 3

Reinstatement of losses

Unless written notice to the contrary is given by either the **insurer** or the **insured**, the insurance by this sub-section shall not be reduced by the amount of any loss from the date of the loss destruction or damage to the date of expiry of the **period of insurance**.

Conditions Applying to Sub-Section 3

In addition to the general section conditions of this **policy**, conditions specific to this sub-section apply and are set out immediately below.

You must comply with the terms of this **policy**. Failure to comply with the terms of this **policy** may affect **your** right to claim under this **policy**.

Some of the conditions below impose an obligation or obligation(s) on **you** that require **you** to do certain things; such conditions are referred to as a condition with obligation. If **you** fail to carry out the obligation(s) (or part of an obligation) under a condition with obligation **we** may, depending on the extent of the obligation(s) not pay the claim (or part of a claim), where the loss is attributable to **your** failure to carry out the obligation(s) (or part of an obligation).

1. Precautions

It is a condition with obligation that **you** shall exercise due diligence in:

- a. complying with any statute or order
- b. ensuring that insured items are properly maintained and used in accordance with manufacturers' recommendations and in taking reasonable precautions to prevent loss or damage

2. Back-up records

It is a condition with obligation that **you** shall maintain a minimum of two generations of **verified** back-up **computer records** taken at intervals no less frequently than 48 hours (one copy as a minimum being held off-site) and take all reasonable precautions to store and maintain records in accordance with the manufacturers' recommendations.

Exclusions Applying to Sub-Section 3

In addition to the general section exclusions, the following exclusions apply:

1. **We** shall not be liable for loss, destruction or damage caused by or resulting from:
 - a. a hydrostatic pneumatic or gas pressure test of any boiler or pressure vessel or an insulation breakdown test of any type of electrical equipment
 - b. defect or programming error or programming limitation or computer virus or malicious code or loss of data (other than as specifically provided for under extension 2) or loss of access or loss of use or loss of functionality or other condition within or involving data or **media** of any kind.
2. **We** shall not be liable for loss, destruction or damage caused by:
 - a. Depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions
 - b. any condition which can be corrected by re-setting, calibrating, re-aligning, tightening, adjusting or cleaning or by the performance of maintenance

but if insured loss, destruction or damage from an **accident** results in a) or b) above, **we** shall be liable for that resulting loss or damage.

3. **We** shall not be liable for:
 - a. Loss, destruction or damage recoverable under the maintenance agreement or any warranty or guarantee or which would be recoverable but for breach of **your** obligations under the maintenance agreement or any warranty or guarantee.
 - b. the **excess**.

Sub-Section 4 - Legal Expenses

This Sub-section of Section 3 Office Protect is operative only if stated in the Schedule

Employment Manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit www.das.co.uk and select Employment Manual. All the sections of this web-based document can be printed off for **your** own use. Contact **us** at employmentmanual@das.co.uk with **your** email address, quoting **your** policy number and **we** will contact **you** by email to inform **you** of future updates to the information

DASbusinesslaw

Using www.dasbusinesslaw.co.uk **you** can create ready-to-sign contracts, agreements and letters in minutes. Developed by solicitors and tailored by **you** using **our** smart document builders. **You** can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

The service also provides useful tools, articles and information on matters such as new legislation, employment issues, property law and taxation all regularly updated by legal experts to help **you** keep **your business** one step ahead. To access DASbusinesslaw, **you** will need to register at www.dasbusinesslaw.co.uk, using **your** DAS policy number as below.

When registering, please enter the following code which will provide **you** with access to a range of free documents: **DAS472301**. If **you** experience any problems accessing the service, please email details of **your** problem to businesslaw@das.co.uk with **your** policy number in the subject box.

Helpline Services

You can contact **our** UK-based call centre 24 hours a day, seven days a week. However, **we** may need to arrange to call **you** back depending on the enquiry. To help **us** check and improve **our** service standards, **we** may record all inbound and outbound calls, except those to the counselling service. When phoning, please quote **your** policy number TS5/6871348 and the name of the insurance provider who sold **you** the policy.

Legal Advice Service

We provide confidential legal advice over the phone on any commercial legal problem affecting the **business**, under the laws of any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway. Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal advisor. However if this is not possible they will arrange a call back at a time to suit **you**.

Our legal advisors provide advice on the laws of England and Wales 24 hours a day, 7 days a week, 365 days a year. Where advice is sought in an area of law beyond this jurisdiction or in respect of very specialist matters, **we** will refer **you** to one of **our** specialist advisors. This will include European law and certain areas of law for Scotland and Northern Ireland.

*Specialist advice is provided 9am - 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, **we** will call you back.*

Visit www.das.co.uk

Tax Advice Service

We offer confidential advice over the phone on any tax matters affecting the **business**, under the laws of the United Kingdom.

*Tax advice is provided by tax advisors 9am - 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, **we** will call you back.*

Counselling Service

Visit www.dasbusinesslaw.co.uk

We will provide **your** employees (including any members of their immediate family who permanently live with them) with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by **us**.

The counselling service helpline is open 24 hours a day, seven days a week

We will not accept responsibility if the helpline services are unavailable for reasons **we** cannot control.

Welcome To DAS

Thank **you** for purchasing this **DAS** commercial legal protection policy. **Your business** is now protected by Europe's leading legal expenses insurer.

DAS Legal Expenses Insurance Company Limited ('**DAS**') is the underwriter and provides the legal protection insurance under **your** policy. The legal advice service is provided by DAS Law Limited and/or a **preferred law firm** on behalf of **DAS**.

To make sure that **you** get the most from **your DAS** cover, please take time to read the policy which explains the contract between **you** and **us**. Please take care in following the procedures throughout the policy and particularly those applying to the **Employment disputes and compensation awards cover**.

Helping you with your legal problems

If **you** wish to speak to **our** legal teams about a legal problem, please phone **us** on 0344 893 0859. **We** will ask **you** about **your** legal issue and if necessary call back to give legal advice.

Making a claim

If **your** issue cannot be dealt with through legal advice and needs to be dealt with as a potential claim under this policy, phone **us** on **0344 893 0859** and **we** will give **you** a reference number. At this point **we** will not be able to tell **you** whether the claim is covered or not but **we** will pass the information **you** have given **us** to **our** claims-handling teams and explain what to do next.

Please do not ask for help from a lawyer, accountant or anyone else before **we** have agreed that **you** should do so. If **you** do, **we** will not pay the costs involved even if **we** accept the claim.

DAS Head and Registered Office:

DAS Legal Expenses Insurance Company Limited | DAS House | Quay Side | Temple Back | Bristol | BS1 6NH
Registered in England and Wales, number 103274. Website: www.das.co.uk

DAS Legal Expenses Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

DAS Law Limited Head and Registered Office:

DAS Law Limited | North Quay | Temple Back | Bristol | BS1 6FL

Registered in England and Wales, number 5417859.

Website: www.daslaw.co.uk

DAS Law Limited is authorised and regulated by the Solicitors Regulation Authority (registered number 423113).

The Meaning of Words in Sub-Section 4

appointed representative	The preferred law firm , law firm, tax consultancy , accountant or other suitably qualified person we will appoint to act on the insured person's behalf.
business	As shown in the policy schedule.
business premises	As shown in the policy schedule.
costs and expenses	<p>a. All reasonable and necessary costs chargeable by the appointed representative and agreed by us in accordance with the DAS Standard Terms of Appointment.</p> <p>b. The costs incurred by opponents in civil cases if the insured person has been ordered to pay them, or the insured person pays them with our agreement.</p>
countries covered	<p>a. For insured incidents Legal defence (excluding 5 Statutory notice appeals), and Personal injury</p> <p>The European Union, the Isle of Man, the Channel Islands, Albania, Andorra, Bosnia Herzegovina, Gibraltar, Iceland, Liechtenstein, Macedonia, Monaco, Montenegro, Norway, San Marino, Serbia, Switzerland and Turkey.</p> <p>b. For all other insured incidents</p> <p>The United Kingdom of Great Britain and Northern Ireland, the Isle of Man, the Channel Islands.</p>
DAS Standard Terms of Appointment	The terms and conditions (including the amount we will pay to an appointed representative) that apply to the relevant type of claim, which could include a conditional fee agreement (no win, no fee). Where a law firm is acting as an appointed representative the amount is currently £100 per hour. This amount may vary from time to time.
date of occurrence	The date on which the claim is first made in writing by or against the insured person during the period of insurance in respect of an insured incident occurring during or prior to the period of insurance but of which the insured person was not aware at the commencement of the period of insurance and notified to us during or within 30 days after the expiry of the same period of insurance .
employer compliance dispute	A dispute with HM Revenue & Customs concerning your compliance with Pay As You Earn, Social Security, Construction Industry or IR35 legislation and regulations.

insured person	You and the directors, partners, managers, employees and any other individuals declared to us by you .
period of insurance	The period for which we have agreed to cover the insured person .
preferred law firm or tax consultancy	A law firm, barristers' chambers or tax expert we choose to provide legal or other services. These specialists are chosen as they have the proven expertise to deal with the insured person's claim and must comply with our agreed service standard levels, which we audit regularly. They are appointed according to the DAS Standard Terms of Appointment .
reasonable prospects	<p>a. For civil cases, the prospects that the insured person will recover losses or damages or a reduction in tax or National Insurance liabilities (or obtain any other legal remedy that we have agreed to, including an enforcement of judgment), make a successful defence or make a successful appeal or defence of an appeal, must be at least 51%. We, or a preferred law firm or tax consultancy on our behalf, will assess whether there are reasonable prospects.</p> <p>b. For criminal cases there is no requirement for there to be prospects of a successful outcome, however for appeals the prospects must be at least 51%.</p>
tax enquiry	<p>A written notice of enquiry, issued by HM Revenue & Customs, to carry out an Income Tax or Corporation Tax compliance check which either:</p> <p>a. includes a request to examine any aspect of your books and records;</p> <p>b. advises of a check of your whole tax return</p>
the premises	The property or properties which are owned by you or are your responsibility and insured as declared to us and let under a tenancy agreement which is in writing, properly executed and containing an enforceable forfeiture clause.
VAT dispute	A dispute with HM Revenue & Customs following the issue of an assessment, written decision or notice of a civil penalty relating to your VAT affairs.
we, us, our, DAS	DAS Legal Expenses Insurance Company Limited.
you, your	The business that has taken out this policy (shown as the policyholder in the policy schedule).

Our Agreement

This policy, the policy schedule and any endorsement shall be considered as one document. **We** agree to provide the insurance described in this policy for the **insured person** in respect of any insured incident arising in connection with the **business** shown in the schedule, in return for payment of the premium and subject to the terms, conditions, exclusions and limitations set out in this policy, provided that:

1. **reasonable prospects** exist for the duration of the claim
2. the date on which the claim is first made in writing by or against the **insured person** is during the **period of insurance** in respect of an insured incident occurring during or prior to the **period of insurance** (but of which the **insured person** was not aware at the commencement of the **period of insurance**) and is notified to **us** during or within 30 days after the expiry of the same **period of insurance**
3. any legal proceedings will be dealt with by a court, or other body which **we** agree to, within the **countries covered**, and
4. the insured incident happens within the **countries covered**.

What we will pay

We will pay an **appointed representative**, on **your** behalf, **costs and expenses** incurred following an insured incident, and any compensation awards that **we** have agreed to, provided that:

1. the most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £100,000
2. the most **we** will pay in **costs and expenses** is no more than the amount **we** would have paid to a **preferred law firm** or **tax consultancy**. The amount **we** will pay a law firm (where acting as an **appointed representative**) is currently £100 per hour. This amount may vary from time to time
3. in respect of an appeal or the defence of an appeal, **you** must tell **us** within the time limits allowed that **you** want to appeal. Before **we** pay the **costs and expenses** for appeals, **we** must agree that **reasonable prospects** exist
4. for an enforcement of judgment to recover money and interest due to **you** after a successful claim under this policy, **we** must agree that **reasonable prospects** exist

5. where an award of damages is the only legal remedy to a dispute and the cost of pursuing legal action is likely to be more than any award of damages, the most **we** will pay in **costs and expenses** is the value of the likely award, and
6. in respect of Legal defence 6 Jury service and court attendance the maximum **we** will pay is the **insured person's** net salary or wages for the time that the **insured person** is absent from work less any amount **you**, the court or tribunal pays.

What we will not pay

1. In the event of a claim, if **you** decide not to use the services of a **preferred law firm** or **tax consultancy**, **you** will be responsible for any costs that fall outside the **DAS Standard Terms of Appointment** and these will not be paid by **us**.
2. The total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**.
3. The first £500 of any contract dispute claim where the amount in dispute exceeds £5,000 (including VAT). If **you** are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn.

Insured Incidents

Contract Disputes

We will pay **costs and expenses** in a contractual dispute arising from an agreement or an alleged agreement which has been entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods or of services.

Provided that:

- a. The amount in dispute exceeds £500 (incl VAT). If the amount in dispute exceeds £5,000 (incl VAT), **you** must pay the first £500 of any claim. If you are using a **preferred law firm**, **you** will be asked to pay this within 21 days of **your** claim having been assessed as having **reasonable prospects**. If **you** are using **your** own law firm, this will be within 21 days of their appointment (following confirmation **your** claim has **reasonable prospects**). If **you** do not pay this amount the cover for **your** claim could be withdrawn
- b. If the amount in dispute is payable in instalments, the instalments due and payable at the time of making the claim exceed £500 (incl VAT)
- c. If the dispute relates to money owed to **you**, a claim under the policy is made within 90 days of the money becoming due and payable.

What is not covered

1.
 - a. The settlement payable under an insurance policy (**we** will cover a dispute if **your** insurer refuses **your** claim, but not for a dispute over the amount of the claim).
 - b. The sale, purchase, terms of a lease, licence, or tenancy of land or buildings. However, **we** will cover a dispute with a professional adviser in connection with these matters.
 - c. A loan, mortgage, pension, guarantee or any other financial product and choses in action.
 - d. A motor vehicle owned by, or hired or leased to **you** other than agreements relating to the sale of motor vehicles where **you** are engaged in the business of selling motor vehicles.
2. A dispute with an employee or ex-employee which arises out of, or relates to, a contract of employment with **you** (please refer to insured incident Employment disputes and compensation awards).
3. A dispute which arises out of the: sale or provision of computer hardware, software, systems or services; or the purchase or hire of computer hardware, software, systems or services tailored by a supplier to **your** own specification.
4. A dispute arising from a breach or alleged breach of professional duty by an **insured person**
5. The recovery of money and interest due from another party, other than disputes where the other party indicates that a defence exists.

Employment Disputes and Compensation Awards

1. Employment disputes

We will pay **costs and expenses** to defend **your** legal rights:

- a. before the issue of legal proceedings in a court or tribunal:
 - i. following the dismissal of an employee; or
 - ii. where an employee or ex-employee has contacted ACAS ('Advisory, Conciliation and Arbitration Service') to commence the Early Conciliation procedure; or
- b. in unfair dismissal disputes under the ACAS Arbitration Scheme; or
- c. in legal proceedings in respect of any dispute relating to:
 - i. a contract of employment with **you**; or
 - ii. an alleged breach of the statutory rights of an employee, ex-employee or prospective employee under employment legislation.

What is not covered

1. Damages for personal injury or loss of or damage to property
2. Transfer of Undertakings Regulations (TUPE) or the Transfer of Employment (Pension Protection) Regulations.

2. Compensation awards

We will pay:

- a. any basic and compensatory award; and/or
- b. an order for compensation following a breach of **your** statutory duties under employment legislation

in respect of a claim **we** have accepted under insured incident 1 Employment disputes and compensation awards.

Provided that:

- a. in cases relating to performance and/or conduct, **you** have throughout the employment dispute either:
 - i. followed the ACAS Code of Disciplinary and Grievance Procedures; or
 - ii. followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or
 - iii. sought and followed advice from **our** legal advice service (0344 893 0859)
- b. for an order of compensation following **your** breach of statutory duty under employment legislation **you** have at all times sought and followed advice from **our** legal advice service since the date when **you** should have known about the employment dispute (0344 893 0859)
- c. for any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **you** have sought and followed advice from **our** Claims Department before starting any redundancy process or procedure with **your** employees (0344 893 0859)
- d. the compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **us**.

Please note that the total of compensation awards payable by **us** is £1,000,000 in any one **period of insurance**. Please see What we will not pay 2.

What is not covered

1. Any compensation award relating to the following:
 - trade union activities, trade union membership or non-membership;
 - pregnancy or maternity rights, paternity, parental or adoption rights;
 - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - statutory rights in relation to trustees of occupational pension schemes.

2. Non-payment of money due under a contract of employment or a statutory provision.
3. Any award ordered because **you** have failed to provide relevant records to employees under National Minimum Wage legislation.
4. A compensation award or increase in a compensation award relating to failure to comply with a current or previous recommendation made by a tribunal.
5. A settlement agreed and payable following conciliation under the ACAS Early Conciliation procedure.

3. Employee civil legal defence

We will pay **costs and expenses** to defend the **insured person's** (other than **your**) legal rights if an event arising from their work as an employee leads to civil action being taken against them:

- a. under legislation for unlawful discrimination; or
- b. as trustee of a pension fund set up for the benefit of **your** employees.

Please note that **we** will only provide cover for an **insured person** (other than **you**) at **your** request.

4. Service occupancy

We will pay **costs and expenses** to pursue a dispute with an employee or ex-employee to recover possession of premises owned by, or for which **you** are responsible.

What is not covered

Any claim relating to defending **your** legal rights other than defending a counter-claim.

Legal Defence

We will pay **costs and expenses** to defend the **insured person's** legal rights:

1. Criminal pre-proceedings cover

Prior to the issue of legal proceedings, when dealing with the Police, Health and Safety Executive and/or Local Authority Health and Safety Enforcement Officer where it is alleged that the **insured person** has or may have committed a criminal offence.

What is not covered

1. Any criminal investigation or enquiry by, with or on behalf of HM Revenue & Customs.
2. Prosecution due to infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

2. Criminal prosecution defence

Following an event which leads to the **insured person** being prosecuted in a court of criminal jurisdiction.

Provided that:

For claims relating to the Health and Safety at Work etc Act 1974 the **countries covered** shall be any place where the Act applies.

Please note **we** will only cover criminal investigations and/or prosecutions which arise in direct connection with the activities of the **business** shown in the schedule. Please see Our agreement.

What is not covered

1. Prosecution due to infringement of road traffic laws or regulations in connection with the ownership, driving or use of a motor vehicle.

3. Data Protection and Information Commissioner registration

- a. If civil action is taken against the **insured person** for compensation under section 13 of the Data Protection Act 1998. **We** will also pay any compensation award made against the **insured person** under section 13 of the Data Protection Act 1998 provided **you** were registered with the Information Commissioner at the time of the insured incident.
- b. In an appeal against the refusal of the Information Commissioner to register **your** application for registration.

Please note **we** will not cover the cost of fines imposed by the Information Commissioner. Please see Sub-section exclusions 3.

4. Wrongful arrest

If civil action is taken against **you** for wrongful arrest in respect of an accusation of theft alleged to have been carried out during the **period of insurance**.

5. Statutory notice appeals

In an appeal against the imposition or terms of any Statutory Notice issued under legislation affecting **your business**.

What is not covered

1. An appeal against the imposition or terms of any Statutory Notice issued in connection with **your** licence, mandatory registration or British Standard Certificate of Registration
2. A Statutory Notice issued by an **insured person's** regulatory or governing body.

6. Jury service and court attendance

An **insured person's** absence from work:

- a. to perform jury service
- b. to attend any court or tribunal at the request of the **appointed representative**.

The maximum **we** will pay is the **insured person's** net salary or wages for the time that they are absent from work less any amount **you**, the court or tribunal, have paid them.

Provided that:

For each of the above sections of Legal defence cover **you** request **us** to provide cover for the **insured person**.

Statutory Licence Appeal

We will pay **costs and expenses** in an appeal to the relevant statutory or regulatory authority, court or tribunal following a decision by a licensing or regulatory authority to suspend, or alter the terms of, or refuse to renew, or cancel **your** licence, mandatory registration or British Standard Certificate of Registration.

What is not covered

1. Assistance with the application process either in relation to an original application or application for renewal of a statutory licence, mandatory registration or British Standard Certificate of Registration
2. The ownership, driving or use of a motor vehicle.

Property Protection

We will pay **costs and expenses** in any civil dispute relating to material property which is owned by **you**, or is **your** responsibility following:

1. Any event which causes physical damage to such material property; or
2. A legal nuisance (meaning any unlawful interference with **your** use or enjoyment of **your** land, or some right over, or in connection with it); or
3. A trespass.

Please note that **you** must have established the legal ownership or right to the land that is the subject of the dispute.

What is not covered

1. A contract **you** have entered into (please refer to insured incident Contract disputes)
2. Goods in transit or goods lent or hired out
3. Goods at premises other than those occupied by **you** unless the goods are at the premises for the purpose of installations or use in work to be carried out by **you**
4. Mining subsidence
5. Defending **your** legal rights but **we** will cover defending a counter-claim
6. A motor vehicle owned or used by, or hired or leased to an **insured person** (other than damage to motor vehicles where **you** are in the business of selling motor vehicles)
7. The enforcement of a covenant by or against **you**.

Personal Injury

At **your** request, **we** will pay **costs and expenses** for an **insured person's** and their family members' legal rights following a specific or sudden accident that causes the death of, or bodily injury to them.

What is not covered

1. Any illness or bodily injury that happens gradually
2. Psychological injury or mental illness unless the condition follows a specific or sudden accident that has caused physical bodily injury
3. Defending an **insured person's** or their family members' legal rights other than in defending a counter-claim
4. Clinical negligence.

Tax Protection

We will pay **costs and expenses** for an **appointed representative** following:

1. A **tax enquiry**
2. An **employer compliance dispute**
3. A **VAT dispute**

Provided that:

You have taken reasonable care to ensure that all returns are complete and correct and are submitted within the statutory time limits allowed.

Please note **we** will only cover tax claims which arise in direct connection with the activities of the **business** shown in the schedule. Please see Our agreement.

What is not covered

1. Any claim relating to tax avoidance schemes
2. Any failure to register for Value Added Tax or Pay As You Earn
3. Any investigation or enquiries by, with or on behalf of HM Revenue & Customs Special Investigations Section, Special Civil Investigations, Criminal Investigations Unit, Criminal Taxes Unit, under Public Notice 160 or by the Revenue & Customs Prosecution Office
4. Any claim relating to import or excise duties and import VAT
5. Any investigation or enquiry by HM Revenue & Customs into alleged dishonesty or alleged criminal offences.

Exclusions Applying to Sub-Section 4

We will not pay for the following:

1. Late reported claims	Any claim reported to us more than 180 days after the date the insured person should have known about the insured incident.
2. Costs we have not agreed	Costs and expenses incurred before our written acceptance of a claim.
3. Court awards and fines	Fines, penalties, compensation or damages which the insured person is ordered to pay by a court or other authority, other than compensation awards covered under insured incidents Employment disputes and compensation awards and Legal defence.
4. Legal action we have not agreed	Legal action an insured person takes which we or the appointed representative have not agreed to, or where the insured person does anything that hinders us or the appointed representative .
5. Intellectual property rights	Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
6. Deliberate acts	Any insured incident deliberately or intentionally caused by an insured person .
7. Franchise or agency agreements	Any claim relating to rights under a franchise or agency agreement entered into by you .
8. A dispute with DAS	A dispute with us not otherwise dealt with under Sub-section condition 8.
9. Shareholding or partnership disputes	Any claim relating to a shareholding or partnership share in the business shown in the policy schedule.
10. Judicial review	Costs and expenses arising from or relating to judicial review, coroner's inquest or fatal accident inquiry.

11. Nuclear, war and terrorism risks	Any claim caused by, contributed to by or arising from: <ul style="list-style-type: none"> a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel; b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it; c. war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup, or any other act of terrorism or alleged act of terrorism as defined by the Terrorism Act 2000; d. pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
12. Bankruptcy	Any claim where either at the start of, or during the course of a claim, you : <ul style="list-style-type: none"> a. are declared bankrupt b. have filed a bankruptcy petition c. have filed a winding-up petition d. have made an arrangement with your creditors e. have entered into a deed of arrangement f. are in liquidation g. part or all of your affairs or property are in the care or control of a receiver or administrator.
13. Defamation	Any claim relating to written or verbal remarks that damage the insured person's reputation.
14. Calendar date devices	Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret or process any date as its true calendar date.
15. Litigant in person	Any claim where an insured person is not represented by a law firm, barrister or tax expert.

Conditions Applying to Sub-Section 4

1. Your representation	<ul style="list-style-type: none"> a. On receiving a claim, if representation is necessary, we will appoint a preferred law firm or tax consultancy as your appointed representative to deal with your claim. They will try to settle your claim by negotiation without having to go to court. b. If the appointed preferred law firm or tax consultancy cannot negotiate settlement of your claim and it is necessary to go to court and legal proceedings are issued or there is a conflict of interest, then you may choose a law firm or tax expert to act as the appointed representative. We will choose the appointed representative to represent you in any proceedings where we are liable to pay a compensation award. c. If you choose a law firm as your appointed representative who is not a preferred law firm or tax consultancy, we will give your choice of law firm the opportunity to act on the same terms as a preferred law firm or tax consultancy. However if they refuse to act on this basis, the most we will pay is the amount we would have paid if they had agreed to the DAS Standard Terms of Appointment. The amount we will pay a law firm (where acting as the appointed representative) is currently £100 per hour. This amount may vary from time to time. d. The appointed representative must co-operate with us at all times and must keep us up to date with the progress of the claim.
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<p>2. Your responsibilities</p>	<p>An insured person must:</p> <ul style="list-style-type: none"> a. co-operate fully with us and the appointed representative; b. give the appointed representative any instructions that we ask you to.
<p>3. Offers to settle a claim</p>	<ul style="list-style-type: none"> a. An insured person must tell us if anyone offers to settle a claim and must not negotiate or agree to any settlement without our written consent. b. If an insured person does not accept a reasonable offer to settle a claim, we may refuse to pay further costs and expenses. c. We may decide to pay an insured person the reasonable value of the claim that the insured person is claiming or is being claimed against them instead of starting or continuing legal action. In these circumstances an insured person must allow us to take over and pursue or settle a claim in their name. An insured person must allow us to pursue at our own expense and for their benefit, any claim for compensation against any other person and an insured person must give us all the information and help we need to do so.
<p>4. Assessing and recovering costs</p>	<ul style="list-style-type: none"> a. An insured person must instruct the appointed representative to have costs and expenses taxed, assessed or audited if we ask for this. b. An insured person must take every step to recover costs and expenses and court attendance and jury service expenses that we have to pay and must pay us any amounts that are recovered.
<p>5. Cancelling an appointed representative's appointment</p>	<p>If the appointed representative refuses to continue acting for an insured person with good reason or if an insured person dismisses the appointed representative without good reason, the cover we provide will end at once, unless we agree to appoint another appointed representative.</p>
<p>6. Withdrawing cover</p>	<p>If an insured person settles a claim or withdraws their claim without our agreement, or does not give suitable instructions to the appointed representative, we can withdraw cover and will be entitled to reclaim any costs and expenses we have paid.</p>
<p>7. Expert opinion</p>	<p>We may require you to get, at your own expense, an opinion from an expert, that we consider appropriate, on the merits of the claim or proceedings, or on a legal principle. The expert must be approved in advance by us and the cost agreed in writing between you and us. Subject to this we will pay the cost of getting the opinion if the expert's opinion indicates that it is more likely than not that you will recover damages (or obtain any other legal remedy that we have agreed to) or make a successful defence.</p>
<p>8. Arbitration</p>	<p>If there is a disagreement between you and us about the handling of a claim and it is not resolved through our internal complaints procedure and you are a small business, you can contact the Financial Ombudsman Service for help. Details available from www.financial-ombudsman.org.uk. Alternatively there is a separate arbitration process (this applies to all sizes of business). The arbitrator will be a barrister chosen jointly by you and us. If there is a disagreement over the choice of arbitrator, we will ask the Chartered Institute of Arbitrators to decide.</p>
<p>9. Keeping to the policy terms</p>	<p>An insured person must:</p> <ul style="list-style-type: none"> a. keep to the terms and conditions of this policy b. take reasonable steps to avoid and prevent claims c. take reasonable steps to avoid incurring unnecessary costs d. send everything we ask for in writing, and e. report to us full and factual details of any claim as soon as possible and give us any information we need.

10. Fraudulent claims	<p>We will, at our discretion, void the policy (make it invalid) from the date of claim, or alleged claim, and/or we will not pay the claim if:</p> <ol style="list-style-type: none"> a claim the insured person has made to obtain benefit under this policy is fraudulent or intentionally exaggerated, or a false declaration or statement is made in support of a claim. <p>Where the above circumstances apply, as part of our fraud prevention measures we will, at our discretion, also share information with other parties such as the police, government bodies and anti-fraud organisations.</p>
11. Claims under this policy by a third party	<p>Apart from us, you are the only person who may enforce all or any part of this policy and the rights and interests arising from or connected with it. This means that the Contracts (Rights of Third Parties) Act 1999 does not apply to the policy in relation to any third-party rights or interest.</p>
12. Other insurances	<p>If any claim covered under this policy is also covered by another policy, or would have been covered if this policy did not exist, we will only pay our share of the claim even if the other insurer refuses the claim.</p>
13. Law that applies	<p>This policy is governed by the law that applies in the part of the United Kingdom, Channel Islands or Isle of Man where your business is registered. Otherwise the law of England and Wales applies.</p> <p>All Acts of Parliament mentioned in this policy include equivalent laws in Scotland, Northern Ireland, the Isle of Man and the Channel Islands as appropriate.</p>

To provide and administer the legal advice service and legal expenses insurance **we** must process **your** personal data (including sensitive personal data) that **we** collect from **you** in accordance with **our** Privacy Policy.

To do so, **we** may need to send **your** information to other parties, such as lawyers or other experts, the court, insurance intermediaries, insurance companies, appointed service providers or members of the DAS UK Group. To give **you** legal advice, **we** may have to send information outside the European Economic Area.

In doing this, **we** will comply with the Data Protection Act 1998. **We** will not disclose **your** personal data to any other person or organisation unless **we** are required to by **our** legal and regulatory obligations, or for the prevention and detection of crime, including fraud and financial sanctions. To prevent and detect crime **we** may use and share **your** data with other organisations and public bodies, including the police and anti-fraud organisations.

For any questions or comments, or requests to see a copy of the information **we** hold about **you**, please write to the Group Data Protection Controller at **our** DAS Head Office address – **DAS** Legal Expenses Insurance Company Limited, **DAS** House, Quay Side, Temple Back, Bristol, BS1 6NH.

Section 4 – Management Liability Insurance

This is a claims made policy.
Please read it carefully.

In consideration of the payment of the premium or agreement to pay the premium and subject to the terms and conditions of this Section and any endorsements attached to this Section, the **Insurer** and the **Named Company** agree as follows:

Insuring Clauses

In respect of the following Insuring Clauses, the **Insurer** shall pay up to up to the **Limit of liability** stated in the Schedule for each Insuring Clause purchased in respect of any one **Single Claim**. For the avoidance of doubt, If the Schedule states that an Insuring Clause is “Not Applicable” then there is no coverage in respect of that Insuring Clause.

A.

1. DIRECTORS’ AND OFFICERS’ LIABILITY

The **Insurer** shall pay to or on behalf of any **Insured Person** any **Loss** resulting from a **Claim** first made during the **Period of Insurance**, (or **Discovery Period**, if applicable), against such **Insured**, except when and to the extent that the **Company** has paid such **Loss** to or on behalf of the **Insured Person** as indemnification or an advance payment.

2. COMPANY REIMBURSEMENT

The **Insurer** shall pay to or on behalf of any **Company** any **Loss** resulting from a **Claim** first made during the **Period of Insurance**, (or **Discovery Period**, if applicable) against an **Insured Person**, if the **Company** has paid such **Loss** to or on behalf of the **Insured Person** as indemnification or an advance payment.

B. CORPORATE LIABILITY

The **Insurer** shall pay to or on behalf of any **Company** any **Loss** resulting from a **Claim** other than any **Employment Practice Claim** first made during the **Period of Insurance**, (or **Discovery Period**, if applicable), against the **Company**.

C. COMPANY EMPLOYMENT PRACTICE LIABILITY

The **Insurer** shall pay to or on behalf of any **Company** any **Loss** resulting from an **Employment Practice Claim** brought or maintained against the **Company** in the United Kingdom and first made during the **Period of insurance** (or **Discovery Period**, if applicable).

Definitions Applicable to Section 4 only

Change in Control means,

1. the appointment of a receiver, administrator, or liquidator, or the equivalent in any jurisdiction, by or on behalf of the **Named Company**; or

2. the **Named Company** entering into any scheme of arrangement with its creditors; or
3. the **Named Company** merging with or consolidating into any other company; or
4. any person or company other than a **Company** acting alone or in concert:
 - i. acquiring ownership or control or assuming control pursuant to a written agreement with other shareholders of more than 50% of the voting rights in the **Named Company** and/or more than 50% of the outstanding shares representing the present right to vote for the election of the board of directors of the **Named Company** and/or assuming the right to appoint or remove the majority of the board of directors of the **Named Company**; or
 - ii. acquiring ownership of all or the majority of the assets of the **Named Company**.

Claim means,

1. any written demand for monetary or non-monetary relief; or
2. any civil (including arbitration and other alternative dispute resolution), criminal, regulatory or administrative proceeding, including any **Employment Practice Claim**,

against an **Insured** for one or more **Wrongful Act(s)**, deemed to be made upon receipt by or service upon the **Insured**, whichever is earlier, or

3. for the purposes of giving effect to Extension J only, any **Investigation**.

Company means,

1. the **Named Company**; or
2. any **Subsidiary**

Defence Costs means,

1. reasonable and necessary fees, costs and expenses incurred with the prior written consent of the **Insurer** (not to be unreasonably withheld or delayed), for which the **Insured** is legally liable to pay, including the reasonable premiums but not the collateral for any appeal bond, attachment bond or similar bond for any civil proceeding, resulting from investigating, adjusting, defending, appealing or otherwise participating in a **Claim**, but excluding salaries, wages, benefits or overhead expenses of directors, officers or **Employees** of the **Company** or costs or overhead expenses of the **Company** itself; and
2. for the purposes of giving effect to Extension (J) only, **Investigation Costs**

Discovery Period means,

the relevant period stated in the Schedule (if applicable) commencing immediately after the Expiration Date stated in the Schedule.

Employee means,
any natural person

1. who is or was under a contract of employment (whether full-time, part-time or otherwise) with the **Company** and whom such **Company** compensates by way of salary, wages and / or commission
2. who is or was an independent contractor; secondee; volunteer; or student pursuing studies or gaining work experience, but only if and to the extent that:
 - i. such natural person is under the direction and supervision of the **Company**; and
 - ii. the **Company** provides indemnification to such individual in the same manner as is provided to the natural persons referred to in (i) above

Employment Practice Claim means,
any **Claim** made against an **Insured** for a specified **Wrongful Employment Practice**.

Insured means,

1. for the purposes of Insuring Clause A, any **Insured Person**; and
2. for the purposes of Insuring Clauses B and C only, any **Company**.

Insured Person means,

any past, present or future natural person who was, is or shall become:

1. Director, officer, member, manager, trustee, non-executive director or de facto director (including any shadow director) of any **Company**; or
2. an **Outside Director**; or
3. an **Employee** of the **Company** but only with respect to any:
 - i. **Claim** for a **Wrongful Employment Practice**; or
 - ii. **Claim** where and during such time the **Employee** is a co-defendant along any person listed in 1 above; or;
 - iii. **Claim** in respect of a **Wrongful Act** actually or allegedly committed in a managerial or supervisory capacity.

Insured Person shall not include any insolvency practitioner or external auditor appointed on behalf of a **Company**.

Investigation means,

any formal or official hearing, investigation or inquiry by a governmental or judicial agency into the affairs of a **Company**, an **Outside Entity** or an **Insured Person** in their capacity as such, commenced by the receipt by an **Insured Person** of written documentation by the body empowered to investigate (in the case of the United States of America, the Securities and Exchange Commission, a subpoena or a Wells Notice):

1. at such time when there is no allegation of a **Wrongful Act** against the **Insured** and relating to any matters existing prior to the Expiration Date; and
2. that legally requires such **Insured Person** to attend such hearing, investigation or inquiry; or

3. in which the **Insured** is identified by an investigating authority as a subject of such hearing, investigation or inquiry.

Investigation shall not include routine regulatory supervision, inspection or compliance reviews or any investigation which focuses on an industry rather than a **Company**, **Outside Entity** or **Insured Person** in their capacity as such.

An **Investigation** shall be deemed first made when the **Insured Person** is first required to participate in, or formally identified as being subject to, such **Investigation**, whichever is the earlier.

Investigation Costs means,

any reasonable and necessary fees, costs and expenses incurred with the prior written consent of the **Insurer** (not to be unreasonably withheld or delayed), for which the **Insured** is legally liable to pay, but excluding salaries, wages, benefits or overhead expenses of directors, officers or **Employees** of the **Company** or costs or overhead expenses of the **Company** itself, in preparing for, or being represented at, an **Investigation**.

Limit of liability means,

the amount stated in the Schedule.

Loss means,

1. **Defence Costs**; and
2. any amounts that an **Insured** is legally obliged to pay as a result of a **Claim** including:
 - i. damages including, in respect of Insuring Clauses A and C only, punitive or exemplary damages and the multiplied portion of any multiplied damage award where lawfully insurable by the laws of the jurisdictions in which such sums are payable and in which such sums were ordered to be paid; and
 - ii. settlements, judgments, pre and post-judgment interest on a covered judgment or award, or awards of costs or other amounts.

Loss shall not include:

1. any fines or penalties, except, to the extent covered under Extension F, Civil Fines and Penalties; or
2. taxes (except under Insuring Clause A1 to the extent that personal liability of a director or officer for non-payment of corporate taxes is established by law in the jurisdiction in which the Claim is made and such liability constitutes a Non-Indemnifiable Loss); or
3. any kind of employment-related benefits; or
4. any amounts which are deemed uninsurable under the laws of the jurisdictions in which such sums are payable or in which such sums were ordered to be paid; or
5. in respect of Insuring Clause B only, any punitive or exemplary damages, the multiplied portion of any multiplied damage award, or any non-compensatory damages; or
6. in respect of Insuring Clause C only, any:

- i. compensation payable in respect of statutory notice period; or
- ii. compensation earned by the claimant in the course of employment, including but not limited to unpaid wages, salaries, overtime, reimbursement of **Employee's** expenses, social security, retirement benefits or pension benefits, vacation days or sick days and any amount the **Company** would have been liable for in the absence of a **Wrongful Act**; or
- iii. severance or redundancy pay; or
- iv. stock options owed pursuant to any agreement or any other incentive or compensation (including deferred compensation) whose value is imputed or derived from the value of the **Securities** of the **Company**, except and to the extent that a judgment or settlement of an **Employment Practice Claim** includes a monetary component measured by the value of stock options or security which did not vest due to the actual or alleged wrongful termination of the claimant; or
- v. amount for which the **Company** is not legally liable; or
- vi. amounts owing under or assumed by the **Company** pursuant to any express written contract or agreement; or
- vii. medical or insurance benefits, social security (or the equivalent thereof) to which a claimant allegedly was entitled or would have been entitled had the **Company** provided the claimant with a continuation or conversion of such benefits or Insurance; or
- viii. costs associated with complying with an order, judgment or award of, or agreement to provide non-monetary relief, including costs associated with providing reasonable accommodations or more accessible building or property.

Named Company means,
the entity designated as such in the Schedule.

Non-Executive Director means,
any natural person serving as a non-executive director of the **Named Company**

Non-Executive Director Extra Limit means,
the amount specified as such in the Schedule.

Non-Indemnifiable Loss means,
Loss that a **Company** is (i) legally prohibited from indemnifying the **Insured Person** for, or (ii) unable to indemnify due to its insolvency under Section 123 of the Insolvency Act 1986 or under the law that governs the insolvency of the **Company**.

Outside Director means,
any natural person employed by the **Company** who, at the specific request of the **Company**, serves as a director, officer, trustee, regent or governor of or in another equivalent executive position with an **Outside Entity**.

Outside Entity means,

- 1. any organisation, association or entity, run on a non-profit basis; or
- 2. any organisation, association, or entity in which a **Company** owns any but not more than 50% of the issued and outstanding shares representing the right to vote for the election of such **Outside Entity's** directors,

provided however, that **Outside Entity** shall not include:

- i. any organisation, association or entity incorporated, domiciled, or which derives more than 50% of its turnover in the United States of America or Canada; or
- ii. any organisation, association or entity having any of its **Securities** traded on any exchange; or
- iii. any financial institution (including any bank, depository institution, investment company, securities broker, dealer or underwriter, asset manager or insurance company),

other than such organisation, association, entity or financial institution which has with the express written consent of the **Insurer** been listed by endorsement to this Section.

Pollutants means,

any substance whether it be solid, liquid, gaseous, biological, radiological or a thermal irritant, or a toxic or hazardous substance, or a contaminant including but not limited to asbestos or asbestos products, mycota or by-products, lead or lead containing products, smoke, vapours, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals, air emissions, odour, waste water, oil, oil products, medical waste, radioactive material of any kind, and waste materials to be recycled, reconditioned or reclaimed.

Pollution means,

any actual, alleged or threatened discharge, dispersal, release or escape of any **Pollutants**

Proposal means,

the proposal(s) and any document, information or statement specifically made available to the **Insurer** for the purpose of its assessment of the risk to be covered under this Section, as well as any attachments, exhibits, or appendices thereto, which shall be deemed attached to and forming part of this Section, including any materials submitted in connection with such proposal, all of which are deemed a part of the Section.

Retaliation means,

an act of an **Insured** committed or allegedly committed against an **Employee** on account of such **Employee** exercising any rights in law, refusing to breach any law, opposing any unlawful practice, disclosing or threatening to disclose an alleged breach of law or assisting in, testifying in, or cooperating with a proceeding or investigation regarding an alleged breach of law.

Retired Director means, a director or officer who voluntarily ceased to hold such office prior to the Expiration Date stated in the Schedule other than a disqualified director or where directly related to a **Change in Control**.

Securities means, any of the following issued by the **Company**:

1. bonds, debentures, evidence of indebtedness, notes, shares, stocks or other equity or debt security; and
2. certificates of interest or participation in, receipts for, warrants or other rights to subscribe to or purchase, voting trust certificates relating to, certificates of deposit for, or other documentary evidence of interest in any of the securities referred to in 1. above.

Single Claim means, any one or more **Claim(s)** arising out of, based upon or attributable to the same, related or continuous or repeated **Wrongful Act**, and will be deemed first made at the time the earlier **Claim** was made. In respect of **Investigations** only, if two or more **Investigations** relate to the same or related or continuous or repeated events then they shall be regarded as a **Single Claim**.

Subsidiary means,

1. any entity with respect to which, at or before the inception of the **Period of Insurance**, and during such time that, the **Named Company**, either directly or indirectly, through one or more **Subsidiaries**:
 - i. owns more than 50% of the issued and outstanding shares of such entity; or
 - ii. controls more than 50% of the voting rights within such entity; or
 - iii. controls the right to vote for the election or removal of the majority of such entity's board of directors; and
2. any entity not included in (1) above but included under Extension B.

If an entity ceases to be a **Subsidiary** during the **Period of Insurance**, coverage under this Section shall only apply with respect to **Claims** for **Wrongful Acts** actually or allegedly committed, or **Investigations** in relation to events that actually or allegedly occurred or took place, during such time said entity is or was a **Subsidiary** as defined above.

Whistleblowing means, the protected providing of information by an **Insured** to certain public authorities as defined under Section 1514A of the United States Code (as inserted by Section 806 of the Sarbanes-Oxley Act 2002) or under any equivalent legislation in any jurisdiction.

Wrongful Act means,

1. For the purposes of Insuring Clause A only, any:

- a) actual or alleged act, error, misstatement, misleading statement, omission, breach of duty, breach of statute, civil or common law; or
- b) proposed act with respect to shareholder derivative actions only; or
- c) **Wrongful Employment Practice**,

by the **Insured Person** acting in their capacity as such or solely because of such capacity; or

2. For the purposes of giving effect to Insuring Clause B only, any actual or alleged act, error or omission by the **Company** in its capacity as such or solely because of such capacity, but not any **Wrongful Employment Practice**; or
3. For the purposes of Insuring Clause C only, any **Wrongful Employment Practice** by the **Company**.

Wrongful Employment Practice means, in relation to the **Company's Employees**, any actual or alleged:

1. wrongful or unfair dismissal or discharge or termination of employment, whether actual or constructive, including a related breach of express or implied terms of any contract of employment; or
2. employment-related misrepresentation; or
3. breach of any laws concerning employment or discrimination in employment; or
4. sexual harassment or other unlawful harassment in the work place; or
5. wrongful demotion or deprivation of career opportunity or failure to employ or promote; or
6. wrongful discipline of an **Employee** or **Retaliation**; or
7. failure to provide accurate references for **Employees**; or
8. failure to adopt adequate employment policies and procedures; or
9. employment-related libel, slander, defamation, injury to feelings, humiliation or invasion of privacy; or
10. employment-related breach of the Data Protection Act 1998 in respect of the personal data of any **Employee** or any similar legislation in any other jurisdiction.

Exclusions

Exclusions applicable to all Insuring Clauses within Section 4 only:

Unless otherwise specifically stated elsewhere in this Section, the **Insurer** will not be liable to make any payment for **Loss** in connection with any **Claim**:

A. Unlawful conduct

arising out of, based upon or attributable to:

1. the gaining by the **Insured** of any profit or advantage to which such **Insured** was not legally entitled; or
2. the commission by the **Insured** of any deliberately fraudulent or dishonest act.

This exclusion shall however only apply where the **Insured's** behaviour is established primarily or incidentally in a final adjudication by any court, tribunal, legal panel or regulator in the **Claim** or by a written admission of the **Insured**.

B. Bodily injury / Property damage

For bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused, or damage to or loss of or destruction of any tangible property including loss of use thereof;

This exclusion shall not apply to **Claim** alleging mental anguish or emotional distress caused by a **Wrongful Employment Practice**;

C. Pollution

arising out of, based upon or attributable to any **Pollution** or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**; provided, that this exclusion will not apply in respect of:

1. **Defence Costs** incurred in connection with such **Claim** up to the Sub-Limit stated in the Schedule; or
2. a **Claim** made by any **Securities** holder of the **Company**, either directly or derivatively.

D. Trustee Liability

arising out of, based upon or attributable to breach of trust, fiduciary duty or negligence in relation to any retirement, pension, profit sharing, welfare or employee benefit programme or scheme established by the **Company** for the benefit of its directors, officers or **Employees**, or for any breach of an **Insured Person's** responsibilities imposed by law in respect of the foregoing.

E. USA Insured v Insured

brought or maintained in the United States of America by, on behalf, at the instigation, or with the cooperation of, any **Company**, **Insured** or **Outside Entity**, unless such **Claim** is brought and maintained:

1. by an **Insured Person** alleging a **Wrongful Employment Practice**; or
2. by a Receiver or Manager appointed in respect of a **Company** in the framework of insolvency proceedings, directly or derivatively without the solicitation, voluntary assistance participation or co-operation of an **Insured** or an **Outside Entity's** directors or officers unless such solicitation, voluntary assistance participation or co-operation is required by law or protected as **Whistleblowing**; or
3. by an **Insured** for contribution or indemnity if the **Claim** directly results from another **Claim** covered under this Section; or
4. by way of shareholder derivative action on behalf of a **Company** or **Outside Entity**, without the solicitation, voluntary assistance, participation or co-operation of an **Insured** or an **Outside Entity's** directors or officers unless such solicitation, voluntary assistance participation or co-operation is required by law or protected as **Whistleblowing**; or
5. by a former director, officer or **Employee** of a **Company**; or
6. by an **Insured** or **Outside Entity** where if failing to do so such **Insured** or **Outside Entity** would incur legal liability.

This exclusion shall not apply to **Defence Costs**.

F. Prior notice

arising out of, based upon or attributable to facts or circumstances underlying or alleged, or to the same or related or continuous or repeated **Wrongful Acts** alleged or contained, in any matter which has been reported, or with respect to which any notice has been given, under any policy of which this Section is a renewal or replacement or which it may succeed in time.

G. Prior or pending litigation

arising out of, based upon or attributable to any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration, demand or adjudication as of the Continuity Date stated in the Schedule, or alleging or derived from the same or essentially the same facts or circumstances as alleged in such pending or prior proceeding, investigation, arbitration, demand or adjudication.

H. Professional Liability

alleging, arising out of, based upon or attributable to the **Company's** or an **Insured's** performance of or failure to perform professional services for others for a fee, or any act, error, or omission relating thereto.

This exclusion, however, shall not apply to;

1. any **Claim** made against an **Insured Person** by any **Securities** holder of the **Company**, either directly or derivatively: or
2. any **Claim** made against an **Insured Person** alleging a failure to supervise those who performed or failed to perform such professional services.

I. Public Offerings

arising out of, based upon or attributable to any public or private offering, solicitation or issuance by or on behalf of the **Company** of **Securities**, whether or not a prospectus has been issued, unless and to the extent the **Insurer** has given its prior written consent to the coverage of a specific transaction of this type and the **Named Company** has paid any additional premium and accepted any change in terms and conditions as required by the **Insurer**.

For the purposes of determining the applicability of the above Exclusions to **Insured Persons**, the behaviour of an **Insured Person** shall not be imputed to any other **Insured Person** except for Exclusions F and G.

Exclusions applicable only to Insuring Clause B, Corporate Liability, and to Insuring Clause C, Company Employment Practice Liability:

Unless otherwise specifically stated elsewhere in this Section, the **Insurer** will not be liable to make any payment for **Loss** in connection with any **Claim**:

J. Contractual Liability

arising out of, based upon or attributable to any actual or alleged breach of express or implied contract, agreement, guarantee or warranty except to the extent such liability would have attached to the **Insured** in the absence of such contract, agreement, guarantee or warranty.

Exclusions applicable only to Insuring Clause B, Corporate Liability.

K. Products Liability

arising out of, based upon or attributable to the use, performance or presence of any product manufactured, sold, distributed, installed or maintained by the **Company**.

L. Infringement of Patent and Copyright

arising out of, based upon or attributable to any actual or alleged infringement of copyright, patent, intellectual property, trademarks, trade secrets, misappropriation of ideas and/or disparagement of products.

M. Trading losses

arising out of, based upon or attributable to any trading losses or trading liabilities incurred by the **Company**.

N. Anti-trust

arising out of, based upon or attributable to price fixing, restraint of trade, monopolisation of unfair trade or predatory pricing.

O. Employment related liability

arising out of, based upon or attributable to **Wrongful Employment Practice**.

P. Documents or Data

arising out of, based upon or attributable to the repair, replacement or reconstitution cost of any document or data, directly or indirectly occasioned by any government or public or local authority action or order, or resulting from wear or tear, the action of vermin, gradual deterioration or magnetic flux or loss of magnetism (except where caused by lightning).

Q. Information Technology

arising out of, based upon or attributable to:

1. the failure of any computer or other electronic processing device or of any program, instruction or data for use in any computer or other electronic processing device, equipment or system to function in the way expected or intended; or
2. the transmission or receipt of any virus, program or code that causes loss or damage to any computer system and/or prevents or impairs its proper function or performance.

Exclusions applicable only to Insuring Clause C, Company Employment Practice Liability:

Unless otherwise specifically stated elsewhere in this Section, the **Insurer** will not be liable to make any payment for **Loss** in connection with any **Claim**:

R. Wage and Hour

arising out of, based upon or attributable to any actual or alleged violation of any provision of any law or regulation of any country which regulates any minimum wages, working time, workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, pension plans, retirement benefits, social security, or any amendments thereto, or any other similar provisions of any federal, state or local statutory or common law or any laws, rules and regulations promulgated in any other relevant jurisdiction.

S. Specific facts

arising out of, based upon or attributable to any actual or alleged violation of any provision of:

1. the United Kingdom Pensions Act 1995 and the United Kingdom Pensions Act 2004; or
2. the United Kingdom Trade Union and Labour Relations (Consolidation) Act 1992; or
3. the United Kingdom Transfer of Undertaking (Protection of Employment) Regulations 2006; or
4. the United Kingdom Health and Safety at Work Act 1974; or
5. any law or regulation of any country which regulates relations with unions, labour relations, collective and non-collective redundancy procedures, health insurance, health and safety at work or disability benefits law or any amendments thereto,

or of any other similar provisions of any federal, state or local statutory or common law or any laws, rules and regulations promulgated in any other relevant jurisdiction

Extensions

Subject always to the other terms, conditions and exclusions of this Section (unless specified otherwise), the following extensions are added to the Section:

Extensions applicable to all Insuring Clauses within Section 4 only:

A. Discovery Period

This Section shall be extended to cover **Claims** first made, or in the case of an **Investigation**, first commenced, subsequent to the **Period of insurance** but during any applicable **Discovery period**, solely for **Wrongful Acts** actually or allegedly committed, or in the case of an **Investigation**, circumstances which occurred, before the Expiration Date stated in the Schedule.

1. A **Discovery period** shall be afforded under the following conditions:
If, subsequent to the expiration of the **Period of insurance**, this Section is not renewed or replaced by any other policy affording directors' and officers' liability coverage, the **Insurer** will grant:
 - i. an automatic **Discovery Period** as stated in the Schedule solely for **Retired Directors** at no additional premium; and
 - ii. subject to written request to this effect and payment of the applicable additional premium before the Expiration Date stated in the Schedule by the **Named Company**, an optional **Discovery Period** as stated in the Schedule at the corresponding additional premium.

The additional premium shall be deemed to be fully earned as of the inception of the **Discovery Period**.
2. Any **Discovery Period** invoked shall be automatically cancelled upon the effective date or the date of execution of any other policy affording similar coverage to part or all of the **Insureds**, whichever is the earlier.
3. Rights to a **Discovery Period** shall automatically lapse upon a **Change in Control**.

4. There shall be no right for any **Discovery Period** in case of non-payment of premium.

B. New Subsidiaries

This Section shall be extended to include as a **Subsidiary**:

1. any entity acquired or created by the **Named Company** or any **Subsidiary** during the **Period of insurance** provided that the **Named Company** either directly or indirectly, through one or more **Subsidiaries**;
 - i. owns more than 50% of the issued and outstanding shares of such entity; or
 - ii. controls more than 50% of the voting rights within such entity; or
 - iii. controls the right to vote for the election or removal of the majority of such entity's board of directors,

unless such entity:
 - a. has any assets or is domiciled in the United States of America or Canada; or
 - b. has any listings of its **Securities** on any exchange; or
 - c. has total consolidated assets (as of the latest annual report and accounts) that exceed 10% of the total consolidated assets of the **Named Company**, as calculated in accordance with the **Named Company's** usual accounting policies, principles and practices; and
2. any other entity created or acquired by the **Named Company** during the **Period of insurance** for which the **Insurer** has at its sole discretion agreed, by endorsement to this Section, to include as a **Subsidiary**, upon the **Named Company's** providing sufficient details to permit the **Insurer** to assess and evaluate the potential increase in exposure, subject to prior payment by the **Named Company** of any reasonable additional premium and to any amendment to the Section terms required by the **Insurer**.

C. Emergency costs

The **Insurer** will waive the requirement for its prior written consent to the incurring of **Defence Costs** up to the maximum aggregate Sub-Limit stated in the Schedule where it was not reasonably practicable for the **Insured** to seek the **Insurer's** prior written consent.

Extensions applicable only to Insuring Clause A1, Directors and Officers Liability.

D. Non-Executive Directors cover

The **Insurer** shall pay to or on behalf of any **Non-Executive Director** any **Loss** resulting from a **Claim** first made during the **Period of insurance** up to the **Non-Executive Director Extra Limit** but only after exhaustion of:

1. the **Limit of liability**; and
2. any other available directors' and officers' or management liability cover whether written excess of the **Limit of liability** or otherwise; and
3. any other valid and collectible indemnification from any other source.

E. Management Buy-Out

If during the **Period of insurance** a **Subsidiary** ceases to be a **Subsidiary** due to a management buy-out, then upon written notification from the **Named Company** to the **Insurer** prior to such event and subject to the **Period of Insurance**, this Section shall provide coverage in respect of **Claims** for **Wrongful Acts** actually or allegedly committed, or circumstances occurring, during the 45 days immediately after the completion date of such buy-out

[Extensions applicable only to Insuring Clause A, Directors and Officers Liability and Company Reimbursement:](#)

F. Civil Fines and Penalties

This Section shall be extended to cover as **Loss** any civil fines or penalties it is legally obliged to pay as a result of a **Claim** where lawfully insurable by the laws of the jurisdictions in which such civil fines or penalties are payable and in which such fines or penalties were ordered to be paid

G. Health and Safety Defence

This Section shall be extended to cover **Defence Costs** incurred by any Insured Person in respect of any Claim made against such **Insured Person** for gross negligence manslaughter, or for any breach of any health and safety or equivalent legislation in any jurisdiction under which said **Insured Person** could be found liable by reason of their committing a relevant **Wrongful Act** in their capacity as a director, officer or **Employee** of the **Company**.

H. Estates, Heirs and Legal Representatives

This Section shall be extended to include as **Insured Persons** the estates, heirs, legal representatives or assigns of an **Insured Person** who is deceased or the legal representatives or assigns of an **Insured Person** who is incompetent, insolvent or bankrupt, to the extent that such person is subject to a proceeding solely by reason of an actual or alleged **Wrongful Act** of such deceased, incompetent, insolvent or bankrupt **Insured Person** and that such **Insured Person** would have been covered by this Section for **Loss** in the absence of their death, incompetence, insolvency or bankruptcy.

I. Spouses and Domestic Partners

This Section shall be extended to include as **Insured Person** the lawful spouse or domestic partner, including same sex relationship civil partnerships, of an **Insured Person** to the extent that such person is subject to a proceeding solely by reason of their ownership interest in property which a claimant seeks as recovery in respect of a **Claim** against such **Insured Person**.

[Extensions applicable only to Insuring Clause A, Directors and Officers Liability and Company Reimbursement, and Insuring Clause B, Corporate Liability:](#)

J. Investigation Costs

This Section shall be extended to cover the **Investigation Costs** of an **Insured Person** or a **Company** in respect of any **Investigation** first commenced during the **Period of insurance** (or **Discovery Period**, if applicable)

[Extensions applicable only to Insuring Clause B, Corporate Liability:](#)

K. Corporate Manslaughter

This Section shall be extended to cover the **Loss** of any **Company** resulting from any **Claim** first made against such **Company** during the **Period of insurance** (or **Discovery Period**, if applicable), based upon the Corporate Manslaughter and Corporate Homicide Act 2007 of the United Kingdom or for gross negligence manslaughter, or for any breach of any health and safety or similar legislation in any jurisdiction.

L. Corporate Bribery

This Section shall be extended to cover the **Loss** of the **Named Company** resulting from any **Claim** first made against the **Named Company** during the **Period of Insurance**, (or **Discovery Period**, if applicable), for any actual or alleged offence within the meaning specified in the 2010 UK Bribery Act or any amendment thereof committed or allegedly committed in the United Kingdom.

Notification and Claims Conditions applicable to Section 4 only

A. Notice

1. The **Insured** shall give written notice, including full details, to the **Insurer** of any **Claim** as soon as reasonably practicable within the **Period of Insurance**, (or **Discovery Period**, if applicable), and, where it has not been reasonably practicable for the **Insured** to give notice during the **Period of Insurance**, (or **Discovery Period**, if applicable), then notice shall be given within thirty (30) days of the date of expiration of the **Period of Insurance**, (or **Discovery Period**, if applicable).
2. If written notice of a **Claim** has been given to the **Insurer** as prescribed above, then any further **Claim** which arises out of, based upon or attributable to the same or related or continuous or repeated **Wrongful Acts** will be considered together with the earlier **Claim** as a **Single Claim** and will be deemed to have been first notified at the time of the original notice.
3. If, during the **Period of Insurance**, the **Insured** becomes aware of any circumstances which may reasonably be expected to give rise to a **Claim**, and gives written notice to the **Insurer** of such circumstances and the reasons for anticipating such a **Claim**, with full particulars as to dates, persons and entities involved, potential claimants and the consequences which have resulted or may result from any anticipated **Wrongful Act**, then any **Claim** subsequently arising out of, based upon or attributable to essentially the same circumstances or **Wrongful Acts** will be deemed to have been first made at the time notice was first given.
4. All notices under Claims condition A shall be in writing, referring to the Policy Number, and be made to the address set out in the Schedule.
5. Notification of **Claims** in compliance with this Claims Condition A is a condition precedent to the liability of the **Insurer** hereunder.

B. Defence and settlement of claims and consent

1. It is the duty of the **Insured**, not the **Insurer**, to defend **Claims**. The **Insurer** shall be entitled to participate fully in the investigation, defence and negotiation of any settlement of any **Claim**. In respect of any **Claim** brought or maintained by, on behalf of or at the instigation of any **Insured**, **Outside Entity** or the latter's directors or officers, the **Insurer** shall have the right (but not the duty) to control the investigation, defence and negotiation of any settlement of such **Claim**.

In the event of any disagreement arising between the **Insurer** and an **Insured** as to whether or not to contest or settle any legal proceedings or proceed with any appeal of a decision of a Court, then the parties agree that it shall be determined by a Queen's Counsel to be mutually agreed upon, or in default of agreement to be nominated by the Chairperson of the Counsel to be mutually agreed upon, or in default of agreement to be nominated by the Chairperson of the Bar Council. Such

Queens Council shall act as an expert and not an arbitrator and their determination shall be based upon the written submissions of the parties and shall be final and binding on the parties, There shall be no obligation on the Queens Council to provide reasons unless specifically requested by the **Insured** or the **Insurer**. The costs of any reference to determination shall be deemed to form part of the **Defence Costs**.

2. An **Insured** shall not admit or assume any liability, enter into any settlement agreement, consent to any judgment, pay any **Loss**, or otherwise incur any **Defence Costs** without the **Insurer's** prior written consent, which shall not be unreasonably withheld or delayed. The **Insurer** shall not be liable to pay any settlement incurred without its prior written consent.
3. The **Insured** shall provide to the **Insurer** all information, assistance and cooperation with regard to a **Claim**.
4. The **Insurer** shall advance **Defence Costs** on an as-incurred basis in respect of covered **Claims**. If it is finally determined that any such **Defence Costs** so advanced are not covered under this Section, the **Named Company** shall repay such amounts to the **Insurer**.

C. Allocation

1. The **Insurer** shall pay only those amounts or portions of **Loss** allocated to covered matters claimed against the **Insured**. If the **Insured** incurs any **Loss** arising out of a **Claim** that includes both matters covered and matters not covered by this Section, or that is made against both covered and non-covered parties, the **Insured** and the **Insurer** shall use their best efforts to determine a fair and proper allocation of the proportion of the **Loss** covered hereunder, taking into account the relative legal and financial exposures of the parties to the **Claim** and the relative benefits to be obtained by the resolution of the **Claim**.
2. If an allocation cannot be agreed between the **Insured** and the **Insurer**, then the parties agree that it shall be determined, having regard to the principles stated in this Claims Condition, by a Queen's Counsel to be mutually agreed upon, or in default of agreement to be nominated by the Chairperson of the Bar Council. Such Queen's Counsel shall act as an expert and not an arbitrator and their determination shall be based upon the written submissions of the parties and shall be final and binding on the parties. There shall be no obligation on the Queen's Counsel to provide reasons unless specifically requested by the **Insured** or the **Insurer**.
3. The costs of any reference to expert determination under this Claims Condition shall be borne equally by both the **Insured** and the **Insurer**.

D. Priority of payments

If the **Insurer** is liable to pay **Loss** covered under more than one Insuring Clause, then it shall pay such **Loss** in the order it falls due. However, where it appears reasonably likely the **Limit of liability** shall become exhausted by payments of **Loss** the **Insurer** shall, subject to the **Limit of liability** and unless compelled otherwise by law or any judicial or regulatory order, pay **Loss** in the following order:

1. to or on behalf of an **Insured Person** under Insuring Clause A1; then
 2. to or on behalf of any **Company** under Insuring Clause A2; then
 3. to or on behalf of any **Company** under Insuring Clauses B and C.
- E. Subrogation and recoveries**
1. In the event of any payment under this Section, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery. The **Insured** shall execute all papers required and do everything reasonably necessary to secure such rights and to enable the **Insurer** to bring any recovery action or suit as reasonably required by the **Insurer**.
 2. Any recovery received shall first be applied against any payment made by the **Insurer** with any balance remaining thereafter being remitted to or retained by the **Insured** or the **Company**, as applicable.
 3. The **Insurer** shall not exercise any right of subrogation against an **Insured Person** unless Exclusion A applies to such **Insured Person**.

General Conditions applicable to Section 4 only:

A. Change in control and automatic run-off

If, during the **Period of Insurance**, a **Change in Control** occurs, then coverage under this Section will continue in full force and effect until the end of the **Period of insurance** with respect to **Claims** for **Wrongful Acts** committed or allegedly committed, and to **Investigations** in relation to events that actually or allegedly occurred or took place, before the effective date of such **Change in Control**, but coverage will cease with respect to **Claims** for **Wrongful Acts** committed or allegedly committed, and to **Investigations** in relation to events that actually or allegedly occurred or took place, thereafter (unless otherwise agreed to by the **Named Company** and the **Insurer**) and the premium will be considered fully earned in consideration of the coverage provided.

B. Limit of liability and retention

1. **Limit of liability** and Sub-Limits:
 - a. The **Insurer's** total liability under this Section for all **Loss** shall not exceed the sum(s) stated in the Schedule for each Insuring Clause in respect of any one **Single Claim**.
 - b. Notwithstanding paragraph 1(a) above:

- i. in respect of all claims brought or maintained in the United States of America, the **Insurer's** total liability, in the aggregate during the **Period of insurance**, under this Section for all **Loss** shall not exceed the sum(s) stated in the Schedule for each Insuring Clause. Any payment of **Loss** under a Insuring Clause shall erode the applicable **Limit of liability**;
 - ii. in respect of all **Claims** first notified during the **Discovery Period**, the **Insurer's** total liability, in the aggregate, under this Section for all **Loss** shall not exceed the sum(s) stated in the Schedule for each Insuring Clause. Any payment of **Loss** under an Insuring Clause shall erode the **Limit of liability**;
 - iii. in respect of all payments made for **Non-Executive Director Extra Limit**, the **Insurer's** total liability, in the aggregate during the **Period of Insurance**, under this Extension for all **Loss** shall not exceed the sum(s) stated in the Schedule.
- c. The **Insurer** shall have no liability in excess of the **Limit of liability** applicable to the Insuring Clause in question, irrespective of the number of **Claims**, **Insureds** or amount of any **Loss**.

- d. All Sub-Limits stated in the Schedule are aggregate for the whole **Period of insurance** (and **Discovery Period** if applicable) regardless of the number of **Claims** and are part of and not in addition to the **Limit of liability** applicable to the relevant Insuring Clause

2. Retentions:

- a. The **Insurer** will be liable only for the amount of **Loss** which exceeds the Retention stated in the Schedule. Such Retention is to be borne by the **Insured** and remains uninsured.
- b. A Retention shall not apply to **Non-Indemnifiable Loss** covered under Insuring Clause A1. All other **Loss** covered under Insuring Clause A1 shall be subject to a Retention to be repaid by the **Company** to the **Insurer** but not to be applied against the **Insured Person**.
- c. In the event that a **Claim** is covered under more than one Insuring Clause, a single Retention amount will apply to all **Loss** resulting from such **Claim**, which shall be the highest of the applicable Retention amounts.

C. Other insurance and indemnification

1. This Section shall always apply in excess of any other valid and collectible insurance or indemnification available to the **Insured**.
2. Coverage for **Claims** against an **Outside Director** will be specifically in excess of, and will not contribute with:

- a. any insurance policy purchased by the **Outside Entity** that provides similar coverage to such **Outside Director** (if such other insurance is provided by the **Insurer**, then the **Limit of liability** for **Loss** under this Section shall be reduced by the amount paid for the benefit of the **Outside Entity** and/or the **Outside Director** under the other insurance provided by the **Insurer** to the **Outside Entity**); and
- b. any other indemnification from any other source to such **Outside Director**.

D. Representations and severability

1. The information, particulars and statements contained or referred to in the **Proposal** were material to the acceptance by the **Insurer** of the risk assumed under this Section and have been relied upon by the **Insurer**.
2. For the purposes of determining the entitlement to cover under or avoidance of this Section in respect of an **Insured**:
 - a. With respect to Insuring Clause A, no knowledge or information possessed by, or conduct of, any **Insured Person** will be imputed to any other **Insured Person**;
 - b. With respect to Insuring Clauses B and C:
 - i. the statements made by, information or knowledge possessed by and any conduct of any chief executive officer or chief financial officer (or the equivalent executive or management position) of the **Named Company** shall be imputed to all **Companies**; and
 - ii. the knowledge and conduct of any chief executive officer or chief financial officer (or the equivalent executive or management position) of any other **Company** at the Inception Date shall be imputed to such **Company**.

E. Notices and Authority

1. The **Named Company** shall act on behalf of all **Insureds** with respect to the giving and receiving of any notice required under this Section, the payment of all premiums, the allocation of **Loss**, authorisations and disclosures in respect of the personal data, the declaration of risk and execution of this Section and any amendments thereto.

2. In the event of a **Claim** by the **Named Company** or where, in relation to a **Claim**, the **Named Company** has some other conflict of interest, an **Insured Person** may withdraw their consent to the **Named Company** acting on their behalf with regard to the handling of such **Claim**, and elect to communicate directly with the **Insurer**; the **Insurer** shall have no obligation to communicate with any other **Insured** concerning such **Claim**.

F. Entire Agreement

By acceptance of this Section, the **Insured** and the **Insurer** agree that this Section (including the **Proposal** and any materials submitted therewith) and any written endorsements attached hereto constitute the sole and entire agreement between the parties with respect to this insurance. Any prior agreement or understanding between the parties is therefore no longer valid.

G. Territory

Unless prohibited by law, sanction or regulation

- i. In respect of Insuring Clause A (Directors & Officers Liability and Company Reimbursement) this Policy applies to **Wrongful Acts** actually or allegedly taking place or **Claims** made anywhere in the world
- ii. In respect of Insuring Clause B (Corporate Liability) and C (Company Employment Practices Liability) this Policy applies to **Wrongful Acts** actually or allegedly taking place or **Claims** made and **Wrongful Acts** committed in the European Union only.

Unless prohibited by law, sanction or regulation

- iii. In respect of Insuring Clause A (Directors & Officers Liability and Company Reimbursement) this Policy applies to **Wrongful Acts** actually or allegedly taking place or **Claims** made anywhere in the world
- iv. In respect of Insuring Clause B (Corporate Liability) and C (Company Employment Practices Liability) this Policy applies to **Wrongful Acts** actually or allegedly taking place or **Claims** made and **Wrongful Acts** committed in the European Union only.

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