

**Pest control
contractors /**



Policy wording

March 2018

redefining / standards



Contents

Welcome to AXA	3
Your policy	3
rradar advisory service and important phone numbers	4
Meanings of defined terms	8
Policy conditions	10
<hr/>	
Sections of cover	
Public and products liability section	14
Employers' liability section	21
Professional indemnity section	24
Property definitions section	37
Property – portable tools and equipment section	39
Property – contents section	43
Property – Buildings section	49
Property – business interruption section	54
Directors' and officers' liability section	58
Employment practices liability section	69
Company legal liability section	78
Personal accident and illness section	90
Terrorism section	94
<hr/>	
Making a complaint	97

Welcome to AXA

Welcome to AXA

Thank **you** for choosing AXA. Please read carefully all documents that **we** have provided and keep them in a safe place.

If **you** have any questions, need anything explaining or believe this contract does not meet **your** needs, please contact **us**.

Your policy

Your policy is divided into a number of sections. The sections of cover that apply are shown under **your** cover summary which is in the schedule. **Your** cover summary contains a list of sections available, but only those shown as 'insured' apply. Where a section does not apply **your** cover summary will state that it is 'not insured' and this section will not be included within the **policy**.

Your policy is a contract of insurance between **you** and **us** and **you** have a duty to make a fair presentation of the risk to **us** in accordance with the law.

The **policy** describes the cover for which **we** have accepted **your** premium. The **policy** wording, schedule and any endorsements must be read together.

Your policy is renewable provided **we** agree to accept **your** premium for any subsequent **period of insurance**. A new schedule will be issued for each **period of insurance** showing any changes to **your** cover.

Throughout **your policy**, **we** use defined terms. Defined terms are used to explain what a word means and are highlighted in bold blue print.

Headings have been used for **your** guidance to help **you** understand the cover provided. The headings do not form part of the contract.

Under the heading 'What is covered' **we** give information on the insurance provided. This must be read with 'What is not covered', the **policy** conditions and any conditions of cover that are applied to each section.

Under the heading 'What is not covered' **we** draw **your** attention to what is excluded from **your policy**.

Making a claim

If **you** need to make a claim please first check **your policy** to make sure **you** are covered. **You** must then follow the Claims notification condition and Claims procedures condition of pages 10 and 11 of this section, headed Policy conditions.

Please contact **your** insurance adviser who will help **us** deal with **your** claim.

Making a complaint

If **you** are not happy with the way a claim or any other matter has been dealt with, please read 'Making a complaint' on page 97 of this **policy**.

rradar advisory service and important phone numbers

Only applicable to Directors and Officers Liability section, Employment practices liability section and Company legal liability section of **your policy**.

rradar assistance included in your policy

Access to **rradar**, an award-winning legal, regulatory and risk management advice company, is included in **your policy**. **rradar** gives **you** the tools and support to confidently run **your** business in compliance with relevant legislation, whilst expertly guiding **you** to safety if problems do arise.

Whether **you're** worried about a business-related legal issue, or **you'd** like to know more about spotting or managing potential legal pitfalls, **rradar** can help. At any stage of **your policy**, **rradar** can answer **your** questions, educate **your** business or assist with any specific concerns or investigations against **you**, whilst offering advice on the full remit of legal and regulatory issues which could face **your** business, including:

- **Human resources and employment**
- **Health and safety regulation**
- **Waste and environmental regulations**
- **Taxation**
- **Money laundering, fraud, bribery and corruption, anti-competitive practices**
- **Legal advice on a wide range of areas** including corporate governance, directors' and shareholders' duties, contracts, intellectual property, data protection and cybercrime, financial crime, motoring and criminal offences.

How to use rradar

Whether **your** front-line supervisor has a quick, query on-the-go, or **your** Board needs an in-depth conversation on its legal position, there should be a way to access **rradar** which suits **your** business needs. **Every business can face risk and loss, so please use the information below to get the assistance, training and legal freedom which you deserve, today.**

rradar station: expert, friendly advice

Enquiry line: **0800 955 6111** (Mon-Fri 8am-6pm)

Email: contactus@rradar.com

(responses during **rradar** station hours)



rradar station's telephone and email enquiry lines are available for **you** and **your** nominated employees to use as many times as **you** would like; offering **your** business the very best in business related regulatory or legal advice.

rradar advisory service and important phone numbers continued

Only applicable to Directors and Officers Liability section, Employment practices liability section and Company legal liability section of **your policy**.

Staffed by UK based experts including HR professionals, health and safety specialists and former tax inspectors, as well as leading accountants, solicitors and barristers, **rradar station** offers advice on HR and employment matters, every business-related regulator, allegation, investigation and prosecution, as well as commercial disputes.

To access: call **0800 955 6111** or email **contactus@rradar.com** and quote **your policy** number.

rradar station: online resources, tools, training and information for you

Online resources: www.rradar.com (available 24/7, see log-in details below)



You and any employees who **you** authorise, also have unlimited access, at any time, to **rradar station's** online digital resources. **rradar station** online is packed full of easy to read compliance and risk management information, including templates, draft contracts of employment, specimen letters, 'how to' articles, case studies, video training process guides, policies and more.

rradar station also provides online training and education resources to simplify law and regulation for **you** and **your** employees, so **you** can feel more informed to take compliance and risk management business decisions.

Login via www.rradar.com **You** will need **your policy** number to log in.

rradar grace: your virtual legal assistant, for information on the go

Download 'grace' in the App or Play store and log in with **your rradar** station online details



rradar grace is **your** business' virtual legal assistant: for instant legal support, no matter where or when **you** need it. Download **grace** as an app to **your** smart device/phone, or use her online and she will deliver **you** guidance, tools and templates, at the verbal ask of **your** question or the click of a button. **grace** is constantly learning from **our** legal and risk management experts to increasingly support **your** business areas. She will also become more helpful and tailored to **your** business needs, the more **your** business works with her. **grace is a world-first, pioneering tool to free your business from legal fear and is available to you now, under this policy.**

rradar advisory service and important phone numbers *continued*

Only applicable to Directors and Officers Liability section, Employment practices liability section and Company legal liability section of **your policy**.

rradar crisis legal helpline: helping you at the toughest times

Crisis helpline: **0800 955 6222**



Should an incident occur, **rradar's** experienced team of expert defence and investigation lawyers and industry experts are on hand to help **you** when **you** need expert legal advice: 24 hours a day, 7 days a week, 365 days a year.

The **rradar** legal team have experience of defending every type of investigation or prosecution in every court and by every regulator. Advice can be provided over the phone, by email, or face to face wherever needed. **rradar** will provide on-going support throughout a case and aim to provide advice to prevent the same problem from happening again in the future.

All incidents that require instant defence or investigation expertise covered under **your policy** have immediate access to **rradar's** expert team.

For crisis assistance call **0800 955 6222** and quote **your policy** number.

rradar: always supporting you

rradar's purpose is entirely focussed on supporting **you** and **your** business. Through the ever-expanding legal support which **you** need and updating the key resources and support tools available to **you** at least four times a year, meaning **your policy** never stops improving. Please also regularly visit **www.rradar.com** for more information including upcoming education pieces, reporting tools, podcasts, webinars and more.

In addition to the assistance included in **your policy**, **rradar** can provide a review of documents and can support **you** in the drafting and production of documents. **rradar** can also provide expert legal advice and representation for issues falling outside the scope of **your policy**, as well as bespoke legal education, support or training for **your** organisation. A simple fixed fee will be agreed with **you** before any work begins.

Legal privilege: peace of mind for you

rradar is a fully authorised and regulated legal practice. This means that legal advice, or communication with **rradar** because of specific claims against **you**, may not be disclosed in related legal proceedings.

rradar advisory service and important phone numbers *continued*

Only applicable to Directors and Officers Liability section, Employment practices liability section and Company legal liability section of **your policy**.

Crisis public relations advice

Crisis PR advice is available when making a **claim** under **your policy**.

**Please contact rradar for crisis PR access: 0800 955 6111
(Mon-Fri 8pm-6pm) or 0800 955 6222 (crisis line – outside office hours)**

Meanings of defined terms

These meanings apply throughout **your policy** with the exception of the Professional Indemnity section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used. There may be additional defined meanings in each section. The meanings that apply to the Professional Indemnity section can be found on page 24.

Business

Your business or profession as shown in the schedule.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Data

Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Date recognition

Any failure by any equipment (including any hardware or software) to correctly recognise any given date or to process any data or to operate properly due to any failure to correctly recognise any given date.

Defined peril

Fire, lightning, explosion, aircraft or other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank, apparatus or pipe or impact by any road vehicle or animal.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Endorsement

A change to the terms of the **policy**.

Excess

The first amount of any claim or claims which **you** are responsible for.

Hacking

Unauthorised access to any **computer systems**, whether **your** property or not.

Period of insurance

The period from the start date to the expiry date shown in **your** schedule.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Policy

Policy, schedule and **endorsement** attached or issued.

Policy territories

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

Meanings of defined terms *continued*

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

We/us/our

AXA Insurance UK plc.

You/your/yourself

The person(s), firm, company or organisation shown on your schedule.

Policy conditions

These conditions apply throughout **your policy** with the exception of the Professional Indemnity section. The conditions which apply to the Professional Indemnity section can be found on page 24.

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions

- 1 Cancel **your policy**
- 2 Declare **your policy** void (treating **your policy** as if it had never existed)
- 3 Change the terms of **your policy**
- 4 Refuse to deal with all or part of any claim or reduce the amount of any claim payments.

There are additional conditions under each section of cover.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Applicable law condition

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales apply. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Cancellation condition

- 1 **You** may cancel **your policy** within 14 days of receiving **your policy** in the first **period of insurance** if for any reason **you** are dissatisfied or the **policy** does not meet **your** requirements.
- 2 **You** may cancel **your policy** at any time if the **business** is sold by **you** or **you** cease trading or **you** sell all the property insured shown in **your** schedule.
- 3 **We** can cancel **your policy**
 - a at any time by giving 21 days' written notice to **your** last known address
 - b immediately without giving **you** notice if the premium has not been paid to **us**.

Where **your policy** is cancelled in accordance with any of the above provisions, **we** will refund part of the premium paid, proportionate to

the unexpired **period of insurance** following cancellation, provided that no claim has been paid or is outstanding in the current **period of insurance**.

Cancellation of **your policy** will not affect any claims or rights **you** or **we** may have before the date of cancellation.

We do not have to offer renewal of **your policy** and cover will cease on the expiry date.

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** of any change

- 1 to the **business**
- 2 in the person, firm, company or organisation shown in **your** schedule as the insured
- 3 to the information **you** provided to **us** previously or any new information that increases the risk of loss as insured under any section of **your policy**.

Your policy will come to an end from the date of the change unless **we** agree in writing to accept an alteration.

We do not have to accept any request to vary **your policy**. If **you** wish to make any alteration to **your policy you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance. If **we** accept any variation to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims notification condition

You must

- 1 as soon as practical
 - a give **us** notice of any circumstances which might lead to a claim under **your policy**
 - b give **us** all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal document served upon **you**
 - b tell **us** about any prosecution, inquest or fatal accident inquiry or dispute

Policy conditions *continued*

for referral to adjudication or court proceedings in connection with any potential claim under **your policy**

- c** notify the police of any loss or damage that has been caused by malicious persons, thieves, rioters, strikers or vandals.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Claims procedures condition

- 1** **You** must take or allow others to take practical steps to prevent further injury, loss or damage, recover property lost and otherwise minimise the claim.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing of any injury, loss or damage and any further information or declaration **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a claim
 - c** details of any other relevant insurances.
- 3** **You** may not accept, negotiate, pay, settle, admit or repudiate any claim without **our** written consent.
- 4** Following a claim **you** must allow **us** or anyone authorised by **us**
 - a** access to premises
 - b** to take possession of, or request delivery to **us** of any property insured.
- 5** **You** may not abandon any property to **us**.
- 6** **We** will be allowed complete control of any proceedings and settlement of the claim.

We will not pay **your** claim where **you** have not complied with this condition.

Fair presentation of risk condition

You have a duty to make a fair presentation of the risk which **you** wish to insure. This applies prior to the start of **your policy**, if any variation is required during the **period of insurance** and prior to each renewal. If **you** do not comply with this condition then

- 1** If the failure to make a fair presentation of the risk is deliberate or reckless **we** can elect to make **your policy** void and keep the

premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premiums, or

- 2** If the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would not have provided cover had **you** made a fair presentation, then **we** can elect to make **your policy** void and return **your** premium or
- 3** If the failure to make a fair presentation of the risk is not deliberate or reckless and **we** would have issued cover on different terms had **you** made a fair presentation of the risk then **we** can:
 - a** reduce proportionately any amount paid or payable in respect of a claim under **your policy** using the following formula. **We** will divide the premium actually charged by the premium which **we** would have charged had **you** made a fair presentation and calculate this as a percentage. The same percentage figure will be applied to the full amount of the claim to arrive at the proportion of the claim to be paid or payable; and/or
 - b** treat **your policy** as if it had included the different terms (other than payment of the premium) that **we** would have imposed had **you** made a fair presentation.
- 4** Where **we** elect to apply one of the above then
 - a** if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal
 - b** **we** will apply the formula calculated by reference to the premium that would have been charged to claims from the start of the **policy**, or the date of variation or from the date of renewal
 - c** **we** will treat the **policy** as having different terms imposed from the start of the **policy**, or the date of variation or from the date of renewal

depending on when the failure to make a fair presentation occurs.

Policy conditions *continued*

Fraud condition

You and anyone acting for **you** must not act in a fraudulent way.

If **you** or anyone acting for **you**:

- 1** knowingly makes a fraudulent or exaggerated claim under **your policy**;
- 2** knowingly makes a false statement in support of a claim (whether or not the claim itself is genuine); or
- 3** knowingly submit a false or forged document in support of a claim (whether or not the claim itself is genuine)

we will:

- a** refuse to pay the claim
- b** declare **your policy** void from the date of the fraudulent act without any refund of premiums.

We may also inform the police of the circumstances.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a claim has been made or there has been any incident likely to lead to a claim during the current **period of insurance** the annual premium remains due in full.

Other insurance condition

If a claim is made under **your policy** and there is other insurance cover for which **you** are, or would be but for this **policy**, entitled to have a claim paid under the other insurance, **we** will at **our** option, either pay

- 1** a proportionate share of the claim
- or
- 2** an amount beyond that which is or would be payable under the other insurance.

Policy administration fees condition

We may charge **you** an administration fee if **we**

- 1** make any changes to **your policy** on **your** behalf
- 2** agree to cancel **your policy**, or
- 3** are requested to print and re-send **your policy** documents to **you**.

We will not make a charge without informing **you**.

Reasonable care condition

You must take reasonable steps to

- 1** prevent or protect against injury, loss or damage
- 2** keep **your** premises, machinery, plant and equipment and all other property insured in good condition and in full working order
- 3** remedy any defect or any danger that becomes apparent, as soon as possible.

If required by **us**, **you** must allow access to **your** premises and/or activities of **your business** to carry out inspection or survey. **You** must complete any risk improvements that **we** ask for, within a reasonable period of time advised by **us**.

We will not pay **your** claim where **you** have not complied with this condition.

Renewal term agreement condition

If **your** schedule shows that a renewal term agreement is operative, certain terms and conditions have been agreed by **you** and **us** that regulate the annual premium at which **we** will offer renewal. The agreement is included as part of the insurance contract and if **we** offer renewal in accordance with the agreement **you** agree that **your policy** will be renewed each year up to the expiry date of the agreement shown in **your** schedule.

Policy conditions *continued*

Sanctions condition

This contract of insurance is subject to sanction, prohibition or restriction under United Nations resolutions. It is a condition of **your policy** that **we** will not provide cover, or pay any claim or provide any benefit under **your policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us**, or **our** parent, subsidiary or any AXA group member company, to any trade or economic sanctions, or violate any laws or regulations of the United Kingdom, the European Union, the United States of America or any other territory.

Subrogation (our rights) condition

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**.

Third party rights condition

This contract is between **you** and **us**. The rights under this contract will not be enforceable by any other party because of the Contract (Rights of Third Parties) Act 1999.

Public and products liability section

Contents of this section

Meanings of defined terms	14
What is covered	15
What is not covered	17
How much we will pay	19
Section conditions	20

Meanings of defined terms

These meanings apply within **your** Public and products liability section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section can be found on pages 8 and 9 of **your policy**.

Bodily injury

Death, or any bodily or mental injury or disease of any person.

Clean-up costs

The costs incurred by **you** of remediation required by any governmental, administrative or regulatory body to remedy the effects of **pollution** which changes the state of:

- a** the land; or
- b** the atmosphere; or
- c** any watercourse or body of water; or
- d** any building or other structures.

Defence costs

Costs incurred with **our** prior written agreement to investigate, settle or defend a claim against **you**.

Denial of access

Nuisance, trespass or interference with any easement or right of air, light, water or way.

Financial loss

Damages **you** would legally have to pay as compensation as a direct result of **your business**.

Personal injury

False arrest, detention or imprisonment; malicious prosecution; wrongful entry into, or eviction of a person from, a room, dwelling or premises that they occupy; invasion of any rights of privacy, libel and slander.

Pollution

Any pollution or contamination, including noise, electromagnetic fields, radiation and radio waves.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Products

Any goods supplied to others which were sold, supplied, distributed, manufactured, constructed, tested, serviced, maintained, repaired, installed, erected, altered, cleaned or treated by **you**.

Property damage

Physical loss of or injury to or destruction of tangible property including the resulting loss of use of such property.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

Tool of trade

Mobile plant or equipment being used where insurance or security is not required under the provisions of any road traffic legislation.

You/your

Also includes any person who was, is or during the **period of insurance** becomes your partner or director or senior manager in actual control of your operations.

✓ What is covered

Claims against you cover

If, as a result of **your business**, any party brings a claim against **you** for:

- a** **bodily injury** or **property damage** occurring during the **period of insurance**;

- b** **personal injury** or **denial of access**

committed during the **period of insurance**;

we will indemnify **you** against the sums **you** have to pay as compensation including loss of practice, custom or trade.

This includes a claim against any person acting on **your** behalf in connection with **your business** under **your** control or supervision.

Claims against principals cover

If, as a result of **your business**, any party brings a claim, which falls within the scope of **What is covered**, **Claims against you** against **your principal** and **you** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to the **principal** that **we** would have made to **you**, provided that the party to be indemnified:

- a** has not, in **our** reasonable opinion, caused or contributed to the claim against them;
- b** accepts that **we** can control the claim's defence and settlement in accordance with the terms of this section;
- c** has not admitted liability or prejudiced the defence of the claim before **we** are notified of it;
- d** gives us the information and co-operation **we** reasonably require for dealing with the claim.

Clean-up costs cover

We will pay the **clean-up costs** of **pollution** by **you** as a result of **your business**, but **we** will not make any payment for **clean-up costs**:

- 1** unless the **pollution** is caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**;
- 2** which are not intended to curtail or minimise further **pollution** or prevent further significant **property damage** or **bodily injury**;
- 3** to remedy the condition of any property owned, leased or rented by **you**;

- 4 arising out of **pollution** occurring outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland;
- 5 to reinstate or reintroduce any flora or fauna;
- 6 which improve the condition of the land, atmosphere, watercourse, body of water, building or structure beyond that required by any governmental, administrative or regulatory body.

Court attendance cover

If any person within the definition of **you**, or any other relevant party chosen by **you** (except expert witnesses) has to attend court as a witness in connection with a claim against **you** covered under this section, **we** will pay **you** compensation at the rate of £500 per day for each day that their attendance is required by **our** solicitor.

Criminal proceedings including corporate manslaughter cover

If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you** or any employee of **yours** provided that **property damage** or **bodily injury** has occurred which falls within the scope of **What is covered, Claims against you** under this section.

Cross liability cover

Where the insured named in the schedule comprises of more than one party **we** will provide indemnity to each in the same manner and to the same extent as if a separate policy had been issued to each, provided that the total amount payable shall not exceed the limit of indemnity.

Data Protection cover

We will cover the amount of compensation which **you** are legally liable to pay in respect of **personal injury** occurring during the **period of insurance**, arising from holding personal data, or, as a result of any loss, misuse or

unauthorised disclosure of personal data held by **you** in the course of the **business**.

We will only pay

- 1 amounts of compensation which **you** are ordered to pay, or which **you** might reasonably be expected to pay by a court having jurisdiction
- 2 if **you** are registered or are in the process of registration (and the application has not been refused or withdrawn) under Data Protection legislation within the **policy territories**.

We will not cover

- 1 fines or penalties imposed by a court
- 2 the costs of any appeal against the refusal of an application for registration or alteration, in connection with the Data Protection legislation or any enforcement, de-registration or prohibition notice
- 3 the cost of replacing, reinstating, rectifying or erasing any personal data
- 4 refund of monies paid to **you** by any claimant
- 5 compensation costs and expenses covered by any Legal Expenses insurance.

The maximum **we** will pay for compensation, costs and expenses in total, as a result of all occurrences during any one **period of insurance**, is £250,000.

Defamation cover

If, during the **period of insurance** and as a result of **your business**, any party brings a claim against **you** for defamation, **we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment under this clause:

- a for any claim which arises out of circumstances notified to **your** previous insurers or which are known to **you** at inception;
- b for any claim which arises out of any statement which **you** knew, or ought reasonably to have known, was defamatory at the time of publication.

Loss of keys cover

We will indemnify **you** for sums **you** have to pay as compensation for **your** customers' financial losses following the loss of their keys or electronic passcards whilst in **your** possession during the **period of insurance**.

Motor contingent liability cover

If any party brings a claim against **you** for **bodily injury** and or **property damage** occurring during the **period of insurance** and arising from any mechanically propelled vehicle or any trailer attached to it being used in connection with **your business** within the **policy territories**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

We will not make any payment under this clause for any claim:

- 1** arising from any mechanically propelled vehicle or any trailer attached to it which is:
 - a** owned by **you**; or
 - b** loaned, leased, hired or rented to **you**; or
 - c** provided by **you**;
 - d** being driven by **you**;
- 2** for **property damage** to the vehicle or the trailer itself or to any goods carried in or on the vehicle or trailer;
- 3** arising from the vehicle being driven by **you** when **you** do not hold a licence to drive the vehicle;
- 4** more specifically insured under another insurance policy.

Overseas personal liability cover

We will indemnify **you** and, if **you** so request, any director, partner or employee of **yours** against legal liability as a result of **bodily injury**, **property damage**, **personal injury** or **denial of access incurred** in a personal capacity while temporarily outside the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or the Republic of Ireland in connection with **your business**.

We will not be liable:

- 1** for legal liability arising out of the ownership, possession or occupation of any land or buildings; or
- 2** where indemnity is provided by any other insurance.

Additional cover

Financial loss cover

Financial loss cover operates on a claims-made basis. This means that **we** will only provide cover for claims made against **you** and notified to **us** during the **period of insurance**.

We will indemnify **you** against the sums **you** have to pay as compensation if, during the **period of insurance**, any party brings a claim against **you** in writing for **financial loss**.

We will not make any payment for any claim or loss directly or indirectly due to **financial loss**:

- 1** sustained by any employee arising out of and in the course of employment by **you** in the **business**;
- 2** arising as a result of strikes, lockouts or labour disturbances in which **you** or **your** employees are involved;
- 3** arising from any act of fraud or dishonesty or from any insolvency or financial default;
- 4** arising from the passing off or the infringement of patents, copyrights, trade marks or trade names or from deceit or injurious falsehood;
- 5** for which an indemnity is provided by any other section of the **policy**;
- 6** arising from the diminution of the value of any property;
- 7** when **your** liability arises under a contract or agreement where the liability would not have existed without the contract or agreement;
- 8** arising from
 - i** work **you** undertake in
 - ii** **products you** directly or indirectly supply to the United States of America or Canada.

x What is not covered

Asbestos exclusion

We will not cover claims caused by or arising from **asbestos risks**. This does not apply to claims arising from unintended or unexpected exposure to asbestos, asbestos fibres or materials containing asbestos.

Claims outside the applicable courts exclusion

We will not cover any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts.

This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.

Criminal acts exclusion

We will not cover claims caused by or arising from **you** liability arising from any act of arson, theft, malicious damage, fraud, dishonesty or embezzlement, unless such an act has been carried out by an employee of **yours**.

Date recognition exclusion

We will not cover claims caused by or arising from **Date recognition**.

Deliberate or reckless acts by you exclusion

We will not cover claims caused by or arising from any act, breach, omission or infringement **you** deliberately, spitefully, dishonestly or recklessly commit, condone or ignore which could reasonably be expected to cause injury or damage to another party even if such injury or damage is of a different degree or type than could reasonably have been anticipated.

Injury to employees exclusion

We will not cover claims caused by or arising from **bodily injury** to any person arising out of and in the course of their employment under a contract of service or apprenticeship with **you**.

Non-compensatory payments exclusion

We will not pay any fines and contractual penalties, punitive or exemplary damages awarded by courts outside the United Kingdom.

North America exclusion

We will not cover any claim brought against **you** resulting from work **you** undertake in United States of America or Canada.

Pollution exclusion

We will not cover claims caused by or arising from any **pollution** unless caused by a sudden, identifiable, unintended and unexpected incident which occurs in its entirety at a specific time and place during the **period of insurance**.

Professional advice exclusion

We will not cover claims caused by or arising from designs, plans, specifications, formulae, directions or advice prepared or given by **you** for a fee.

Property for which you are responsible exclusion

We will not cover claims caused by or arising from

- 1** Loss of or damage to any property belonging to **you** or which at the time of the loss or damage is in **your** care, custody or control. This does not apply to:
 - a** directors', partners', employees' or visitors' vehicles or effects while on **your** premises;
 - b** premises, including their contents, which are not owned or rented by **you**, where **you** are temporarily carrying out **your business**;
 - c** premises, including their contents, which are leased or rented to **you**:
 - i** unless **your** liability for the loss or damage arises under a contract which is greater than the liability **you** would have at law without the contract;
 - ii** unless **your** liability arises from an agreement to maintain in force insurance against loss of or damage to the leased or rented premises or their contents;
 - d** customers' property at **your** premises or in transit and in **your** care, custody or control.
- 2** The ownership, possession, maintenance or use by **you** or on **your** behalf of any aircraft or other aerial device, hovercraft, watercraft (other than hand propelled or sailing craft

Public and products liability section continued

less than 20 feet in length in inland or territorial waters) or any mechanically propelled vehicles and their trailers.

This does not apply to:

- a** any **tool of trade**;
- b** the loading or unloading of any vehicle off the highway;
- c** any claim covered under **What is covered**, Motor contingent liability;
- d** **pollution** arising from the spillage of a load from a vehicle or trailer.

Radioactive contamination exclusion

We will not cover claims caused by or arising from any type of nuclear radiation, nuclear material, nuclear waste, nuclear reaction or radioactive contamination.

War risk exclusion

We will not cover claims caused by or arising from war, invasion, act of foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or confiscation or nationalisation or requisition, or loss of or damage to property by or under the order of any government or public or local authority.

Your products exclusion

We will not cover claims caused by or arising from

- 1** the costs of altering, recalling, removing, reinstating, repairing, reconditioning or replacing any **product** or any of its parts.
- 2** any of **your products** relating to aircraft, including missiles or spacecraft, and any ground support or control equipment used in connection with such products;
- 3** any of **your products** installed in aircraft, including missiles or spacecraft, or used in connection with such craft, or for tooling used in their manufacture including ground-handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, advice and services and labour relating to such craft or **your products**.

- 4** any **products**, which to **your** knowledge, are for export, either directly or indirectly to the United States of America or Canada.

How much we will pay

We will pay up to the limit of indemnity shown in the schedule for each actual or threatened claim, unless limited below or elsewhere in this section.

We will also pay for **defence costs** but **we** will not pay costs for any part of a claim not covered by this section. However, if a payment greater than the limit of indemnity has to be made for a claim **our** liability for **defence costs** will be limited to the same proportion that the limit of indemnity bears to the amount paid. **You** must pay the **excess** for each claim.

All claims which arise from the same original cause, a single source or a repeated or continuing shortcoming in **your** work will be regarded as one claim.

Paying out the limit of indemnity

At any stage **we** can pay **you** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will pay **defence costs** already incurred at the date of **our** payment. **We** will then have no further liability for those claims or their **defence costs**.

Special limits

- 1** For claims arising from **your products**, the most **we** will pay is a single limit of indemnity for the total of all such claims, including any claims forming part of a series of other claims regarded as one claim under this section. **We** will also pay for **defence costs** but **we** will not pay costs for any part of a claim not covered by this section. **You** must pay the relevant **excess** shown in the schedule.
- 2** For claims arising from **terrorist act** the most **we** will pay is a single limit of indemnity for the total of all such claims, including any claims forming part of a series of other claims regarded as one claim under this section. **We** will also pay for **defence costs** but **we** will not pay costs for any part of a claim not covered by this section. **You** must pay the relevant **excess** shown in the schedule.

Public and products liability section *continued*

- 3** For claims arising from **pollution**, the most **we** will pay is a single limit of indemnity for the total of all such claims, including any claims for **clean-up costs** and any claims forming part of a series of other claims regarded as one claim under this section. **We** will also pay for **defence costs** but **we** will not pay costs for any part of a claim not covered by this section. **You** must pay the relevant **excess** shown in the schedule.
- 4** The most **we** will pay for the costs to defend criminal proceedings is the amount shown in the schedule.

Additional cover

The most **we** will pay for all claims brought against **you** in any one **period of insurance** for **financial loss** is:

- a** £1,000,000 if **you** hold current membership of the British Pest Control Association; or
- b** £500,000 if **you** are not a current member of the British Pest Control Association.

We will also pay for **defence costs** but **we** will not pay costs for any part of a claim not covered by this section. The **excess** for **financial loss** is £250 or 10% of the agreed settlement value of the claim, whichever is the greater.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Hot works precautions condition

You must take all reasonable care to ensure that the following precautions are complied with whenever any blow lamp, blow torch, angle grinder, grinding wheels, hot air paint stripper, gas space heater, disc cutter, electric oxy-acetylene or other welding or cutting equipment is used.

- 1** A fire extinguisher must be kept available for immediate use.
- 2** All combustible materials are to be removed from the immediate vicinity of the work. Where these materials cannot be removed they should be covered with a proprietary solder mat or non-combustible blanket or screen.
- 3** All equipment must be lighted for as short a time as possible before use and extinguished immediately after use.
- 4** Lighted equipment must not be left unattended.
- 5** A thorough examination must be made in the vicinity of the work after the termination of each day's operations. Should **you** or **your** employees be unable to complete this examination arrangements should be made with the occupier to carry out the examination.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Employers' liability section

Contents of this section

Meanings of defined terms	21
What is covered	22
What is not covered	23
How much we will pay	23
Section conditions	23

Meanings of defined terms

These meanings apply within **your** Employers' liability section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section can be found on page 8 of the General introduction section of **your policy**.

Bodily injury

Death or any bodily or mental injury or disease.

Defence costs

Costs incurred with **our** prior written agreement to investigate, settle or defend a claim against **you**.

Employee

Any person working for **you** in connection with **your business** who is:

- a** employed by **you** under a contract of service or apprenticeship;
- b** hired to or borrowed by **you**;
- c** self-employed and working on a labour only basis under **your** control or supervision;
- d** engaged by labour only sub contractors;
- e** a labour master or a person supplied by him;
- f** engaged under a work experience or training scheme;
- g** a voluntary helper.

Principal

Employer who has engaged **you** to act on their behalf, under a contract for the performance of work by **you**, in connection with the **business**.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government or putting any section of the public in fear by threat, force or violence or other means.

✓ What is covered

Claims against you cover

If any **employee** brings a claim against **you** for **bodily injury** caused to them during the **period of insurance** arising out of their work for **you** within, or while working temporarily outside, the **policy territories**, **we** will indemnify **you** against the sums **you** have to pay as compensation.

The amount **we** pay will include **defence costs** but **we** will not pay costs for any part of a claim not covered by this section.

Claims against principals cover

If, as a result of **your business**, any party brings a claim, which falls within the scope of **What is covered**, **Claims against you** against **your principal** and **you** are liable for that claim, **we** will treat such claim as if made against **you** and make the same payment to the **principal** that **we** would have made to **you**, provided that the party to be indemnified:

- a** has not, in **our** reasonable opinion, caused or contributed to the claim against them;
- b** accepts that **we** can control the claim's defence and settlement in accordance with the terms of this section;
- c** has not admitted liability or prejudiced the defence of the claim before **we** are notified of it;
- d** gives **us** the information and co-operation **we** reasonably require for dealing with the claim.

Criminal proceedings including corporate manslaughter cover

If any governmental, administrative or regulatory body brings any criminal action against **you** during the **period of insurance** for any breach of statute or regulation, **we** will pay the costs incurred with **our** prior written consent to defend such an action against **you** provided that **bodily injury** has occurred which falls within the scope of **What is covered**, **Claims against you** under this section.

Court attendance compensation cover

If any person within the definition of **you**, or any other relevant party chosen by **you** (except expert witnesses) has to attend court as a witness in connection with a claim against **you** covered under this section, **we** will pay **you** compensation for each day that their attendance is required by **our** solicitor.

Cross liability cover

Where the insured named in the schedule comprises of more than one party **we** will provide indemnity to each in the same manner and to the same extent as if a separate policy had been issued to each, provided that the total amount payable shall not exceed the limit of indemnity.

Unsatisfied court judgments cover

In the event of a judgment for damages obtained in any court situate in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands:

- a** by an **employee**, or the personal representative of any **employee**, in respect of **bodily injury** to the **employee** caused during the **period of insurance** and arising out of and in the course of employment by **you** in **your business**; or
- b** against any company or individual operating from premises within Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;

which remains unsatisfied in whole or in part six months after the date of judgment, at the request of **you**, **we** will pay to the **employee**, or their personal representative, the amount of any such damages and any awarded costs to the extent that they remain unsatisfied.

Provided that:

- a** there is no appeal pending; and
- b** if any payment is made under this section, the **employee** or the personal representative of the **employee** shall assign the judgment to **us**.

x What is not covered

Claims outside the applicable courts exclusion

We will not cover any claim, including arbitration, brought outside the countries set out in the schedule under applicable courts.

This applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.

Deliberate or reckless acts exclusion

We will not cover claims caused by or arising from any act, breach or omission **you** deliberately or recklessly commit, condone or ignore.

Offshore exclusion

We will not cover claims caused by or arising from any **bodily injury** caused to any of **your employees** while they are offshore. An **employee** is regarded as being offshore from the moment they board any form of transport at the departure point for an offshore rig or platform until the moment they disembark on their return from the rig or platform.

Road traffic legislation exclusion

We will not cover claims caused by or arising from any **bodily injury** to any **employee** while being carried in or upon, or entering or getting onto, or alighting from a vehicle for which insurance or security is required under any road traffic legislation or where **you** are entitled to indemnity from any other source.

How much we will pay

We will pay up to the limit of indemnity shown in the schedule, unless limited below, for all claims and their **defence costs** which arise from the same accident or event.

Special limits

Court attendance compensation

- a For court attendances, **we** will pay the amount shown in the schedule for each day or part of a day. The most **we** will pay for the total of all court attendances is the amount shown in the schedule

Criminal proceedings costs

- b **We** will pay up to the amount shown in the schedule for the costs to defend criminal proceedings. This applies to all actions brought against **you** during the **period of insurance**.

Terrorist act

- c The most **we** will pay for claims and their **defence costs** arising from a **terrorist act** is the amount shown in the schedule. If **we** decide that this limit applies to a claim, it is **your** responsibility to prove that the claim does not arise from a **terrorist act**.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay your claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Right of recovery condition

This insurance is 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 Channel Islands or the Continental Shelf around these countries. **You** must repay all payments **we** make which **we** would not have been liable to pay in the absence of such law.

Professional indemnity section

Contents of this section

Important information about the cover provided by this section	24
Meanings of defined terms	24
What is covered	26
Defence and settlement of claims	29
What is not covered	30
Section conditions	33

Important information about the cover provided by this section

The cover provided by this section operates on a claims-made basis. This means that **we** will only provide cover for **claims** or **claim circumstances** made against **you** and notified to **us** during the **period of insurance**. **We** will not cover any **claim** or **claim circumstance** arising from an act, error or omission that occurred before the **retroactive date**.

Conditions apply regarding when **you** must tell **us** about **claims** or **claim circumstances** and these can be found below. **You** should read these carefully.

Meanings of defined terms

These meanings apply within **your** Professional Indemnity section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section.

Asbestos

Asbestos in any form, asbestos fibres, particles or derivatives of asbestos or any material containing asbestos.

Claim(s)

Any verbal or written demand, notice or communication from a third party

- 1 making an assertion for legal remedy or any other form of compensation or remedy
- 2 containing reference to, or serving notice of, intent to start legal proceedings
- 3 invoking any pre-action protocol as set under the Civil Procedure Rules and/or
- 4 referring to arbitration, adjudication or complaint proceedings.

Claim circumstance(s)

Any incident, occurrence, fact, matter or act that **you** become aware of that might reasonably give rise to a **claim**.

Professional indemnity section *continued*

Criminal prosecution defence costs

Costs and expenses that **you** incur with **our** prior written consent to defend any criminal proceeding first made against **you** and notified to **us** during the **period of insurance** arising from the conduct of **your professional business**.

Crisis public relations costs

Costs incurred by the crisis public relations consultants following a claim and/or investigation to prevent, limit or reduce the actual or potential damage to **you** or any insured person's reputation from negative publicity or media attention.

Defence costs

All costs and expenses incurred by **us** or by **you** with **our** prior written permission relating to the investigation, defence or settlement of any **claim** against **you**, which **your policy** covers.

This does not include profit costs or remuneration or expenses paid or due to **you**.

Documents

Any documents, information or data, including computer records and data or information stored magnetically or electronically, that are **your** property or are looked after by or deposited with **you** in the ordinary course of **your professional business** and for which **you** are responsible. This does not include bearer bonds, coupons, stamps, bank or currency notes or negotiable instruments.

Employee(s)

- 1** Any person working for **you** under a contract of service with **you** or
- 2** Any person working for **you** in connection with the **professional business**
 - a** who is hired or lent to **you**
 - b** who is self-employed
 - c** on a voluntary basis

and who is under **your** control or supervision.

Excess

The amount stated in **your** schedule, being the first amount of loss for which **you** are responsible.

Extended liability

Legal liability assumed by **you** under the express or implied terms of any contract or agreement that restrict **your** right of recovery, or increase **your** liability at law beyond that applicable in the absence of those terms.

Injury

Any death, illness, disease or sickness or any bodily, mental, psychological or emotional injury, distress or shock.

Limit of indemnity

The amount shown in **your** schedule as the limit of indemnity.

Loss

The amount that **you** are legally liable to pay due to a **claim**, including awards of damages, awards of claimant costs and amounts that are pursuant to settlements, but not including **defence costs**.

Period of insurance

Period shown in **your** schedule, inclusive of both the stated start date and end date.

Policy

This document, any schedule and any **endorsements** attached or issued.

Pollutant

Any solid, liquid or gaseous pollutant contaminant or irritant substance or any biological agent that is a danger to human health.

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify or neutralise any **pollutant**.

Professional indemnity section *continued*

Professional business

Professional services or professional advice undertaken by **you** or on **your** behalf arising directly from the activities **you** have told **us** about in the proposal and application form and appearing on **your** schedule.

Retroactive date

The date from when work **you** performed is covered. This date is shown on **your** schedule.

Subsidiary

A company that **you** either directly or indirectly control through

- 1 holding a majority of the voting rights
- 2 the right to appoint or remove a majority of its board of directors and/or
- 3 sole control of, pursuant to a written agreement with other shareholders, a majority of that company's voting rights.

Terrorist act

Any act of a person or group directed towards the overthrowing or influencing of any government, or putting any section of the public in fear by threat, force or violence or other means.

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 or logic bombs.

We/us/our

AXA Insurance UK plc.

You/your

- 1 The person, firm, company or organisation shown in your schedule as the insured.
- 2 Any person, firm, company or organisation shown in your schedule as an additional insured.

- 3 Any predecessor in business to any firm, company or organisation that has been disclosed to **us**.
- 4 Any person who is or has been or who becomes a director, partner, member, principal or employee, but only for work undertaken for or on behalf of any person or body referred to in **1, 2** or **3** above.
- 5 Any retired partner, retired director or retired member of the firm, company or organisation shown in your schedule as the insured and who remains as a consultant to any person, firm, company or organisation shown in your schedule as the insured.
- 6 The estate, heirs, executors, legal or personal representatives of any person referred to in **1, 2, 3, 4** or **5** above in the event of their death or incapacity.

✓ What is covered

We will cover **you** for any **claim** and **defence costs** that arise from the conduct of **your professional business**, where the **claim** is first made against **you** and notified to **us** during the **period of insurance**, arising from

- 1 a breach of **your** professional duty
- 2 negligent misstatement or misrepresentation
- 3 unintentional libel, slander or defamation
- 4 unintentional breach of or misuse of confidentiality or any right to privacy
- 5 unintentional infringement of intellectual property rights including any act of passing-off (but not breach of patent)
- 6 negligence or a breach of a duty of care in connection with the transmission of a computer virus or a **denial of service attack**, or
- 7 any other civil liability that **you** incur.

The most **we** will pay for **loss** resulting from each **claim** is the **limit of indemnity**.

We will pay **defence costs** in addition to the **loss**. If the amount of **loss** exceeds the **limit of indemnity**, the most **we** will pay for **defence costs** will be an amount in the same proportion that the **limit of indemnity** has to the **loss**.

Court attendance costs cover

In the event that any of **your** directors, partners, members, principals or **employees** are required to attend court, mediation or arbitration in connection with a **claim** that is covered by this **policy**, provided that **we** have first given **our** written consent, **we** will pay compensation to **you** at £300 per day or part of day for each person required to attend.

The most **we** will pay for all Court attendance costs in any one **period of insurance** is £15,000. This is in addition to the **limit of indemnity**.

Criminal prosecutions defence costs cover

We will pay for **criminal prosecution defence costs** but only where, in **our** reasonable opinion, defending the criminal proceeding could protect **you** against a **claim** or potential **claim** that would be covered by this **policy**.

For any subsequent or concurrent civil action arising out of that criminal offence, notification of that action will be deemed to be notification of a **claim** or **claim circumstance**.

The most **we** will pay for all **criminal prosecution defence costs** in any one **period of insurance** is £250,000 or the **limit of indemnity**, whichever is the lower. This is part of and not in addition to the **limit of indemnity**.

Crisis public relations costs cover

We will cover **your crisis public relations costs**.

The most **we** will pay is £25,000 during any one **period of insurance**.

Data Protection Act defence costs cover

We will pay **criminal prosecution defence costs** in the defence of any criminal proceedings brought under sections 21(1), 21(2), 22(6) or 47(1) of the Data Protection Act 1998, provided always that

- 1 the act, error or omission giving rise to the proceedings was committed by **you** in the conduct of **your professional business**

- 2 **we** will be entitled to appoint solicitors and/or counsel to act on **your** behalf, and

- 3 **we** will not pay **defence costs** after **you** have pleaded guilty or have been found guilty.

The most **we** will pay for Data Protection Act defence costs cover is the **limit of indemnity**.

Dishonesty and fraud cover

We will cover **you** for any **claim** and **defence costs** arising from the conduct of **your professional business**, first made against **you** and notified to **us** during the **period of insurance**, for any civil liability including liability for claimant's costs and expenses arising from dishonest or fraudulent acts or omissions by any of **your employees**, partners, directors and supervised self employed staff.

In the case of any **claim** arising from any dishonest or fraudulent act or omission:

- 1 no person committing or condoning dishonest or fraudulent acts or omissions shall be entitled to cover
- 2 **we** will not cover dishonest or fraudulent acts or omissions committed by any person after **you** discover, or have reasonable cause for suspicion of dishonesty or fraud on the part of that person
- 3 in the event of the alleged fraudulent and/or dishonest party making an admission of guilt or being found guilty of that fraud and/or dishonesty, **we** will seek a full refund of any amounts paid by **us** under this section from that fraudulent party.

Any dishonesty or fraud committed by two or more **employees** who were acting together will be regarded as one **claim**.

The most **we** will pay for **loss** resulting from each **claim** that arises out of that dishonest or fraudulent act or omission is the **limit of indemnity**.

We will pay **defence costs** in addition to **loss** that arises out of that dishonest or fraudulent act or omission. If that **loss** amount exceeds the **limit of indemnity**, the most **we** will pay for **defence costs** will be an amount in the same proportion that the **limit of indemnity** has to the **loss** amount.

Disputed fees cover

We will pay **you** amounts owed to **you** by **your** client where they refuse to pay for work **you** have done for them, including amounts legally owed by **you** to sub-contractors or suppliers, provided always that

- 1 we** are satisfied that **your** client has reasonable grounds for being dissatisfied with **your** work and threatens to bring a **claim** for more than the amount owed
- 2** it is possible to settle the dispute by **you** agreeing not to pursue the outstanding amount, and
- 3 we** consider that it will avoid a legitimate **claim** that would otherwise be covered by this **policy** for a greater amount than the amount owed to **you**.

If a **claim** still arises from the same dispute then the amount paid under this section will be deducted from the **limit of indemnity** for that subsequent **claim**.

If **you** eventually recover the debt then the amount paid by **us** must be repaid to **us** less **your** reasonable expenses of recovering the debt due.

The most **we** will pay for Disputed fees cover is the **limit of indemnity**.

Formal investigation costs cover

We will pay costs and expenses that **you** incur with **our** prior written approval at a properly constituted hearing, tribunal or proceeding that is covered under this **policy**, but that are not included under the meaning of **defence costs**, provided that the hearing, tribunal or proceeding

- 1** is first instigated against **you** and notified by **you** to **us** during the **period of insurance**, and
- 2** arises from the conduct of **your professional business**.

The most **we** will pay for Formal investigation costs cover in any one **period of insurance** is £25,000.

Joint ventures cover

We will cover **you** for any **claim** and **defence costs** that arise from the conduct of **your**

professional business, where the **claim** is first made against **you** and notified to **us** during the **period of insurance**, arising from a civil liability that **you** may become legally liable to pay and that arises whilst **you** are a member of a joint venture or consortium.

The most **we** will pay for Joint ventures cover is the **limit of indemnity**.

Loss of documents cover

We will cover **you** for any **claim** and **defence costs** that arise from the conduct of **your professional business**, where the **claim** is first made against **you** and notified to **us** during the **period of insurance**, arising from the destruction, loss or damage of any **documents**.

We will pay reasonable costs and expenses for replacing or restoring **your** own **documents** that have been destroyed, lost or damaged in the conduct of **your professional business** provided that the destruction, loss or damage is discovered by **you** and notified to **us** during the **period of insurance**.

The most **we** will pay for Loss of documents cover is the **limit of indemnity**.

An **excess** of £500 (or the amount shown in **your** schedule if that is lower) will apply to each and every **claim** for loss of **documents**.

Mitigation costs cover

We will cover **you** for reasonable costs and expenses that **you** incur for any reasonable action **you** take to mitigate a **loss** or potential **loss** that would otherwise be the subject of a **claim** under this **policy**, provided always that

- 1 you** obtain **our** prior written consent before incurring these costs and expenses, and
- 2 you** prove to **our** satisfaction that the amount of the costs and expenses to be incurred are less than any likely award of damages arising from the same potential **claim**, and
- 3** if a **claim** still arises from the same **loss** or potential **loss** then the amount paid under this section will be deducted from the **limit of indemnity** for that subsequent **claim**.

The most **we** will pay for Mitigation costs cover is the **limit of indemnity**.

Pollution cover

For any **claim** that arises directly or indirectly from **pollution**, **we** will only pay for that **claim** and any **defence costs** related to it if the cause of that **claim** was due to a specific act, error or omission committed by **you**, or by others acting on **your** behalf, in the conduct of **your professional business**.

The most **we** will pay for all **pollution claims** and **defence costs** related to those **pollution claims** in any one **period of insurance** is the **limit of indemnity**. For the purposes of this Pollution cover, **defence costs** will be inclusive of and not in addition to the **limit of indemnity**.

Subsidiary creation and acquisition cover

If, during the **period of insurance**, **you**:

- 1 acquire securities or voting rights in another organisation or create another organisation which, as a result of that acquisition or creation, becomes a **subsidiary** of **yours**, or
- 2 acquire any organisation by merger or consolidation

then that acquired or created organisation will automatically be insured under this **policy** with effect from the date of the acquisition or creation, but only with respect to the performance of **your professional business** performed after the acquisition or creation was completed.

However, if the acquired or created organisation:

- 1 has annual fee income or turnover, which is greater than 10% of the annual fee income **you** last declared to **us** prior to the **period of insurance**
- 2 has assets in the United States of America or Canada
- 3 provides advice or services as part of activities which are not activities described in the definition of the **professional business**
- 4 has ever been fined an amount of £10,000 or more or has ever been found guilty of an offence by its regulator, or

- 5 has ever, with regard to any given 12 month period, incurred (through judgment or settlement) total losses equaling or exceeding £100,000 or 10% of the **limit of indemnity** (whichever is less) on account of **claims** made against it in that period,

you will give **us** written notice of that acquisition or creation as soon as possible and also provide any additional information **we** may reasonably require. **We** will have the right to amend the terms of this **policy** including but not limited to charging an additional premium. If **you** fail to give **us** written notice of the acquisition or creation then **we** will have the right to refuse to pay any **claim** or **claim circumstance** that arises directly or indirectly in connection with that acquired or created organisation.

Your own loss from dishonesty cover

We will cover **you** for **your** direct financial loss arising from the dishonesty of your employees and supervised self employed staff in the conduct of **your professional business** where there was a clear intention to cause **you** loss or damage and to obtain a personal financial gain over and above any salary, bonus or commission, where the **claim** is first made against **you** and notified to **us** during the **period of insurance**.

The most **we** will pay for all **claims** for this cover in any one **period of insurance** is the **limit of indemnity**.

Defence and settlement of claims

All **claims** that come from the same act, error or omission or series of acts, errors or omissions, as a result of, or arising directly or indirectly from the same source or original cause, will be regarded as one **claim**.

If **we** cover more than one person, firm, company or organisation, **our** liability to all, as a result of one **claim**, will not be more than the **limit of indemnity**.

We may at any time pay the **limit of indemnity** or relevant sub-limit. **We** will then have no further liability for that **claim** or **defence costs** except those already incurred at the date of payment of the **limit of indemnity** or sub-limit.

We have the right, but not the obligation, to take control of any **claim** and conduct the investigation, settlement or defence in **your** name. After taking into account the commercial considerations of the costs of defence, **we** may choose to settle a **claim** instead of defending it.

If **we** feel it is necessary, **we** will appoint **our** adjuster, solicitor or other appropriate person to deal with a **claim**. If **you** ask **us**, **we** may agree to appoint **your** solicitor, but only if **we** are satisfied that **your** solicitor has the necessary expertise to undertake this work, only on a similar fee basis as **our** solicitor and only for work done with **our** prior written approval.

If **you** disagree with **our** proposed course of action for any legal proceedings (whether defence or prosecution), then **you** may refer the matter to a Queen's Counsel of the English Bar to be mutually agreed between **you** and **us**. If **you** and **we** cannot agree on the Queen's Counsel to be appointed, then the Queen's Counsel will be appointed by the current Chairman of the English Bar or their representative. The Queen's Counsel's decision on how the legal proceedings should be handled shall be binding on **you** and **us**. In resolving this dispute, the Queen's Counsel will have consideration for the interests of **you** and **us**. The costs of this exercise will be allocated by the agreed or appointed party on a fair and equitable basis.

x What is not covered

Asbestos exclusion

We will not cover any **claim** directly or indirectly involving **asbestos** or allegations or concerns relating to **asbestos**.

Associated persons or entities exclusion

We will not cover any **claim** brought by

- 1 a firm, company or organisation with a financial interest in **you**
- 2 a firm, company or organisation in which any of **your** partners, directors or principles have a controlling interest

- 3 any firm, company, organisation or individual who falls within the definition of **you**

unless the **claim** originates from a source independent of that firm, organisation or individual.

Construction or installation exclusion

We will not cover any **claim** arising from the conduct of **your professional business** where **you** undertake any construction, erection, installation or maintenance works or to manufacture or supply materials or equipment (other than project models or displays) in connection with such construction, erection, installation or maintenance works.

The exclusion will not apply to any timber treatment or pest control work normally undertaken by a pest controller and the supply or manufacture of pest control products.

Deliberate acts and omissions exclusion

We will not cover any **claim** arising directly or indirectly from any act, error or omission that **you** deliberately, spitefully or recklessly commit, condone or ignore.

Directors' and officers' liabilities exclusion

We will not cover any **claim** made against **you** or **your** directors, officers or trustees for breach of their duties as director, officer or trustee.

Dishonesty and fraud exclusion

We will not cover any **claim** directly or indirectly involving dishonesty or fraud committed by **you** other than as stated in the Dishonesty and fraud cover on page 27 and/or Your own loss from dishonesty cover.

Distorted computer records exclusion

We will not cover any costs and expenses **you** incur as a result of the loss or distortion of computer records caused by

- 1 defects in computer equipment or electronic storage devices
- 2 wear, tear, vermin or gradual deterioration
- 3 climatic or atmospheric conditions or extremes of temperature

Professional indemnity section *continued*

- 4 use or processing whilst mounted in or on any machine unless as a result of loss of or damage to the machine itself.

The exclusion will not apply to the Loss of documents cover.

Employment exclusion

We will not cover any **claim** arising out of any kind of employment related dispute or any kind of defamation, discrimination, harassment or unfair treatment relating to any current, former or prospective **employees**.

Excess exclusion

We will not pay the **excess** shown in **your** schedule. The **excess** does not apply to **defence costs**, Court attendance costs cover or Formal investigation costs cover.

The **excess** applicable to Loss of documents cover is as stated under the Loss of documents cover on page 28.

Extended liability exclusion

We will not cover **extended liability**.

Failure to duplicate data exclusion

We will not cover **your** own **documents** that are stored on a computer system or in any other magnetic or electronic form unless those **documents** are duplicated on at least a daily basis, with the intention that the duplicate can be used to restore the **documents** in the event of loss or damage.

Financial services exclusion

We will not cover any **claim** arising out of any Regulated Activities as defined in the Financial Services and Markets Act 2000 as amended from time to time.

Fines and penalties exclusion

We will not cover any fines, penalties, punitive, multiple, aggravated or exemplary damages awarded against **you**.

Goods supplied exclusion

We will not cover any **claim** arising out of any product, goods or materials that **you** have supplied or used, or made arrangements to

supply or use, or the manufacture, repair, sale, installation or maintenance of any product by **you** or on **your** behalf.

Injury exclusion

We will not cover any **claim** for **injury**

- 1 to any **employee**
- 2 to any person who is not an **employee** unless directly arising from a breach of duty through a negligent act, error or omission by **you** in the course of **your professional business**.

Insolvency exclusion

We will not cover any **claim** arising out of or in connection with **your** insolvency, bankruptcy or any **claim** made by **your** liquidator, provisional liquidator or administrator.

Insurance or finance arrangement exclusion

We will not cover any **claim** arising from **your** failure to arrange and/or maintain insurance and/or finance.

Internet activity exclusion

We will not cover any **claim** arising out of

- 1 the management of financial transactions
- 2 obscene, blasphemous or pornographic materials

on the internet.

North American jurisdiction exclusion

We will not cover any **claim** instituted or pursued

- 1 within the United States of America or Canada or any territories which come within the jurisdiction of the United States of America or Canada or in which it is contended that the laws of the United States of America or Canada should apply
- 2 to enforce a judgment obtained in any Court of the United States of America or Canada or any territories, which come within the jurisdiction of the United States of America or Canada.

Patent exclusion

We will not cover any **claim** arising out of any infringement of any patent.

Personnel supplied by you exclusion

We will not cover any **claim** arising from the work of any personnel supplied by **you** to a client, unless **you** have breached a duty of care in supplying them.

Personal liabilities exclusion

We will not pay any **claim** arising from and/or personal liability incurred by a director or officer of **yours** when acting in that capacity or managing **your business**, or a breach of any fiduciary duty, other than when performing **your professional business** for a client, or any statement, representation or information concerning you contained in **your** accounts, reports or financial statements.

Pollution exclusion

We will not cover any **claim** directly or indirectly involving **pollution** other than as stated in the Pollution cover on page 29.

Previous claims exclusion

We will not cover any **claim**

- 1 that has been notified under any other policy before the start of this **policy**
- 2 that **you** were aware of or should have been aware of before the start of this **policy**.

Property damage exclusion

We will not cover any **claim** for loss of or damage to property unless arising directly from a breach of duty through a negligent act, error or omission by **you** in the course of **your professional business**.

Property ownership exclusion

We will not cover any **claim** arising from the ownership, possession, leasing or use of any land or building structure or any other property or goods whether mobile or immobile.

Radioactive contamination exclusion

We will not cover any **claim** arising directly or indirectly from

- 1 ionising radiation or contamination by radioactivity from any irradiated nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel
- 2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or its nuclear component.

Retroactive date exclusion

We will not cover any **claim** arising from the performance of **your professional business** carried out before the **retroactive date** shown in **your** schedule.

Survey exclusion

We will not cover any **claim** arising from the conduct of **your professional business** where **you** undertake any survey of physical property other than pest control work normally undertaken by a pest controller.

Taxation, competition or restraint of trade exclusion

We will not cover any **claim** arising directly or indirectly from the breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation.

Terrorist act exclusion

We will not cover any **claim** directly or indirectly involving any **terrorist act**.

Trading losses exclusion

We will not cover any **claim** arising out of trading losses or trading liabilities incurred by **you** or any of **your** businesses.

This exclusion will not apply to the Disputed fees cover on page 28.

Virus exclusion

We will not cover any **claim** arising out of the transmission or receipt of a **virus or similar mechanism** except in so far as cover is provided by section 6 of the What is covered section of this **policy**.

War risk exclusion

We will not cover any **claim** arising from or happening through war, invasion, act of foreign enemy, hostilities, whether war is declared or not, civil war, rebellion, revolution, insurrection or military or usurped power.

Section conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions

- 1 Cancel **your policy**
- 2 Declare **your policy** void (treating **your policy** as if it had never existed)
- 3 Change the terms of **your policy**
- 4 Refuse to deal with all or part of any **claim** or reduce the amount of any **claim** payments.

Admission of liability condition

In the event of a **claim** or discovery of a **claim circumstance**, **you** must not

- 1 admit liability
- 2 incur any **defence costs**
- 3 make any offers of settlement
- 4 otherwise prejudice the conduct of defence or settlement of that **claim** or **claim circumstance**

without first obtaining **our** written approval. This applies regardless of any complaints handling procedure or if the amount in dispute is less than **your excess**.

Breach of Claim notification condition or Claim circumstance condition

If **you** do not comply with the Claim notification condition or the Claim circumstance condition and where the **claim** or **claim circumstance** would otherwise be covered by this **policy**, **we** will not refuse to pay the **claim** provided:

- 1 **you** tell **us** in writing about the **claim** or **claim circumstance** during the **period of insurance** and;
- 2 **you** can satisfy **us** that **you** had no intention to deceive or mislead.

If, however, this affects **our** ability to handle or settle a **claim** or **claim circumstance**, **we** will reduce the amount **we** pay to the figure **we** reasonably believe would have been payable had **our** ability to handle or settle it not been affected. This does not affect any other condition in this **policy**.

Change in risk condition

You must tell **us** as soon as possible during the **period of insurance** of any change

- 1 to the **professional business**
- 2 in the person, firm, company or organisation shown in **your** schedule as the insured
- 3 to the information **you** provided to **us** previously or any new information that increases the risk of loss as insured under any section of **your policy**.

Your policy will come to an end from the date of the change unless **we** agree in writing to accept an alteration.

We do not have to accept any request to vary **your policy**. If **you** wish to make any alteration to **your policy** **you** must disclose any change to the information **you** previously provided or any new information that could affect this insurance. If **we** accept any variation to **your policy**, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claim circumstance condition

You must tell **us** in writing as soon as possible within the **period of insurance** about **claim circumstances**.

When telling **us** about **claim circumstances**, **you** must give to **us** full details including but not limited to

- 1 a description of the **claim circumstance**
- 2 the nature of the alleged act, error or omission leading to the **claim circumstance** and the date it was committed
- 3 the nature of the alleged damage
- 4 the names of the actual or potential claimants and defendants, and

- 5 the manner in which **you** first became aware of the **claim circumstance**.

If **claim circumstances** that relate to work **you** performed after the **retroactive date** and within the **period of insurance** lead to a **claim** after the **period of insurance** has ended, that **claim** will be deemed to have been made against **you** during the **period of insurance**, provided that **you** told **us** in accordance with the requirements of this condition.

Claim control and co-operation condition

You must give **us** all information and assistance that **we** reasonably require and that is in **your** power to provide.

You must co-operate with **us** and anyone appointed on **our** behalf by

- 1 providing any information, assistance, signed statements or depositions as **we** may require to comply with any Civil Procedure Rules, Practice directions and Pre-Action Protocols as may be issued
- 2 assisting to present the best possible defence to a **claim**
- 3 ensuring access to any information that **we** or **our** representatives may require in the defence of a **claim** or the investigation of any **claim circumstance**, whether or not that information may be privileged
- 4 provide **us** with any and all information that will allow **us** to determine **our** liability under this **policy**
- 5 making payment on demand of **your excess** in order to comply with the terms of any settlement **we** have agreed
- 6 providing any information, assistance, signed statements or depositions as **we** may require to exercise **our** rights of subrogation
- 7 ensuring that all documents of any description relevant to any **claim** or **claim circumstance** are preserved and complete.

Claim notification condition

You must tell **us** in writing as soon as possible within the **period of insurance** about any **claim** against **you** irrespective of **your** views as to the validity of that **claim**.

We will not pay **your claim** where **you** have not complied with this condition.

Dishonesty and fraud condition

You must tell **us** as soon as possible within the **period of insurance** of the discovery of any dishonest or fraudulent act or omission or of any reasonable suspicion that an **employee** has acted dishonestly or fraudulently.

Expiry of period of insurance condition

If **you** become aware of a **claim** or **claim circumstances** in the seven days immediately before the end of the **period of insurance** but, in **our** reasonable opinion, **you** are unable to tell **us** before the end of the **period of insurance**, **we** will allow **you** an additional seven days immediately after the **period of insurance** to tell **us**.

Fraud condition

You and anyone acting for **you** must not act in a fraudulent way.

If **you** or anyone acting for **you**

- 1 knowingly makes a fraudulent or exaggerated **claim** under **your policy**
- 2 knowingly makes a false statement in support of a **claim** (whether or not the **claim** itself is genuine) or
- 3 knowingly submit a false or forged document in support of a **claim** (whether or not the **claim** itself is genuine),

We will

- a refuse to pay the **claim**
- b declare the **policy** void from the date of the fraudulent act without any refund of premiums.

We may also inform the police of the circumstances.

Instalments condition

If **you** fail to pay a premium instalment to **us** on the date due, this will result in **your policy** being cancelled from the date the missed instalment was due. **You** will not be entitled to any return of premium where this happens.

If a **claim** or **claim circumstance** has been notified to **us** during the current **period of insurance**, the annual premium remains due in full.

Law applicable to this policy

You and **we** can choose the law which applies to this **policy**. **We** propose that the Law of England and Wales apply. Unless **we** and **you** agree otherwise, the Law of England and Wales will apply to this **policy**.

Non-disclosure and misrepresentation condition

You have a duty to make a fair presentation of the risk which **you** wish to insure. This applies prior to the start of **your policy**, if any variation is required during the **period of insurance** and prior to each renewal.

If **you** fail to comply with this duty then

- 1** If **we** can demonstrate that the failure to make a fair presentation of the risk was deliberate **we** can elect to make **your policy** void and keep the premium. This means treating the **policy** as if it had not existed and that **we** will not return **your** premiums, or
- 2** If the failure to make a fair presentation of the risk was not deliberate and **we** would not have provided cover or **we** would have issued cover on different terms had **you** made a fair presentation, then **we** will not use **our** right to void **your policy** or to reduce the amount **we** will pay for a **claim**, but **we** can charge a reasonable additional premium in light of any prejudice caused to **us** by **your** failure to comply with that duty. Any such additional premium will not be more than the reduction in the amount of the **claim** payment that the law would have entitled **us** to apply.

- 3** Where **we** elect to apply one of the above then
 - a** if **we** elect to make **your policy** void, this will be from the start of the **policy**, or the date of variation or from the date of renewal
 - b** **we** will apply additional premium calculated by reference to the premium that would have been charged and this will apply from the start of the **policy**, or the date of variation or from the date of renewal

depending on when the failure to make a fair presentation occurs.

- 4** In the case of a **claim** first made against **you** during the **period of insurance** where:
 - a** **you** had previous knowledge of the circumstances relating to that **claim**, and
 - b** **you** should have notified that **claim** under any preceding **policy** but did not do so,

if the indemnity or cover under **your policy** is greater or wider in scope than the preceding policy (whether insured by **us** or not), **we** will only cover **you** to the amount and extent as would have been provided by the preceding **policy**.

Other insurance condition

If a **claim** is made under this **policy** and there is other insurance cover under which **you** are, or would be but for this **policy**, entitled to have a **claim** paid, **we** will not pay the **claim** or **defence costs** except for any amount over and above the amount payable by the other insurance policy or policies.

Sanctions condition

This contract of insurance is subject to sanction, prohibition or restriction under United Nations resolutions. It is a condition of **your policy** that **we** will not provide cover, or pay any **claim** or provide any benefit under **your policy** to the extent that the provision of such cover, payment of such **claim** or provision of such benefit would expose **us**, or **our** parent, subsidiary or any AXA group member company,

Professional indemnity section *continued*

to any trade or economic sanctions, or violate any laws or regulations of the United Kingdom, the European Union, the United States of America or any other territory.

Subrogation (our rights) condition

We will be entitled to undertake in **your** name or on **your** behalf steps to enforce rights against any other party before or after any payment is made by **us**.

We will not exercise any right of subrogation against any present or former **employee** unless **we** have made payment brought about or contributed to by any dishonest, fraudulent or malicious act or omission of that present or former **employee**, or if the present or former **employee** conspired to commit or condone any such dishonest, fraudulent or malicious act or omission.

You must not enter into any contract or other agreement that restricts **your** rights of recovery in respect of any **claim** that may be covered by this **policy**.

Third party rights condition

The Contract (Rights of Third Parties) Act 1999 does not apply to this **policy**.

Property definitions section

Contents of this section

Meanings of defined terms 37

Meanings of defined terms

These meanings apply within all **your** property sections. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in property sections. The meaning of defined terms that apply throughout **your policy**, and not just **your** property sections can be found on pages 8 and 9 of **your policy**.

Amount insured

The most **we** will pay as shown in the schedule. Unless **we** say otherwise, the amounts apply to each incident of loss and will be automatically restored to the full amount after **we** pay a loss provided **you** carry out **our** recommendations to prevent further loss or damage.

Business premises

The space **you** occupy at the premises shown in the schedule located in a building built of brick, stone or concrete and roofed with slate, tiles, concrete, metal, asbestos or any other noncombustible material. This includes any outbuildings **you** occupy on the same premises.

Damage

Accidental loss or destruction or damage.

Terrorism

In England, Scotland and Wales: 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.

In Northern Ireland: An act including but not limited to the use of force or violence and or threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purposes including the intention to influence any government and or put the public or any Section of the public in fear.

Property definitions section continued

In the Channel Islands and the Isle of Man: An act of any person(s) 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 any government de jure or de facto.

Anywhere in the World that is not England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man: an act of any person(s) acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence any government de jure or de facto.

Property – portable tools and equipment section

Contents of this section

Meanings of defined terms	39
What is covered	39
What is not covered	40
How much we will pay	41
Section conditions	42

Meanings of defined terms

These meanings apply within **your** Property – portable tools and equipment section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy** or all property sections, and not just this section can be found on pages 8, 9 and 37 of **your policy**.

Tools and equipment

Only the following tools and equipment which belong to **you** or for which **you** are legally responsible used in connection with the **business** anywhere within the **policy territories** or temporarily elsewhere in the world

- a** plant and machinery;
- b** hand tools and portable power tools;
- c** laptops, PDAs and mobile phones;
- d** hired-in plant and machinery;
- e** stock, samples and goods held in trust.
- f** whilst temporarily away from **your business premises**

✓ What is covered

We will insure **you** against **damage** occurring during the **period of insurance** to **tools and equipment**.

Additional cover

We will also pay for:

Continuing hire charges cover

Loss of hiring charges for which **you** are responsible under conditions of hire arising directly from **damage** to **tools and equipment** insured under this section. The most **we** will pay in any one **period of insurance** is shown in the schedule.

Debris removal cover

The necessary and reasonable costs and expenses **you** incur to remove debris of **tools and equipment** from **your business premises**, the contract site or the area immediately adjacent, following **damage** insured by this section. The most **we** will pay in any one **period of insurance** is shown in the schedule.

x What is not covered

Exclusions

We will not make any payment for:

1 **damage** caused by:

- a** wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
- b** dryness or humidity, being exposed to light or extreme temperatures, unless the **damage** is caused by **storm** or fire;
- c** coastal or river erosion;
- d** a rise in the water table;
- e** the explosion of any boiler or other pressurised equipment falling under the Pressure Systems Safety Regulations 2000 or any subsequent legislation;
- f** theft from an unattended vehicle unless the item is out of sight in a locked boot or locked load area of a commercial vehicle;
- g** theft of portable **tools and equipment** whilst unattended at **your business premises** or a contract site unless involving violent or forcible entry into or exit from a securely locked building;
- h** theft of non-portable **tools and equipment** whilst unattended at **your business premises** or a contract site unless all security measures on the item are fully operative;
- i** frost, other than **damage** due to water leaking from burst pipes forming part of the permanent internal plumbing provided the **business premises** is occupied and in use;
- j** **date recognition**;

k a virus or hacker.

- 2** **damage to tools and equipment** being cleaned, worked on or maintained.
- 3** loss or distortion of information resulting from the error or malfunction of computers.
- 4** the value to **you** of any lost or distorted information.
- 5** **damage to tools and equipment** directly resulting from their own breakdown, explosion or collapse.
- 6** misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design or the use of faulty materials.
- 7** unexplained loss or disappearance or inventory shortage.
- 8** loss due to clerical or accounting errors.
- 9** loss by acts of fraud or dishonesty by **your** employees or any partner, director or member of **your** family, but **we** will cover subsequent damage which results from a **defined peril** covered by this section.
- 10** financial loss due to **your** parting with title or possession of **tools and equipment** or rights to **tools and equipment** prior to receiving payment in full.
- 11** any indirect losses which result from the incident which caused **you** to claim.
- 12** pollution or contamination except **damage** to insured property which is not otherwise excluded and which is caused by:
 - a** pollution or contamination which itself results from insured **damage** covered under this section; or
 - b** **damage** which would otherwise be covered under this section which itself was caused by pollution or contamination.
- 13** the amount of the **excess**.

Electronic risks exclusion

We will not make any payment for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

Property – portable tools and equipment section *continued*

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for damage caused by malicious persons other than thieves.

Radioactive contamination exclusion

We will not make any payment for damage, or any other loss or expense resulting or arising from **damage** to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not make any payment for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1 in England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**

- 2 in Northern Ireland
 - a any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons.

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this Section it will be **your** responsibility to prove that they are covered

War risks exclusion

We will not make any payment for any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

How much we will pay

We will pay up to the **amount insured** shown in the schedule unless limited below.

Other interests

Any payment will take into account the interest of any party having an insurable interest in the **tools and equipment** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Pair and sets

If any item of **tools and equipment** that has an increased value because it forms part of a set suffers **damage**, any payment **we** make will take account of the increased value.

Repair and replacement

At **our** option **we** will repair, replace or pay for any lost or damaged items on the following basis:

- 1 for **your** own **tools and equipment**, the cost of repair or replacement as new;
- 2 for hired in **tools and equipment**, the contractual value as specified in a standard hire contract or the market value whichever is less.

Under insurance

If, at the time of **damage**, the **amount insured** is less than 85% of the total value of the **tools and equipment**, the amount **we** pay will be reduced in the same proportion as the under insurance.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay your claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Building works condition

If **you** intend to undertake any work to extend, renovate, build or demolish any part of the **buildings** and the estimated cost is more than £50,000, **you** must tell **us** about the work at least 30 days before the work starts and before **you** enter into any contract for the works. **We** may then amend the terms of this **policy**. **You** do not have to tell **us** if the work is for redecoration only.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Hiring in equipment condition

When hiring in **tools and equipment you** must complete an inventory check and inspect all items for **damage** prior to acceptance and agree a schedule of any **damage** with the hire company before taking charge of the **tools and equipment**. Upon returning the **tools and equipment** to the hire company **you** must only return the **tools and equipment** to persons authorised within the hire company to accept their return.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Protections condition

You must ensure that all fire alarms, security systems and physical protections notified to **us** are in full operation whenever the **business premises** are left unattended. **You** must also advise **us** as soon as reasonably possible if for any reason a system is not working properly. **We** may then change the terms and conditions of this **policy**. All systems must be regularly serviced under contract by a reputable company at least annually.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Unoccupancy condition

You must tell **us** immediately if the **business premises** will be left unoccupied or will not be used for more than 30 consecutive days. If **you** do not, **we** will not make any payment for **damage** occurring while the **business premises** are unoccupied. **We** may change the terms and conditions of this **policy** or impose additional requirements that **you** must carry out. If **we** impose additional requirements **we** will tell **you** the timeframes within which **you** must carry them out.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Property – contents section

Contents of this section

Meanings of defined terms	43
What is covered	44
What is not covered	45
How much we will pay	46
Section conditions	47

Meanings of defined terms

These meanings apply within **your** Property – contents section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy** or all property sections, and not just this section can be found on pages 8, 9 and 37 of **your policy**.

Contents

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

- a** documents, briefs, manuscripts, plans, business books, **computer systems** records and programs;
- b** goods held in trust, stock and samples;
- c** computers and ancillary equipment;
- d** plant, machinery, tools and equipment;
- e** fixed glass in windows, doors and fanlights, glass showcases, glass shelves, mirrors and sanitary fixtures and fittings;
- f** heating oil for the **business premises** contained in fixed tanks in the open at the premises;
- g** tenant's improvements, decorations, fixtures and fittings including, if attached to the building, external signs, aerials and satellite dishes;
- h** pipes, ducting, cables, wires and associated control equipment at the premises and extending to the public mains.

Money and personal effects are not included within this definition.

Money

Cash, bank and currency notes, cheques, travelers' cheques, postal orders, money orders, crossed bankers' drafts, current postage stamps, savings stamps and certificates, National Insurance stamps, trading stamps, gift tokens, customer redemption vouchers, company sales vouchers, credit card counterfoils, travelers tickets, VAT purchase receipts, contents of franking machines and,

insofar as they are not otherwise insured, holiday-with-pay stamps and luncheon vouchers, all belonging to **you**.

✓ What is covered

We will insure **you** against **damage** occurring during the **period of insurance** to:

- a **contents** contained in the **business premises**;
- b. **contents** used and kept at the home of any partner, director or employee of **yours** for the purposes of the **business**;
- c. **contents**, other than goods held in trust, stock, samples, laptops, mobile phones and other portable tools and equipment, temporarily elsewhere, including while in transit within the **policy territories** and at a trade exhibition within the United Kingdom or Republic of Ireland.

Additional cover

We will also pay for:

Additions to contents cover

Damage occurring during the **period of insurance** to any additional **contents**, provided **you** tell **us** the additional values as soon as possible and pay the appropriate premium.

Building damage by theft cover

The cost of repairing **damage** occurring during the **period of insurance** to the **business premises** buildings caused by theft or attempted theft and for which **you** are legally liable.

Glass breakage cover

The necessary and reasonable costs **you** incur following breakage or scratching during the **period of insurance** of glass, which belongs to **you** or for which **you** are responsible, for:

- a temporary boarding-up;
- b repair of window frames or removal or replacement of fixtures and fittings in the course of replacing the glass;
- c replacement lettering or other ornamental work and alarm foil on glass.

Lock replacement cover

The costs **you** incur to replace locks and keys necessary to maintain the security of the **business premises** or safes at the **business premises** following theft of keys involving force and violence occurring during the **period of insurance**.

Money cover

Damage occurring during the **period of insurance** to **money** held in connection with the **business**:

- a in the **business premises** while open for business or in a locked safe;
- b in transit within the **policy territories** or at the home of any partner, director or employee of **yours**.

Personal assault following robbery or attempted robbery cover

Compensation as shown in the schedule if any partner, director or employee of **yours** is physically injured in the course of **your business** in a robbery or attempted robbery occurring during the **period of insurance** either at the **business premises** or within the **policy territories** and dies or is permanently disabled solely and directly as a result of the injury within two years from the date it happened. This cover only applies to people aged between 16 and 70 at the start of the **period of insurance**.

Personal effects cover

Damage occurring during the **period of insurance** to the personal belongings of **your** employees or visitors whilst at the **business premises** provided they are not insured elsewhere.

Reconstitution of data cover

The reasonable cost of reconstituting the data **you** need to continue **your business**, if **your business** records, documents and electronic data have been lost, destroyed or distorted as a direct result of **damage** covered under this section.

Rent payable cover

The amount of any rent for the **business premises** that **you** must pay for any period during which the **business premises** or any part of it is unusable as a result of **damage** insured by this section.

Unauthorised use of telephones cover

Loss due to unauthorised use of telephones from within **your business premises** during the **period of insurance** by anyone other than **your** employees.

x What is not covered

Exclusions

We will not make any payment for:

1 **damage** caused by:

- a** wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
- b** dryness or humidity, being exposed to light or extreme temperatures, unless the **damage** is caused by storm or fire;
- c** coastal or river erosion;
- d** a rise in the water table;
- e** theft from an unattended vehicle unless the item is out of sight in a locked boot or locked load area of a commercial vehicle;
- f** frost, other than **damage** due to water leaking from burst pipes forming part of the permanent internal plumbing provided the **business premises** is occupied and in use;
- g** **date recognition**;
- h** a virus or anyone who maliciously targets **you** and gains unauthorised access to **your** website, intranet, computer system, network, telephony equipment or data that **you** hold electronically.

2 **damage** to property being cleaned, worked on or maintained.

3 loss, destruction or distortion of information resulting from computer error or malfunction.

4 the value to **you** of any lost, destroyed or distorted information.

5 **damage** to any electrical or mechanical plant or equipment (other than **business premises** computers and ancillary equipment) directly resulting from its own breakdown, explosion or collapse.

6 misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design or the use of faulty materials.

7 unexplained loss or disappearance or inventory shortage.

8 loss due to clerical or accounting errors.

9 any indirect losses which result from the incident which caused **you** to claim.

10 pollution or contamination except **damage** to insured property which is not otherwise excluded and which is caused by:

- a** pollution or contamination which itself results from insured **damage** covered under this section; or
- b** **damage** which would otherwise be covered under this section which itself was caused by pollution or contamination.

11 loss by acts of fraud or dishonesty by **your** employees or any partner, director or member of **your** family, but **we** will cover subsequent damage which results from a **defined peril** covered by this section.

12 the amount of the **excess**.

Electronic risks exclusion

We will not make any payment for any losses directly or indirectly caused by or arising from or occasioned by or resulting from

- a** damage to or the destruction of any **computer systems**; or
- b** any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for damage caused by malicious persons other than thieves.

Radioactive contamination exclusion

We will not make any payment for damage or any other loss or expense resulting or arising from **damage** to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not make any payment for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** in England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2** in Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers,

locked-out workers or persons taking part in labour disturbances or malicious persons

- 3** Anywhere in the World that is not England, Scotland, Wales, Northern Ireland, the Channel Islands or the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect. In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this Section it will be **your** responsibility to prove that they are covered.

War risks exclusion

We will not make any payment for any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

How much we will pay

We will pay up to the **amount insured** shown in the schedule unless limited below.

Debris removal

We will pay the necessary and reasonable costs and expenses **you** incur to remove debris of **contents** from the premises or the area immediately adjacent, following **damage** insured by this section.

Index linking

The **amount insured** for **contents** will be adjusted monthly in line with any increase in nationally published indices. **We** will not reduce the **amount insured** without **your** consent.

Other interests

Any payment will take into account the interest of any party having an insurable interest in the **contents** insured, provided **you** have advised **us** of the nature and extent of the interest together with the name and address of that interested party.

Pairs and sets

If any **contents** which have an increased value because they form part of a pair or set suffers **damage** any payment **we** make will take account of the increased value.

Personal assault following robbery or attempted robbery

We will not pay compensation under more than one heading in the schedule for the same injury.

Repair and replacement

At our option **we** will repair, replace or pay for any lost or damaged items on the following basis:

- 1** for **contents** other than goods held in trust, stock and samples, the cost of repair or replacement as new;
- 2** for personal effects, the cost of repair or replacement as new, but not more than the amount shown in the schedule for each incident of loss;
- 3** for stock and samples other than second-hand stock, the cost of repair or replacement at the cost price to **you**;
- 4** for second-hand stock, the cost of repair or replacement at the trade market value;
- 5** for goods held in trust, the lesser of:
 - a** **your** liability in respect of the goods held in trust;
 - b** the cost of repair or replacement at the trade market value of such goods.

Under insurance

If, at the time of **damage**, the **amount insured** is less than 85% of the total value of the **contents**, the amount **we** pay will be reduced in the same proportion as the under insurance.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Backing up electronic data condition

You must take all reasonable steps to make back-up copies of all such data at least once a week and keep the copies away from the **business premises**.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Building works condition

If **you** intend to undertake any work to extend, renovate, build or demolish any part of the **buildings** and the estimated cost is more than £50,000, **you** must tell **us** about the work at least 30 days before the work starts and before **you** enter into any contract for the works. **We** may then amend the terms of this **policy**.

You do not have to tell **us** if the work is for redecoration only.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Computer breakdown condition

Computers and ancillary equipment must be subject to a manufacturer's guarantee or a maintenance contract providing free parts and labour in the event of breakdown.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Protections condition

You must ensure that all fire alarms, security systems and physical protections notified to **us** are in full operation whenever the **business premises** are left unattended. **You** must also advise **us** as soon as reasonably possible if for any reason a system is not working properly. **We** may then vary the terms and conditions of this **policy**. All systems must be regularly serviced under contract by a reputable company at least annually.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Property – Buildings section

Contents of this section

Meanings of defined terms	49
What is covered	49
What is not covered	50
How much we will pay	52
Section conditions	52

Meanings of defined terms

These meanings apply within **your** Property – Buildings section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy** or all property sections, and not just this section can be found on pages 8, 9 and 37 of **your policy**.

Buildings

The buildings, including outbuildings and annexes, at the premises shown in the schedule, which belong to **you** or for which **you** are legally responsible, including:

- a** landlord's fixtures and fittings, fixed fuel tanks;
- b** walls, gates and fences, car parks, yards, private roads, pavements and paths, at the premises;
- c** pipes, ducting, cables, wires and associated control equipment at the premises and up to the public mains.

The land at the premises is not included within this definition.

✓ What is covered

We will insure **you** against **damage** to the **buildings** occurring during the **period of insurance**.

Additional cover

Additions to buildings cover

We will pay for **damage** to any additions or improvements to the **buildings** after they are complete and become **your** responsibility, provided **you** tell **us** the additional values as soon as possible and pay the appropriate premium.

Emergency services cover

We will pay for the cost of any fire brigade charges and other extinguishing expenses and other charges made by any organisation responsible for preservation of public safety, including replacing sprinklers, for which **you** are liable following **damage** to the **buildings** not otherwise excluded.

Inadvertent omissions cover

Having notified **us** of the intention to insure all property in which **you** have an interest in and it being **your** understanding that all property is accounted for, if any such property is found to have been omitted, **we** will deem it to be insured within the terms of this **policy**. This is subject to payment of the appropriate premium either from **policy** inception or from the date which **you** became legally responsible for such property.

Loss prevention costs cover

We will pay the reasonable and necessary costs **you** incur to protect the **buildings** at the insured locations from imminent insured **damage**.

Metered water and fuel cover

We will pay the cost to **you** to replace any metered water and fuel that is used in **your business** when such water or fuel has been released or rendered unusable for its intended purpose as a direct result of damage to any tank, equipment or piping resulting from a cause not otherwise excluded.

Selling the buildings cover

If **you** are selling the **buildings**, this **policy** will cover the **buildings** for the buyer from the time **you** exchange contracts to the time of completion, unless the buyer is insured by, or has the benefit of, any other insurance. To obtain the benefit of this additional cover, the buyer must comply with the terms of this **policy**.

Trace and access cover

We will pay for the necessary and reasonable costs **you** incur with **our** consent to locate any **damage** to cables, underground pipes and drains, or the source of a gas leak or of any escape of water from permanent internal plumbing, and to make good any subsequent **damage**.

Trees, shrubs and plants cover

We will pay for **damage** to trees, shrubs or plants at **your business** premises which are owned by **you** or for which **you** are legally responsible as a result of fire or explosion.

Undamaged tenants improvements and betterments cover

We will pay the value, up to the amount shown in the schedule, of tenants improvements and betterments when **your** lease is cancelled by the lessor and by a valid condition of **your** lease, as a consequence of **damage** to **buildings**.

x What is not covered

Exclusions

We will not make any payment for:

1 Damage caused by:

- a wear and tear, inherent defect, rot, fungus, mould, vermin or infestation, or any gradually operating cause;
- b normal settlement or bedding down of new structures;
- c settlement or movement of made up ground;
- d coastal or river erosion;
- e collapse or cracking, other than **damage** to the main building resulting from subsidence, ground heave or landslip;
- f subsidence, ground heave or landslip:
 - i to walls, gates and fences, car parks, yards, private roads, pavements and paths unless the main building is physically damaged at the same time;
 - ii to solid floors unless the walls are physically damaged at the same time;
- g demolition, building work or groundwork on the premises;
- h a rise in the watertable;
- i pressure waves caused by aircraft or other aerial devices traveling at supersonic speeds;

Property – Buildings section continued

- j** storm or flood to gates or fences;
- k** frost, other than **damage** due to water leaking from burst pipes forming part of the permanent internal plumbing provided the building is occupied and in use;

l date recognition;

- m** any computer virus.

- 2** **damage** to any electrical or mechanical plant or equipment directly resulting from its own breakdown, explosion or collapse.
- 3** misuse, faulty workmanship, defective design or the use of faulty materials.
- 4** the cost of maintenance or routine redecoration.
- 5** any indirect losses which result from the incident which caused **you** to claim.
- 6** pollution or contamination except **damage** to insured property which is not otherwise excluded and which is caused by:
 - a** pollution or contamination which itself results from insured **damage** covered under this section, or
 - b** **damage** which would otherwise be covered under this section which itself was caused by pollution or contamination.
- 7** the amount of the **excess**.

Electronic risks exclusion

We will not make any payment for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1** damage to or the destruction of any **computer systems**; or
- 2** any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for damage caused by malicious persons other than thieves.

Radioactive contamination exclusion

We will not make any payment for damage, or any other loss or expense resulting or arising from **damage** to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not make any payment for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** in England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2** in Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers,

locked-out workers or persons taking part in labour disturbances or malicious persons

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect. In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this Section it will be **your** responsibility to prove that they are covered.

War risks exclusion

We will not make any payment for any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage to property by or under the order of any government or public or local authority.

How much we will pay

We will pay up to the **amount insured** unless limited below or in the schedule, but **we** will not pay more than the **amount insured** in total for the cost of rebuilding or repair and other costs combined.

Index linking

The **amount insured** for **buildings** will be adjusted monthly in line with any change in nationally published indices. **We** will not reduce the **amount insured** without your consent.

Other costs

We will pay the following necessary and reasonable costs and expenses **you** incur in rebuilding or repairing following **damage** insured by this section:

- a** The cost of removing debris of the **buildings** from the premises or the area immediately adjacent;
- b** The cost of dismantling, demolishing, shoring up or propping up any part of the **buildings**;
- c** The cost of complying with any statutory or local authority requirement regarding

the damaged part of the **buildings**, unless notice of such requirement was served before the **damage** and provided the **buildings** were originally built according to any government and local authority regulations in force at that time.

- d** The fees of architects, surveyors or consulting engineers.
- e** Clearing, cleaning and repairing drains, gutters, sewers and the like on **your** property which are blocked or damaged.

We will not pay for the cost of preparing a claim.

Rebuilding and repair

We will pay the cost of rebuilding or repairing the **buildings** to a condition equal to but not better or more extensive than its condition when new, provided **you** carry out the rebuilding or repair and do so without unreasonable delay.

Special rebuilding

You may rebuild or replace **buildings** which are totally destroyed in any manner suitable to **your** requirements and/or on another site provided this does not increase the cost.

Under insurance

If, at the time of **damage**, the **amount insured** is less than 85% of the total rebuilding cost of the **buildings** including an allowance for additional costs, the amount **we** pay will be reduced in the same proportion as the under insurance.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Subsidence condition

You must tell **us** as soon as **you** become aware of demolition, building work or groundwork being carried out on any adjoining site. **We** may then vary the terms of this section or cancel the cover.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Workmen's condition

Workmen are permitted in or about any of the **buildings** for the purposes of carrying out minor alterations, repairs, decoration and maintenance without invalidating this insurance.

Property – business interruption section

Contents of this section

Meanings of defined terms	54
What is covered	55
What is not covered	55
How much we will pay	56
Section conditions	57

Please read the schedule to see if **your** loss of **income** or loss of **gross profit** and **additional expenses** are covered.

Meanings of defined terms

These meanings apply within **your** Property – business interruption section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy** or all property sections, and not just this section can be found on pages 8, 9 and 37 of **your policy**.

Income

The total income of the **business** carried out from **your business premises**.

Indemnity period

The period beginning at the date of the **insured damage**, or the date the restriction is imposed, and lasting for the period during which **your income** is affected as a result of such **insured damage** or restriction, but for no longer than the number of months shown in the schedule.

Insured damage

Damage to property provided that:

- 1 the **damage** is not otherwise excluded by the Buildings or Contents section of this **policy**;
and
- 2 payment has been made or liability admitted by the insurer under any insurance covering such **damage**.

Specified working expenses

Purchases less applicable discounts, and bad debts.

✓ **What is covered**

We will insure **you** for **your** loss of income or loss of **gross profit** and **additional expenses**, as specified in the schedule, resulting solely and directly from an interruption to **your business** caused by **insured damage** to **your buildings** or **contents** or to any other property used by **you** at the **business premises**.

Additional cover

We will also insure **you** for **your** loss of **income** or loss of **gross profit** and **additional expenses** up to the limit stated in the schedule as applicable resulting solely and directly from an interruption to **your business** caused by the following:

Business premises access cover

Insured damage to property in the vicinity of the **business premises** which prevents or hinders **your** access to the **business premises**;

Contract sites cover

Insured damage at the premises or sites of any of **your** customers in the United Kingdom with whom at the time of the **damage you** have agreed under contract or trading relationship to supply goods or services;

Public authority cover

Your inability to use the **business premises** due to restrictions imposed by a public authority following:

- 1 a murder or suicide;
- 2 an occurrence of a notifiable human disease;
- 3 injury or illness of any person traceable to food or drink consumed on the premises;
- 4 vermin or pests at the premises.

Public utilities cover

Failure in the supply of water, gas, electricity or telecommunications services supplied by a supplier operating and based in the European Union to the **business premises** for more than 24 consecutive hours caused by **insured damage** to any property;

Suppliers cover

Insured damage at the premises of one of **your** suppliers operating and based in the European Union, other than water, gas, electricity or telecommunications services;

x **What is not covered**

Electronic risks exclusion

We will not make any payment for any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**; or
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

We will cover subsequent **insured damage** which is covered by this section, which itself results from a **defined peril** covered by this section, except for damage caused by malicious persons other than thieves.

Radioactive contamination exclusion

We will not make any payment for damage, or any other loss or expense resulting or arising from **damage** to any property, or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

Terrorism and Northern Ireland exclusion

We will not make any payment for loss, damage, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with

- 1** in England, Scotland, Wales, the Channel Islands and the Isle of Man
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
- 2** in Northern Ireland
 - a** any act of **terrorism**, regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - b** any action taken in controlling, preventing, suppressing or in any way relating to any act of **terrorism**
 - c** riot, civil commotion and (except for damage or interruption to the **business** caused by fire or explosion) strikers, locked-out workers or persons taking part in labour disturbances or malicious persons

If any of the points above are found to be invalid or unenforceable, the remainder of the points shall remain in full force and effect

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, cost or expense is not covered by this Section it will be **your** responsibility to prove that they are covered.

War risk exclusion

We will not make any payment for any claims caused by or happening through war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, civil rebellion, warlike operations, revolution, insurrection or military or usurped power, confiscation, nationalisation, requisition, seizure or destruction or damage

to property by or under the order of any government or public or local authority.

We will not make any payment under this section if **your business** is discontinued permanently or if a liquidator or receiver is appointed.

How much we will pay

We will pay up to the **amount insured** shown in the schedule for each of the following items, unless limited below.

If **you** are accountable to the tax authorities for Value Added Tax, the amount **we** pay will be exclusive of such tax.

The amount **we** pay for each item will be calculated as follows:

Accountant's charges

The amount **we** will pay for loss of **income**, or loss of gross profit if applicable, includes the reasonable charges **you** pay to **your** professional accountant for producing information **we** require in support of a request for settlement under this section.

Additional expenses

The necessary and reasonable additional costs and expenses **you** incur in order to continue **your business** during the **indemnity period**.

Loss of gross profit

The amount by which the sum of **your income** and **your** closing stock and work in progress exceeds the sum of **your** opening stock, work in progress and **specified working expenses**.

Loss of income

The difference between **your** actual **income** during the **indemnity period** and the **income** it is estimated **you** would have earned during that period or, if this is **your** first trading year, the difference between **your income** during the **indemnity period** and during the period immediately prior to the loss, less any savings resulting from the reduced costs and expenses **you** pay out of **your income** during the **indemnity period**.

Outstanding debts

Any of **your** outstanding debts which **you** are unable to recover as a direct result of **insured damage** to **your** accounting records.

Special limit for additional covers

Where one of the additional covers applies, **we** will not pay more than the amount shown in the schedule for that additional cover

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However, **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

Outstanding debts condition

You must keep a record of all amounts owed to you and keep a copy of the record away from the business premises.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Property insurance condition

At the time of damage to property **you** own or are legally responsible for, **you** must have property insurance in force covering the **damage** and payment has been made, or liability admitted, under that insurance for the **damage**.

With regard to breakdown damage to computers and ancillary equipment, **you** must have in force a manufacturer's guarantee or a maintenance contract providing free parts and labour in the event of breakdown.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Directors' and officers' liability section

Contents of this section

Meanings of defined terms	58
Limit of cover	62
What is covered	62
Optional section extension of cover	64
What is not covered	65
Section conditions	67

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Directors' and officers' liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy** and not just this section can be found on pages 8 and 9.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Any **claims** involving allegations from the same or essentially the same facts shall be treated as one **claim**.

Crisis public relations consultants

Specialist crisis public relations consultants as appointed or agreed in writing by **rradar** legal or **us**.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or **investigation** to prevent, limit or reduce the actual or potential damage to **your** or any **insured person's** reputation from negative publicity or media attention.

Defence costs

Costs agreed with **us**, in writing, to:

- 1 investigate or defend any **claim**
- 2 fund an appeal against a ruling or judgement (including payment of an appeal bond).

Deprivation of assets expenses

Costs and expenses of any **insured person** paid directly to provide the services listed below as a direct result of any interim or interlocutory order confiscating or suspending the rights of ownership over personal assets or real property of any **insured person** during the **period of insurance**

- 1 schooling
- 2 housing
- 3 utilities or
- 4 personal insurances.

Such costs and expenses shall only be paid where a personal allowance has been directed by a Court to meet such payments and that personal allowance has been exhausted.

Employed person

Anyone:

- 1 under a contract of service or apprenticeship with **you** or a worker as defined in Section 230 of the Employment Rights Act 1996
- 2 who is
 - a employed by **you** or for **you** on a labour only basis
 - b hired to **you** or borrowed by **you** from another employer

- c a voluntary helper or someone taking part in a work experience or training scheme

and under **your** control or supervision.

Employment practice claim

- 1 Any **claim** by any **employed person** for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e **retaliatory treatment**
 - f defamation or invasion of privacy.
- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment practice wrongful act

- 1 Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e **retaliatory treatment**
 - f defamation or invasion of privacy.
- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1 payments made or due (including options to purchase, acquire or sell) under a share option
- 2 pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in this section of the policy), **crisis public relation costs, defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or investigation.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a director, trustee, partner, member or officer of **yours**.
- 2 Any natural person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person** of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in 1 to 5 above, only because of their relationship, following a **claim** against the insured person.

- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Insolvency hearing costs

Costs incurred by **rradar** in any **insured person's defence costs** in any official **investigation** into **your** or an **insured person's** affairs following **your** insolvency or administration.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

The amount shown in **your policy** schedule as the limit of liability.

Loss

Costs and expenses of any claimant and monetary regulatory penalties which an

Directors' and officers' liability section *continued*

insured person becomes legally liable to pay and incurred with **our** prior written agreement, to investigate or defend or settle a **claim** against any **insured person** and this will include

- 1 defence costs and investigation costs**
- 2 awards of damages** (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest** on a judgement or award covered by this section
- 4 settlements**

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or
 - 2** in which **you** hold any issued share capital
- but this does not include
- a** any company registered in the United States of America
 - b** any listed company
 - c** any financial services company.

Policy territories

Worldwide.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**:

- 1** own more than 50% of the share capital
- 2** have a majority of the voting rights
- 3** have the right to appoint or remove a majority of the company's board of directors
- 4** control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Tax investigation claim

- 1 Aspect investigation by HM Revenue & Customs
- 2 Full enquiry by HM Revenue & Customs
- 3 A challenge following a compliance review by HM Revenue & Customs regarding Income Tax, PAYE regulations, National Minimum Wage and National Insurance contributions
- 4 An appeal to VAT or Duties Tribunal up to and including First Tier Tribunal or Upper Tribunal.

Tax investigation will not include:

- a any costs incurred in the normal completion of tax or VAT returns
- b any tax investigation where returns have been submitted more than 30 days after the statutory filing deadline
- c any tax investigation where **you** or any **insured person** have failed to maintain proper accounting records
- d any tax investigation where **rradar** assess HMRC findings to be reasonable and there is no realistic prospect of a successful defence.

Wrongful act

Any actual or alleged act, error or omission carried out or attempted by an **insured person** during the performance of their duties but only in their role as **your** director, officer or **employed person** including:

- 1 breach of any duty, including fiduciary or statutory duty
- 2 breach of trust
- 3 negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4 defamation
- 5 wrongful trading as defined under United Kingdom law
- 6 breach of warranty or authority
- 7 any other act, error or omission attempted or allegedly carried out or attempted by an **insured person** only because of their position as a trustee, director, officer or **employed person of yours**.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
 - a is not registered in the United States of America; or
 - b does not trade any of its securities on any United States of America exchange;But only for a **claim** against an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition.
- 2 any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**. **Investigation costs** will be treated as being made when attendance of an **insured person** is notified as being required.

✓ What is covered

Additional limit for non-indemnifiable loss cover

Where the **limit of liability** has been exhausted, the **limit of liability** shall be increased by £100,000 per **claim** and/or **investigation** for each **insured person** provided that such limit shall be excess of:

- 1 any other available insurance
- 2 any other available indemnification.

Bail costs cover

We will pay on behalf of any **insured person bail costs** caused by a **claim** for a **wrongful act**.

Brexit cover

We will pay for **your loss** caused by a **claim** for a wrongful act in connection with the withdrawal of the United Kingdom from the European Union.

Circumstance investigation cover

We will pay the costs of **rradar** legal in the **investigation** of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a **claim**.

The most **we** will pay under this cover is £50,000 any one **claim**.

This is also the most **we** will pay for all **circumstance investigation claims** in any one **period of insurance**.

Claims against an insured person cover

We will pay the **loss** incurred by any **insured person** caused by a **claim** for a **wrongful act**.

Company reimbursement cover

We will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **claim** for a **wrongful act**.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Crisis public relations costs cover

We will pay **crisis public relations costs** for any **insured person** caused by a **claim** for a **wrongful act**.

Deprivation of assets cover

We shall pay the **loss** of any **insured person** for **deprivation of asset expenses**.

The most **we** will pay under this cover is £250,000 for any one **claim**. This is also the most **we** will pay for all **deprivation of asset claims** in any one **period of insurance**.

Directors' persons tax cover

We will pay the **defence costs** of any director or partner in a personal **tax investigation** where **rradar** assesses such **defence costs** will mitigate or avoid a **claim** against an **insured person**.

The most **we** will pay under this cover is £25,000 any one **claim**. This is also the most **we** will pay for all personal **tax investigation claims** in any one **period of insurance**. Defence costs are solely restricted to the costs of **rradar** legal.

Employment practice claims cover

We will pay for the **loss** caused by an **employment practice claim** during the **period of insurance** brought by a current, former or potential **employed person**.

This cover does not apply if the **insured person** is covered under the Employment practices liability section of this **policy**.

Extradition proceedings cover

We will pay, for any **insured person**, the **loss** caused by any **extradition proceedings** against any **insured person** during the **period of insurance** caused by a **claim** for any **wrongful act**.

Insolvency hearing costs cover

We will pay the **insolvency hearing costs** of any **insured person**.

The most **we** will pay under this cover is £25,000 any one **claim**. This is also the most **we** will pay for all **insolvency hearing costs claims** in any one **period of insurance**.

Investigation costs cover

We will pay the **investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover to the same level and terms as this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

Manslaughter claims cover

We will pay for the **defence costs** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **manslaughter claim** against an **insured person** for a **wrongful act**.

Outside company cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role as a trustee, director or officer of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role. We will only pay after any cover provided by the **outside company** to its trustees, directors or officers and any other insurance available to its trustees, directors and officers has been used.

Pension/employee benefit schemes cover

We will pay for the **loss** caused by a **claim** for a **wrongful act** in connection with an **insured person's** operation or administration of any of **your** pension schemes (other than a defined benefit scheme), employee benefit schemes or trust funds.

Personal charity/Not for profit association cover

We will pay for the **loss** incurred by any **insured person** for any **wrongful act** within the **policy territories** carried out in their role in a personal capacity as a director or officer of a charity or any not for profit organisation.

Pollution claims cover

We will pay for the **loss** arising from **pollution** caused by a **claim** for any **wrongful act**.

Retired insured person cover

In the event that this **policy** is not renewed or replaced with a similar policy, cover will continue for any **insured person** who voluntarily stops being an **insured person** before the date of non-renewal for reasons other than:

- 1 disqualification from holding such a position; or
- 2 a takeover or merger,

Cover will continue for an unlimited period from the date of non renewal (the "run-off period"), provided that:

- a cover will only apply to **claims** caused by any **wrongful act** carried out or alleged before the date of retirement of the **insured person**
- b the run-off period will run at the same time as any extended notification period
- c no similar insurance is in place elsewhere.

Safety legislation claims cover

We will pay for the **loss** which **you** are legally allowed to pay on behalf of an **insured person** caused by a **safety legislation claim** (or similar legislation in any other jurisdiction) against an **insured person** for a **wrongful act**.

Tax cover

If **you** become insolvent, this section will extend to pay for any **claim** against an **insured person** alleging a **wrongful act** relating to **your** unpaid tax liability within the **policy territories**.

Optional section extension of cover

Extended claims notification period cover

Your schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, **you** have not merged with another charity, club or association.

Directors' and officers' liability section *continued*

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover the section Claims notification condition on page 67, is deleted and replaced with the following:

You must:

- 1** as soon as possible within the extended notification period
 - a** give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

Takeovers and mergers extension of cover

Your policy schedule will show if **you** have this cover.

If during the **period of insurance you**:

- 1** merge with another company, or
- 2** any party acquires more than 50% of **your** issued share capital,

you may on payment of an additional premium, of 200% of the annual **policy** premium, request that this section continue in force for a period of

72 months from the expiry date of the current **period of insurance**.

This extension only applies to **claims** caused by any **wrongful act** carried out or alleged before the date of the takeover or merger.

x What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation**:

- 1** for psychological or emotional distress other than an **employment practice claim**
- 2** for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3** for the loss, damage or destruction of any tangible property including loss of use of that property

unless arising directly from **your** breach of a duty of care. Cover shall apply solely in excess of any other insurance policy available to **you** or any **insured person**.

Breach of professional duty exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion shall only apply to **your** advice and/or services directly provided for a fee.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Deliberate or dishonest acts exclusion

We will not cover any **claim, loss** or **investigation** caused by:

- 1** a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person**
- 2** an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs

- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

This exclusion will only apply after a court ruling or an admission by an **insured person** that such an act did take place.

Defined benefit pension schemes exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by:

- 1 an **insured person's** operation or administration of any defined benefit pension scheme
- 2 an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Excess exclusion

We will not pay the **excess** detailed in **your policy** schedule (under each section of cover).

The excess shall only be payable at the conclusion of any **claim** and/or **investigation**.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim, investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person, you** or an **outside company** started before the date of **your** first purchase of Directors and Officers Liability insurance.

Related party claims in the United States of America exclusion

We will not cover any **claim, loss** or **investigation** caused by any **claim** brought by **you, an outside company** or an **insured person** within or subject to the laws of the United States of America.

This exclusion will not apply to:

- 1 **defence costs**
- 2 any shareholder derivative proceedings in **your** name without **your** or any **insured person's** solicitation, assistance or participation
- 3 any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body
- 4 any **employment practices claim**
- 5 any **claim** made by a previously **insured person** of **yours**
- 6 any **claim** seeking a contribution or indemnity if that **claim** would be covered by this section if made against an **insured person**.

Share offerings exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1 **we** have given **our** prior written agreement; and
- 2 **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Specific United States of America legislation exclusion

We will not cover any **claim, loss** or **investigation** caused by the following legislation in the United States of America:

- 1 any breach of the Racketeer Influenced and Corrupt Organizations Act 18 USC Sections 1961 et seq., any amendments to this Act or any rules or regulations made under it

- 2** any breach of the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, the rules or regulations of the Securities Exchange Commission under either or both Acts, similar securities laws or regulations of any state, or any laws of any state relating to any transaction caused by, involving or relating to the sale of securities
- 3** any breach of the Employment Retirement Income Security Act of 1974 as amended, or any rules or regulations made under it, or similar provisions of any federal, state or local law.

Takeovers and mergers exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** after **you** merge or consolidate with another charity, club or association.

Section conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions:

- 1** Cancel the **policy**;
- 2** Declare **your policy** void (treating **your policy** as if it had never existed);
- 3** Change the terms of **your policy**;
- 4** Refuse to deal with all or part of any **claim** or reduce the amount of any **claim** payments.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

These conditions of **your** wording all apply equally to each **insured person** and to **you** other than the Material misrepresentation condition and the Severability condition.

Arbitration condition

If **we** agree to pay **your claim** and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your** business, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS).

In either case this will not affect **your** right to take legal action against **us** over this disagreement.

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** unless agreed with **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1 **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2 At **your** expense **you** must provide **us** with
 - a full details in writing and any further information **we** may reasonably require
 - b any assistance to enable **us** to settle or defend a **claim**
 - c details of any other relevant insurances.
- 3 **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:
Partner – £185 per hour,
Associate – £150 per hour,
Solicitor – £115 per hour,
Paralegal – £90 per hour.
Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.
- 4 **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5 **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6 Where it is assessed by **us** and **your** legal representation that **you** have a greater than 60% prospect of success, **you** shall have the right to defend any **claim** made against **you** or any **insured person**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Material misrepresentation condition

The **policy** condition, Fair presentation of risk condition on page 11 will only apply under this section to an **insured person** who had knowledge of a misstatement or omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

In these circumstances **we** waive **our** right to cancel the **policy** on the grounds of non-disclosure, fair presentation of risk or fraud.

Notification of potential claims

You may give **us** notice of any **circumstance** which might reasonably be expected to lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

Severability condition

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

Employment practices liability section

Contents of this section

Meanings of defined terms	69
Limit of cover	73
What is covered	73
What is not covered	74
Section conditions	76

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Employment practices liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy** and not just in this section can be found on page 8.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or employee dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a **wrongful act**
- 3 alleging an **employment practice wrongful act**.

Any claims involving allegations from the same or essentially the same facts shall be treated as one claim.

Crisis public relations consultants

Specialist crisis public relations consultants as appointed or agreed in writing by **rradar** legal or **us**.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim** and/or investigation to prevent, limit or reduce the actual or potential damage to **you** or any **insured person's** reputation from negative publicity or media attention.

Defence costs

Costs agreed with **us**, in writing, to:

- 1 investigate or defend any **claim**
- 2 fund an appeal against a ruling or judgement (including payment of an appeal bond).

Employed person

Anyone:

- 1 under a contract of service or apprenticeship with **you** or a worker as defined in Section 230 of the Employment Rights Act 1996
- 2 who is
 - a employed by **you** or for **you** on a labour only basis
 - b hired to **you** or borrowed by **you** from another employer
 - c a voluntary helper or someone taking part in a work experience or training scheme

and under **your** control or supervision.

Employment practice claim

- 1 Any claim by any **employed person** for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies

e retaliatory treatment

f defamation or invasion of privacy.

- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective employed person.

Employment practice wrongful act

- 1 Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a wrongful, unfair or constructive dismissal, termination of employment
 - b breach of written or implied contract
 - c employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e retaliatory treatment
 - f defamation or invasion of privacy.

Employment practice wrongful act does not include any internal disciplinary matter, grievance or appeal.

- 2 Any other **claim** happening only as a result of **you** employing any current, former or prospective **employed person**.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1 payments made or due (including options to purchase, acquire or sell) under a share option
- 2 pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the policy), **crisis**

Employment practices liability section *continued*

public relation costs, defence costs and investigation costs, however, it will not apply to any **claim** successfully defended.

The excess will only be charged at the end of each **claim** and/or investigation.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Insolvency hearing costs

Costs incurred by **rradar** in any **insured person's defence** costs in any official **investigation** into **your** or an **insured person's** affairs following **your** insolvency or administration.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a director trustee, partner, member or officer of **yours**.
- 2 Any natural person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any **employed person** of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an insured person described in **1** to **5** above, only because of their relationship, following a **claim** against the insured person.
- 7 The estates, heirs or legal representatives of any insured person above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the insured person.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

The amount shown in **your policy** schedule as the limit of liability.

Loss

Costs and expenses of any claimant and monetary regulatory penalties which **you** or an **insured person** becomes legally liable to pay and incurred with **our** prior written consent, to investigate, defend or settle a **claim** against **you** or any **insured person** and this will include:

- 1 **defence costs** and **investigation costs**
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

Employment practices liability section *continued*

but this will not include any criminal fines or penalties, salary or **employment related benefits**.

Civil fines are covered only where they are insurable under United Kingdom law.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1 that is a charity or association, or;
- 2 in which **you** hold any issued share capital but this does not include
 - a any company registered in the United States of America
 - b any listed company
 - c any financial services company.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any **pollutant** or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing **you** following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**;

- 1 own more than 50% of the share capital
- 2 have a majority of the voting rights
- 3 have the right to appoint or remove a majority of the company's board of directors
- 4 control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

You/your

In addition to the **policy** definition this will include:

- 1 a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary** is not registered outside of the United Kingdom;
but only for a **claim** against you or an **insured person** caused by a **wrongful act** carried out after the date of creation or acquisition;
- 2 any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as being made when **we** receive written notice of the **claim**. **Investigation costs** will be treated as being made when **your** or an **insured person's** attendance is notified as being required.

✓ What is covered

Claims by employees cover

We will pay for **your** or any **insured person's loss** caused by a **claim** by an **employed person** alleging an **employment practice wrongful act**.

The **excess** will not apply to any **claim** brought only against an **insured person**.

Claims by others cover

We will pay for **your** or any **insured person's loss** caused by a **claim** by anyone other than an **employed person** alleging an **employment practice wrongful act**.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Investigation costs cover

We will pay for **your** or any **insured person's investigation costs** caused by an **investigation** first notified as being required during the **period of insurance**.

The **excess** will not apply to any **investigation** that only involves an **insured person**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms of this **policy** for a period of 30 days from the buy-out date for any **employment**

practice wrongful act carried out by any **insured person** within this 30 day period.

Outside company cover

We will pay for the **loss** incurred by any **insured person** for any **employment practice wrongful act** carried out by an **insured person** in their role as an **employed person** of an **outside company**.

Provided that the **insured person** acts in that role at **your** written request and the **claim** does not arise from a **wrongful act** carried out after the **insured person** stopped acting in this role.

We will only pay after any cover provided by the **outside company** to its directors or officers and any other insurance available to its directors and officers has been used.

Optional cover extensions

Extended claims notification period cover

Your schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1 **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2 the **policy** is not replaced by any other policy; and
- 3 at the end of the **period of insurance**, **you** have not merged with another company, nor has any party acquired 50% or more of **your** issued share capital.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover, the policy Claims notification condition on page 76 is deleted and replaced with the following:

Employment practices liability section continued

You must:

- 1** as soon as possible within the **extended notification period**
 - a** give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

x What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim** or **loss** (as defined in each section of the **policy**):

- 1** for psychological or emotional distress other than an **employment practice claim**
- 2** for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**
- 3** for the **loss**, damage or destruction of any tangible property, electronic systems or data including loss of use of that property.

Breach of professional duty exclusion

We will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion shall only apply to **your** advice and/or services directly provided for a fee.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Claims outside of the United Kingdom exclusion

We will not cover any **claim**, **loss** or **investigation** caused by any **employment practice claim** outside of the United Kingdom.

Collective bargaining agreements exclusion

We will not cover any **claim** caused by **your** failure to act in accordance with any collective bargaining agreement other than:

- 1** allegations of **retaliatory treatment**
- 2** **defence costs** and/or **investigation costs**.

Contractual payments exclusion

We will not cover any **claim** or any aspect of a settlement caused by **your** failure to pay any amount **you** must pay under contract to an **employed person**.

This includes but is not limited to:

- 1** payments for notice periods (contractual or statutory); or
- 2** any breach of any minimum wage requirements.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Defined benefit pension schemes exclusion

We will not cover any **claim**, **loss** (as defined in each section of the **policy**) or **investigation** caused by:

- 1** an **insured person's** operation or administration of any defined benefit pension scheme
- 2** an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Deliberate and dishonest acts exclusion

We will not cover any deliberate breach of employment regulation, deliberately not following the advice provided by the employment helpline or other solicitor/human resources advisor, or any other dishonest or fraudulent act carried out by **you** or any of **your** senior management or human resources department.

Excess exclusion

We will not pay the **excess** detailed in **your policy** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

Legal requirements exclusion

We will not cover any **claim, loss** or **investigation** caused by **your** legal duties in relation to **you**:

- 1 health and safety requirements
- 2 payment of unemployment benefits
- 3 payment of social security benefits
- 4 payment of retirement benefits
- 5 payment of disability benefits.

This exclusion does not apply to **defence costs** for any **claim** caused by **retaliatory treatment**.

Non-compensatory payments exclusion

We will not cover any **claim, loss** or **investigation** caused by:

- 1 the failure to pay for anyone else's liability which **you** must legally take on under any contract or agreement. This does not apply to any **claim** that would have happened without such contract or agreement
- 2 any non-financial order
- 3 any amount for the costs of agreeing or refusing to agree with a court or other order for the reinstatement of an **employed person** other than basic salary from the original date of dismissal to the date of court or other order.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Pension rights exclusion

We will not cover any **claim** caused by:

- 1 any **employed person's** loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme
- 2 the operation or administration of any pension or employee benefit scheme or trust fund
- 3 **your** breach of any legislation or regulation related to these activities.

This exclusion does not apply to **defence costs** and/or **investigation costs**.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim, investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person, you** or an **outside company** started before the date of **your** first purchase of Directors and Officers Liability insurance.

Share offerings exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1 **we** have given **our** prior written agreement; and
- 2 **you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Takeovers and mergers exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1 merge or consolidate with another company; or
- 2 any party acquires more than 50% of **your** issued share capital.

Tax exclusion

We will not cover any **claim** caused by **your** failure to pay taxes. This exclusion does not apply to **defence costs** and/or **investigation costs**.

Trade Union membership exclusion

We will not cover any **claim** caused by membership or non-membership of any trade union or similar organisation other than:

- 1 allegations of **retaliatory treatment**
- 2 **defence costs** and/or **investigation costs**.

Section conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions:

- 1 Cancel the **policy**;
- 2 Declare **your policy** void (treating **your policy** as if it had never existed);
- 3 Change the terms of **your policy**;
- 4 Refuse to deal with all or part of any **claim** or reduce the amount of any **claim** payments.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

These conditions of **your** wording all apply equally to each **insured person** and to **you** other than the **Fair presentation of risk condition** and the **Severability condition**.

Arbitration condition

If **we** agree to pay **your claim** and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your**

business, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take legal action against **us** over this disagreement.

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy**, **we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

Claims notification condition

You must:

- 1 as soon as possible within the **period of insurance** or at the latest within 45 days after it expires:
 - a give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2 immediately
 - a on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c unless otherwise agreed by **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1 **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2 At **your** expense **you** must provide **us** with
 - a full details in writing and any further information **we** may reasonably require
 - b any assistance to enable **us** to settle or defend a **claim**
 - c details of any other relevant insurances.
- 3 **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:
Partner – £185 per hour,
Associate – £150 per hour,
Solicitor – £115 per hour,
Paralegal – £90 per hour.
Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.
- 4 **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5 **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6 Under this section of **your policy**, where it is assessed by **us** and **your** legal representation that the claim has greater than 60% prospect of a successful defence, **you** shall have the right to decide whether to defend the **claim** or agree a settlement.

We will not pay **your claim** where **you** have not complied with this condition.

Fair presentation of risk condition

The **policy** condition, Fair presentation of risk condition shown on page 11 will only apply under this section to an **insured person** who had knowledge of a misstatement or

omission before the **period of insurance** that could affect the terms and/or conditions of this **policy**.

Notification of potential claims

You may give **us** notice of any **circumstance** which might reasonably be expected to lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Where **we** accept the **circumstance** any future **claim** arising from this **circumstance** shall be deemed to have been made in the **period of insurance** in which the **circumstance** was first notified.

Severability condition

All information which any **insured person** provided before **we** agreed to insure **you** will be considered as a separate application for each **insured person**.

The knowledge of or any statement made by any **insured person** will not be applied to any other **insured person** for the purposes of deciding whether cover is available for any **claim**.

With respect to any **claim** made against **you**. Only statements made (whether in the proposal or otherwise) and information possessed by any Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be attributed to **you** in determining whether cover applies under **your policy**.

Company legal liability section

Contents of this section

Meanings of defined terms	78
Limit of cover	82
What is covered	82
Optional section extension of cover	86
What is not covered	86
Section conditions	88

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Company legal liability section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meanings of defined terms that apply throughout **your policy** and not just this section can be found on page 8.

Bail costs

Costs agreed with **us**, to pay for a bond to guarantee an **insured person's** bail or equivalent in another country as required by a court of law.

Circumstance

Any verbal or written complaint made against **you** or an **insured person** that could give rise to a **claim**. This does not include any routine employment disciplinary action or dismissal.

Claim

Any written demand or civil, criminal, arbitration or regulatory proceeding first made against **you** or an **insured person** during the **period of insurance**:

- 1 seeking monetary damages
- 2 seeking a penalty or other legal action and alleging a wrongful act
- 3 alleging an employment practice wrongful act.

Any **claims** involving allegations from the same or essentially the same facts shall be treated as one **claim**.

Crisis public relations consultants

Specialist crisis public relations consultants as appointed or agreed in writing by **rradar** legal or **us**.

Crisis public relations costs

Costs incurred by the **crisis public relations consultants** following a **claim**.

Company legal liability section *continued*

Cyber liability claim

Any **claim** made against **you** by a third party for damage caused by **your** electronic systems.

Defence costs

Costs agreed with **us**, in writing, to:

- 1** investigate or defend any **claim**
- 2** fund an appeal against a ruling or judgement (including payment of an appeal bond).

Employment practice claim

- 1** Any **claim** by any employed person for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, discharge or termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation
 - d** harassment, unlawful discrimination or failure to provide adequate employee procedures and policies
 - e** **retaliatory treatment**
 - f** defamation or invasion of privacy.
- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective employed person.

Employment practice wrongful act

- 1** Any actual or alleged act, conduct, error or omission carried out or attempted by **you**, an **insured person** or a third party where **you** are held to be legally responsible for any actual or alleged:
 - a** wrongful, unfair or constructive dismissal, termination of employment
 - b** breach of written or implied contract
 - c** employment related misrepresentation, wrongful denial of a career opportunity, failure to grant employment or negligent employee evaluation

d harassment, unlawful discrimination or failure to provide adequate employee procedures and policies

e **retaliatory treatment**

f defamation or invasion of privacy.

- 2** Any other **claim** happening only as a result of **you** employing any current, former or prospective employed person.

Employment related benefits

Any payment to an **insured person** as well as normal salary including:

- 1** payments made or due (including options to purchase, acquire or sell) under a share option
- 2** pension scheme or other employee benefit program incentive or deferred salary.

Excess

The first amount of any **claim** or **claims** as detailed in **your policy** schedule for which **you** are responsible. The excess applies to **loss** (as defined in each section of the **policy**), **crisis public relation costs, defence costs** and **investigation costs**, however, it will not apply to any **claim** successfully defended. The excess will only be charged at the end of each **claim** and/or **investigation**.

Extradition proceeding

Any **claim** or proceeding brought against an **insured person** under United Kingdom extradition law or similar law in any other country.

Identity fraud

Any agreement entered into by anyone other than **you**, pretending to be **you**, for the purpose of committing a criminal or malicious act.

Infringement of copyright

Infringement of copyright, patent, trademark or any other intellectual property rights.

Insolvency hearing costs

Costs incurred by **rradar** in any **insured person's defence costs** in any official **investigation** into **your** or an **insured person's** affairs following **your** insolvency or administration.

Insured person

- 1 Any person who was, is, or during the **period of insurance** becomes a partner trustee, director, member or officer of **yours**.
- 2 Any natural person acting in the capacity as a trustee of **yours** (not including any administrator, liquidator, receiver or auditor).
- 3 Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- 4 Any employed person of **yours**.
- 5 Any trustee of any pension or employee benefit scheme or trust fund operated or administered by **you**.
- 6 The lawful husband, wife, civil or unmarried partner of an **insured person** described in 1 to 5 above, only because of their relationship, following a **claim** against the **insured person**.
- 7 The estates, heirs or legal representatives of any **insured person** above who has died or become incapacitated, insolvent or bankrupt but only in relation to a **claim** against the **insured person**.

Investigation

Other than investigations by HMRC, any official hearing, investigation, examination, official enquiry or enquiry into **your** or an **insured person's** business carried out by any government department, regulator or third party with legal rights to do so.

For HMRC investigations, investigation is restricted to those enquiries undertaken by the Special Civil Investigations Office under Code of Practice 8 or Code of Practice 9, an enquiry held under section 60 or 61 of the VAT Act 1994 or any matters handled by the National Investigations Service of HMRC.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the business activities of **your** industry which is not related only to **your** or any **insured person's** conduct.

Investigation costs

Legal and other professional costs and expenses agreed with **us** in writing, incurred directly by **you** or an **insured person** in preparing for and attending any **investigation**.

This does not include salary or any other additional costs of **yours**.

Limit of liability

The amount shown in **your policy** schedule as the limit of liability.

Loss

Costs and expenses of any claimant and monetary regulatory penalties which which **you** become legally liable to pay and incurred with **our** prior written agreement, to investigate or defend or settle a **claim** against **you** and this will include

- 1 **defence costs** and **investigation costs**
- 2 awards of damages (including punitive and exemplary damages where legally allowed)
- 3 pre and post judgement interest on a judgement or award covered by this section
- 4 settlements

but this will not include any criminal fines or penalties, taxes (other than those covered under the Tax cover), salary or **employment related benefits**.

Regulatory civil penalties are covered only where they are insurable under United Kingdom law and are restricted to the following:

- a Fees for intervention payments due under Health and Safety (Fees) Regulations 2012
- b Penalties due under the Pensions Act 2008, 2004 and earlier legislation
- c Environment Agency, Scottish Environmental Protection Agency or equivalent fees due following an **investigation**.

Manslaughter claim

Any court action brought for manslaughter, corporate manslaughter, corporate homicide or culpable homicide.

Outside company

Any company other than **you**:

- 1** that is a charity or association, or
- 2** in which **you** hold any issued share capital but this does not include
 - a** any company registered in the United States of America
 - b** any listed company
 - c** any financial services company.

Pollutant

Any contaminant, irritant or other substance including, but not limited to: asbestos, lead, smoke, vapour, water, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals, waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed).

Pollution

Actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any pollutant or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any **pollutant**.

Pollution clean up costs

Costs incurred by **you** or imposed by the Environment Agency or equivalent body in any other territory to investigate and clean up any **pollution** incident.

Products

Products that **you** supply, provide or deliver including containers, packaging, labelling, instructions, advice and services in connection with **your** product.

Regulatory mitigation costs

Costs incurred by **you** in reporting and representing you following a report to any official regulator to reduce or avoid any potential fine or penalty.

Retaliatory treatment

Any actual or alleged action by **you** against an **employed person** as a result of the **employed person** using or trying to use their legal rights.

This includes but is not limited to their rights under employment discrimination statutes.

Safety legislation claim

Any court action alleging a breach of statutory duty under health and safety, consumer protection or food safety legislation.

Subsidiary

Any company where **you**:

- 1** own more than 50% of the share capital
- 2** have a majority of the voting rights
- 3** have the right to appoint or remove a majority of the company's board of directors
- 4** control a majority of its voting rights under a written agreement with other shareholders or members.

If a company ceases to be a subsidiary cover will continue but only for a **claim** caused by a **wrongful act** carried out before it stopped being a subsidiary.

Tax investigation claim

- 1** Aspect investigation by HM Revenue & Customs
- 2** Full enquiry by HM Revenue & Customs
- 3** A challenge following a compliance review by HM Revenue & Customs regarding Income Tax, PAYE regulations, National Minimum Wage and National Insurance contributions
- 4** An appeal to VAT or Duties Tribunal up to and including First Tier Tribunal or Upper Tribunal.

Tax investigation will not include:

- a** any costs incurred in the normal completion of tax or VAT returns
- b** any tax investigation where returns have been submitted more than 30 days after the statutory filing deadline
- c** any tax investigation where **you** or any **insured person** have failed to maintain proper accounting records
- d** any tax investigation where **rradar** assess HMRC findings to be reasonable and there is no realistic prospect of a successful defence.

Telephone fraud

The dishonest access and use of **your** telephone systems by any third party.

Third party fraud or forgery

- 1** The signing, creation or alteration of any cheque, draft, promissory note or other written or electronic instrument with the intention to deceive.
- 2** Telephonic or written instructions acted on by **you** when the instructions are purported to have come from an **insured person**, client, customer, supplier or financial institution but have in fact come from a fraudster.

Wrongful act

Any actual or alleged act, error or omission carried out or attempted by **you** including but not limited to:

- 1** breach of any duty, including fiduciary or statutory duty
- 2** breach of trust
- 3** negligence, negligent misstatement, misleading statement or negligent misrepresentation
- 4** breach of warranty or authority.

You/your

In addition to the policy definition this will include:

- 1** a **subsidiary**, and any **subsidiary** created or acquired during the **period of insurance** as long as the newly created or acquired **subsidiary** is not registered outside of the United Kingdom;
but only for a **claim** against you caused by a **wrongful act or investigation** carried out after the date of creation or acquisition.
- 2** Any pension or employee benefit scheme or trust fund of yours.

Limit of cover

The most **we** will pay for any one **claim** including **defence costs** and/or **investigation costs** is the **limit of liability**.

Each **claim** will be treated as made when **we** receive written notice of the **claim**.

Investigation costs will be treated as made when **you** or an **insured person's** attendance is notified as being required.

✓ What is covered

Breach of Data Protection cover

We will pay for **your loss** for a breach of Data Protection law.

Brexit cover

We will pay for **your loss** caused by a **claim** for a wrongful act in connection with the withdrawal of the United Kingdom from the European Union.

Circumstance investigation costs

We will pay the costs of **rradar** legal in the investigation of any **circumstance** reported to **us** during the **period of insurance** including the steps that might be appropriate to avert or reduce the potential of a **claim**.

The most **we** will pay for all **circumstance investigation claims** in any one **period of insurance** is £50,000.

Compensation for court attendance cover

We will pay **you** at the rate of £250 per day for each **insured person** and any accompanying husband, wife, civil or unmarried partner provided such **insured person's** attendance is needed in court in connection with any **claim** or **investigation**.

Contractual liability cover

We will pay **your defence costs** caused by any contractual liability **claim**. The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all contractual liability claims in any one **period of insurance**.

Crisis public relations costs

We will pay **crisis public relations costs** caused by any **claim** or **investigation** made against **you** for a **wrongful act**.

Cyber liability cover

We will pay **your defence costs** resulting from any **cyber liability claim**. The most **we** will pay for any **cyber liability claim** is £50,000. This is also the most **we** will pay for all **cyber liability claims** in any one **period of insurance**.

Data protection cover

We will pay the costs of **rradar** legal in contacting **your** customers and suppliers as legally required following a data protection breach.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all data protection **claims** in any one **period of insurance**.

Employee dishonesty cover

We will pay for **your** direct financial loss caused by the dishonesty of an **employed person** discovered during the **period of insurance**.

Provided that there was a clear intention to cause **you** financial loss or damage and for that person to obtain a financial gain other than salary, bonus or commission.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the

most **we** will pay for all Employee dishonesty and third party electronic funds transfer claims in any one **period of insurance**.

Identity fraud cover

We will pay for **your loss** resulting from identity fraud.

Infringement of copyright cover

We will pay **your defence costs** caused by any **Infringement of Copyright claim**. The most **we** will pay under this cover is £50,000 for any one **claim**. This is also the most **we** will pay for all Infringement of Copyright **claims** in any one **period of insurance**.

Investigation costs cover

Pre-investigation cover is available via **rradar** policy helpline page 4.

We will pay for **your investigation costs** caused by an **investigation** against **you** which **you** first notified as being required during the **period of insurance**.

Loss of documents cover

We will pay the costs of replacing or restoring any document, data or information lost, damaged or destroyed whilst in **your** possession during the **period of insurance**.

The most **we** will pay under this cover is £100,000 for any one loss of documents event. This is also the most **we** will pay for all **loss** of documents events in any one **period of insurance**.

Management buy-out cover

If during the **period of insurance** members of **your** existing management team conduct a management buy-out, **we** agree to provide cover for the new company at the same level and terms as this **policy** for a period of 30 days from the buy-out date for any **wrongful act** carried out by any **insured person** within this 30 day period.

Manslaughter claims cover

We will pay for **your defence costs** caused by a **manslaughter claim** made against **you** for a **wrongful act**.

Negative social media crisis public relations costs cover

We will pay **crisis public relations costs** necessary to mitigate the adverse effect or potentially adverse effect to **your** reputation following any sustained negative publicity in relation to **your** business activities or practices that is posted on any internet-based social media platform or website.

The most **we** will pay for all negative social media public relations costs **claims** in any one **period of insurance** is £25,000.

Other wrongful acts cover

We will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act**.

Pension/employee benefit schemes cover

We will pay for **your loss** caused by any **claim** made against **you** for a **wrongful act** in connection with **your** operation or administration of any pension or employee benefit scheme or trust fund.

Pollution claims clean up costs cover

We will pay **your loss** for pollution clean up costs for any **claim** and/or **investigation** made against **you**.

The most **we** will pay under this cover is £25,000 for any one **claim**. This is also the most **we** will pay for all pollution claims clean up costs **claims** in any one **period of insurance**.

Pollution claims cover

We will pay for **your defence costs** caused by any **claim** made against **you** for a **wrongful act** in connection with **pollution**.

The most **we** will pay under this cover is £100,000 for any one **claim**. This is also the most **we** will pay for all **claims**, made against **you** for a **wrongful act** in connection with **pollution**, in any one **period of insurance**.

Regulatory mitigation cover

We will pay **your regulatory mitigation costs** for any regulatory self reporting.

Safety legislation claims cover

We will pay for **your defence costs** caused by a **safety legislation claim** caused by any **claim** made against **you** for a **wrongful act**.

Tax investigation cover

We will pay **your defence costs** for any tax investigation claim.

Telephone fraud cover

We will pay **your** direct financial loss discovered during the **period of insurance** caused by telephone fraud.

The most **we** will pay under this cover is £10,000. This is also the most **we** will pay for all telephone fraud **claims** in any one **period of insurance**.

Third party electronic funds transfer cover

We will pay for **your** direct financial loss caused by the dishonesty of any third party accessing **your** computer systems and transferring funds with the intention of obtaining an improper financial gain. The most **we** will pay under this cover is £10,000 for any one **claim**.

This is also the most **we** will pay for all third party electronic fund transfer claims in any one **period of insurance**.

Third party fraud or forgery cover

We will pay **your** direct financial loss discovered during the **period of insurance** caused by **third party fraud or forgery**.

The most **we** will pay under this cover is £10,000. This is also the most **we** will pay for all **third party fraud or forgery claims** in any one **period of insurance**.

Section extensions

Legal pursuit extension

This extension attaches to and forms part of **your policy** and is subject to the policy conditions, exclusions and defined terms:

The cover

Aggregate limit of liability: £25,000 unless otherwise stated **Excess**: £1,000 each and every claim.

We will provide cover up to the aggregate limit of liability any one **period of insurance** and subject to the **excess** stated provided that:

- 1 the date of occurrence happens during the **period of insurance** and occurs within the **policy territories** in connection to **your** business;
- 2 any legal proceedings will be dealt with by a court, or other body which **we agree** to, in the **policy territories**;
and
- 3 all cover provided by this Legal pursuit extension relates to costs solely incurred by **rradar**.

Contract disputes and debt recovery cover

rradar will negotiate for **your** legal rights in a contractual dispute entered into by **you** or on **your** behalf for the purchase, hire, sale or provision of goods, services or the lease, licence or tenancy of land or building(s).

Provided that:

- 1 the amount in dispute exceeds £500
- 2 if the amount in dispute is payable in instalments, the instalments due and payable at the time of making the **claim** exceed £500
- 3 if the dispute relates to money owed to **you**, a **claim** is notified to **rradar** within 90 days of the money becoming due and payable.

Restrictive covenant cover

rradar will negotiate for **your** legal rights in pursuing:

- a an undertaking or injunction against a former employee alleging breach of their **restrictive covenant** or **confidentiality clause**
- b damages for breach of **restrictive covenant** or **confidentiality clause**.

Trespass, nuisance, person removal and property damage cover

rradar will negotiate for **your** legal rights in any dispute relating to **your** property, arising from nuisance, the need to remove any trespassing persons or damage to **your** property.

Additional exclusion applicable to **Legal pursuit extension**.

We will not pay for:

- 1 any **excess** shown
- 2 any **claim** relating to:
 - a settlement payable under an insurance policy or loan, mortgage, pension, investment or borrowing;
 - b any dispute arising from or relating to the renewal of a lease or tenancy agreement or rent review
- 3 the recovery of money and the interest due from another party other than disputes where the other party intimates that a defence exists
- 4 any **claim**, that in the opinion of **rradar**, has a less than 51% prospect of success
- 5 costs incurred before **rradar** have consented to such costs being incurred.

Additional definitions applicable to Legal pursuit extension only

Confidentiality clause

A term in **your** employment contract restricting the use of **your** information or trade secrets gained in the ordinary course of **your** business.

Date of occurrence for contract disputes

The date of occurrence is when the **insured person** could reasonably be expected to become aware of the breach of contract.

Policy territories

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

Aggregate limit of liability

The most **we** will pay in total in any one **period of insurance** in respect of **claims** made during the **period of insurance**.

Claim(s)

The cost of **rradar** advice and support in pursuing **your** legal rights under the terms and conditions of this Legal pursuit extension.

rradar

rradar Limited,
The Beacon
6 Beacon Way
Hull
HU3 4AE

Restrictive covenant

An express term in **your** employment contract preventing an ex-employee acting in a manner that prejudices **your** business interests by:

- a** competing with **you**
- b** soliciting business from **your** customers
- c** dealing with **your customers**
- d** attempting to employ **your** employees

for a reasonable time after leaving **your** employment.

Optional section extension of cover

Extended claims notification period cover

Your schedule will show if **you** have this cover.

If **we** or **you** refuse to renew the **policy** for any reason other than nonpayment of premium or insolvency, **you** may purchase an extended claims notification period of 12 months upon payment of 50% of the full **policy** annual premium.

This extended notification period is only available if:

- 1** **we** receive **your** written notice of purchase within 30 days following the end of the **period of insurance**; and
- 2** the **policy** is not replaced by any other policy; and

- 3** at the end of the **period of insurance**, **you** have not merged with another charity, club or association.

If **we** offer renewal terms, conditions, **limits of liability** or premiums that are different from those of the expiring **policy**, this does not mean a refusal to renew.

Condition of the cover

Where **you** have taken this cover the section Claims notification condition on page 88, is deleted and replaced with the following:

You must:

- 1** as soon as possible within the extended notification period
 - a** give **us** notice of any **claim** under this **policy**, in accordance with the terms of each section
 - b** give **us** all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section
 - c** notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**. **We** will not refund any premium to **you** if **you** cancel the extended notification period before it ends.

X What is not covered

Bodily injury or property damage exclusion

We will not cover any **claim** or **loss** (as defined in each section of the **policy**):

- 1** for psychological or emotional distress other than an **employment practice claim**
- 2** for sickness, disease, bodily injury or death other than a **safety legislation claim** or **manslaughter claim**

- 3 for the loss, damage or destruction of any tangible property including loss of use of that property.

Breach of professional duty exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by a breach of or failure to provide professional duties or services.

This exclusion shall only apply to **your** advice and/or services directly provided for a fee.

This exclusion will not apply to a **claim** for any actual or alleged failure to supervise the performance of any professional services.

Claims outside of the policy territories exclusion

We will not cover any **loss** or **investigation** caused by any **claim** outside the **policy territories**.

Defined benefit pension schemes exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by:

- 1 an **insured person's** operation or administration of any defined benefit pension scheme
- 2 an **insured person's** breach of any legislation or regulation relating to any defined benefit pension scheme.

Deliberate or dishonest acts exclusion

We will not cover any **claim, loss** or **investigation** caused by:

- 1 a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation carried out by any **insured person** acting for **you**. This exclusion does not apply to any regulatory self reporting
- 2 an act by any **insured person** intended to obtain or which does obtain a personal profit or advantage which was not legally theirs other than a **claim** under the employee dishonesty or third party electronic funds transfer cover

- 3 an act intended to obtain or which does obtain a profit for any company other than **you** where an **insured person** is a director, officer or employee of that company.

Employee dishonesty, telephone fraud, third party and forgery fraud and third party funds transfer exclusion

We will not cover any **claim, loss** or **investigation** caused by employee dishonesty or third party funds transfer in relation to:

- 1 any accounting or arithmetical error, omission or unexplained shortage
- 2 any default on a credit or other loan agreement
- 3 any loss of interest, loss of profit or any other indirect financial loss.

We will also not cover **your** costs of establishing the amount of **your** direct financial loss.

Employment exclusion

We will not cover any **claim, loss** or **investigation** caused by any **employment practice claim**.

Excess exclusion

We will not pay the **excess** detailed in **your policy** schedule (under each section of cover). The **excess** shall only be payable at the conclusion of any **claim** and/or **investigation**.

Failure to fund pension, share ownership or employee benefit schemes exclusion

We will not cover any **claim, loss** or **investigation** for **your** failure to fund any pension, share ownership employee benefit or any other similar scheme.

Prior claims, investigations and circumstances exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim, investigation** or **circumstance** which **you** were aware of before the start of the **period of insurance**.

Prior litigation exclusion

We will not cover any **claim, loss** (as defined in each section of the **policy**) or **investigation** caused by any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **insured person, you** or an **outside company** started before the date of **your** first purchase of Directors' and Officers' Liability insurance.

Products liability exclusion

We will not cover any **claim, loss** or **investigation** caused by the sale, manufacture, installation or supply of any of **your products**. This exclusion does not apply to any **investigation costs** cover and/or criminal/regulatory proceeding.

Share offerings exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** relating to any actual public offering of **your** share capital unless:

- 1 we** have given **our** prior written agreement; and
- 2 you** have paid any additional premium and accepted any amendments **we** may need to make to the terms and conditions of this **policy**.

Takeovers and mergers exclusion

We will not cover any **loss** (as defined in each section of the **policy**) or **investigation** caused by any **claim** for a **wrongful act** after **you**:

- 1** merge or consolidate with another company; or
- 2** any party acquires more than 50% of **your** issued share capital.

Virus exclusion

Other than as provided by **cyber liability cover, we** will not cover any **claim, loss** or **investigation** caused by the transmission or receipt of a **virus or similar mechanism**.

Section conditions

You must comply with the following conditions to have the full protection of **your policy**. If **you** do not comply then **we** may at **our** option take one or more of the following actions:

- 1** Cancel the **policy**;
- 2** Declare **your policy** void (treating **your policy** as if it had never existed);
- 3** Change the terms of **your policy**;
- 4** Refuse to deal with all or part of any **claim** or reduce the amount of any **claim** payments.

If **you** are unsure about any of these conditions or whether **you** need to notify **us** about any matter, please contact **us**.

Arbitration condition

If **we** agree to pay **your claim** and **you** disagree with the amount to be paid it may be referred to an arbitrator who is jointly appointed. Alternatively, depending on the size of **your** business, **you** may be able to refer **your** case to the Financial Ombudsman Service (FOS). In either case this will not affect **your** right to take legal action against **us** over this disagreement.

Claims conditions

You and/or any **insured person** must reimburse **us** for any **defence costs** paid where it is later determined that there is no cover under this **policy**.

If a **claim** is made which is not completely covered by any section of this **policy, we** will do **our** best to agree with **you** or any **insured person** a fair allocation between **loss** (as defined in each section of the **policy**) that is covered and **loss** (as defined within each section of the **policy**) not covered by this **policy**.

Claims notification condition

You must:

- 1** as soon as possible within the **period of insurance** or at the latest within 45 days after it expires
 - a** give **us**, and the **crisis public relations consultants** where appropriate, notice of any **claim** under this **policy**, in accordance with the terms of each section

- b** give **us**, and the **crisis public relations consultants** where appropriate, all the information **we** request
- 2** immediately
 - a** on receipt send **us** every letter, court order, summons or other legal documents served upon **you**
 - b** tell **us** about any **investigation**, prosecution, inquest or fatal accident inquiry or dispute for referral to adjudication or court proceedings in connection with any potential **claim**, in accordance with the terms of each section.
 - c** unless agreed with **us** in writing, notify the police of any fraudulent or criminal activity upon discovery.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Claims procedures condition

- 1** **You** must take, or allow others to take, practical steps to minimise any **claim**.
- 2** At **your** expense **you** must provide **us** with
 - a** full details in writing and any further information **we** may reasonably require
 - b** any assistance to enable **us** to settle or defend a **claim**
 - c** details of any other relevant insurances.
- 3** **You** may appoint legal representation with **our** prior written consent. Where **we** agree to **your** legal representation, the maximum following hourly rates shall apply:

Partner – £185 per hour,
Associate – £150 per hour,
Solicitor – £115 per hour,
Paralegal – £90 per hour.

Where a **claim** is made against **you** and/or more than one **insured person**, unless there is a conflict of interest, the same legal representative should be used. If it is not possible to obtain **our** consent before incurring **defence costs**, **we** will agree to this providing **our** agreement is obtained within 14 days.

- 4** **You** must not accept, negotiate, pay, settle, admit or reject any **claim** without **our** prior written consent.
- 5** **We** have the right to fully participate in the defence of any **claim** including the negotiation of any settlement. **We** will also have the right to defend any **claim** made against **you**.
- 6** Where it is assessed by **us** and **your** legal representation that **you** have a greater than 60% prospect of success, **you** shall have the right to defend any **claim** made against **you** or any **insured person**.

If **you** do not comply with this condition **we** have the right to refuse to pay **your claim**.

Notification of potential claims condition

You may give **us** notice of any circumstance which might lead to a **claim** under this **policy** giving reasons for the expectation and including full details of the people and dates involved.

Severability condition

Only statements made (whether in the Proposal or otherwise) and information possessed by any Trustee, Finance Director, Chief Executive, Human Resources Director, Managing Director or Chairman of the Company or any other person authorised by the Company to make statements or complete the proposal shall be imputed to **you** in determining whether cover applies under **your policy**.

Personal accident and illness section

Contents of this section

Meanings of defined terms	90
What is covered	91
What is not covered	91
How much we will pay	92
Section conditions	93

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

Meanings of defined terms

These meanings apply within **your** Personal accident and illness section. If a word or phrase has a defined meaning it will be highlighted in bold print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section can be found on pages 8 and 9 of **your policy**

Accidental bodily injury

An identifiable physical injury (including illness solely and directly resulting from the injury) which is caused by an accident occurring at an identifiable time and place during the **operative time** and which results in the **insured person's** death or disablement within 24 calendar months of the date of the accident.

Aircraft accumulation limit

The maximum amount **we** will pay in all under this and any other personal accident insurance issued by **us** in **your** name in respect of all **insured persons** in the same aircraft.

Annual salary

The total gross basic annual salary, excluding payments for overtime, commission or bonus, payable by **you** to the **insured person** at the date they sustain **accidental bodily injury** or contract an **illness**.

Illness

An illness which first declares itself during the **operative time** and which results in the **insured person's** disablement within 12 calendar months from the time it first declares itself.

Inception

Start date of the **period of insurance** as shown in the schedule.

Personal accident and illness section *continued*

Insured person

Any person shown in the schedule except that:

- 1 a person over 70 years old at **inception** is not an insured person for the purposes of the cover for **accidental bodily injury**; and
- 2 a person over 60 years old at **inception** is not an insured person for the purposes of the cover for **illness**.

Loss of eye

Permanent and total loss of sight in an eye.

Loss of hearing

Permanent and total loss of hearing.

Loss of limb

Loss by physical separation of an arm, hand, or leg at or above the wrist or at or above the ankle, or permanent and total loss of use of a complete arm, hand, foot or leg.

Loss of speech

Permanent and total loss of speech.

Medical expenses

The cost of medical, surgical or other remedial attention or treatment given or prescribed by a suitably qualified medical practitioner and all hospital, nursing home and ambulance charges connected with a valid claim under this section.

Operative time

The time during the **period of insurance** when the **insured person** is covered under this section, as shown in the schedule.

Permanent total disablement

Disablement which totally prevents the **insured person** from working in their usual occupation, which lasts continuously for 12 calendar months and which at the end of that period is without prospect of improvement.

Permanent total disablement by paralysis

Disablement by paralysis which totally prevents the **insured person** from working in their usual occupation, which lasts continuously for 12 calendar months and which at the end of that period is without prospect of improvement.

Temporary partial disablement

Disablement which prevents the **insured person** from carrying out a substantial part of their usual occupation.

Temporary total disablement

Disablement which totally prevents the **insured person** carrying out all parts of their usual occupation.

✓ What is covered

We will pay **you** the appropriate benefit shown in the schedule if:

- 1 the **insured person** suffers **accidental bodily injury**;
- 2 the **insured person** contracts an **illness**;
- 3 the **insured person** incurs **medical expenses** in connection with the **accidental bodily injury** or the **illness**.

x What is not covered

Hazardous pursuits exclusion

We will not cover any claim caused by or arising from any injury sustained while taking part in:

- 1 the following winter sports: free-style skiing, ski jumping, ice hockey, use of bobsleighs or skeletons, repetitive travel in ski run helicopters or any competition. Off piste skiing is only covered if the **insured person** is accompanied by a suitably experienced guide;
- 2 the following scuba diving activities: any unaccompanied dive, any dive involving visits to wrecks or caves, any dive for gain or reward, or any dive below 30 metres. Any other scuba diving activities are only covered if the **insured person**:

Personal accident and illness section *continued*

- a** holds the British Sub Aqua Club “Sports Diver” certificate or the Professional Association of Diving Instructors “Open Water” certificate and follows the relevant Club or Association rules and guidelines at all times; or
 - b** dives under the constant supervision of a properly licensed diving school and follows their rules and instructions at all times;
- 3** the potholing, caving, hang-gliding, parachuting, parasailing, paragliding, mountaineering or rock-climbing for which the **insured person** would normally need to use ropes or guides, bungee jumping, white-water rafting, any kind of race, endurance test or any other activity which is known to carry an increased risk of personal injury;
- 4** armed forces activities including operations, exercises or training;
- 5** flying as a pilot or any other aerial activities other than travel by air as a passenger.

Other exclusions

We will not cover any claims caused by or arising from

- 1** Any injury or **illness** resulting from:
 - a** any emotional or psychiatric disorder or condition;
 - b** the **insured person** taking or using drugs or controlled substances (other than drugs prescribed by their doctor and used properly);
 - c** the **insured person** committing suicide or deliberately injuring themselves or putting themselves in unnecessary danger (unless trying to save a human life);
 - d** any criminal act by the **insured person**.
- 2** any injury or **illness** directly or indirectly arising out of or contributed to by HIV (Human Immune Deficiency Virus), AIDS (Acquired Immune Deficiency Syndrome), AIDS-related complex (ARC) or any related virus or **illness**, or any sexually-transmitted disease.

- 3** any **illness** resulting from pregnancy or any condition connected with pregnancy or childbirth.
- 4** any **illness** directly or indirectly arising from any physical defect, infirmity or medical condition known to the **insured person** at **inception**, unless the defect, infirmity or condition has been without the need of any medical advice or treatment during the 24 months before **inception**.

Radioactive contamination exclusion

We will not cover damage, or any other loss or expense resulting or arising from **damage** to any property, or any loss directly or indirectly caused by or contributed to by or arising from

- 1** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- 2** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of that assembly.

War risk exclusion

We will not cover claims caused by or happening through war, invasion, act of foreign enemy hostilities (whether war is declared or not) civil war, rebellion, revolution, insurrection or military or usurped power, but this exclusion will not apply in the event of an insured person sustaining injury whilst on a journey outside their normal country of residence which started before the outbreak of war.

How much we will pay

Payment of benefit

We will pay the appropriate benefit shown in the schedule, but **we** will not pay more than one of the benefits in respect of the same accident or in respect of the same **illness**. However, **we** will pay for temporary disablement prior to making any payment under the death or permanent disablement benefits.

We will not pay any benefit for either **loss of eyes** or **permanent total disablement by**

Personal accident and illness section *continued*

paralysis resulting from an **illness** which causes the death of an **insured person** within 12 calendar months from the date that the **illness** first declares itself.

For **permanent total disablement** or **permanent total disablement by paralysis**, **we** will pay only when the disablement has lasted for 12 calendar months and at the end of that time is without prospect of improvement.

For temporary disablement benefits, **we** will pay:

- 1 when the total amount on termination of any one period of disablement has been agreed, or
- 2 at **your** request on completion of at least four weeks' disablement subject to satisfactory medical and other evidence that **we** may require.

We will not pay temporary disablement benefits for more than a total of:

- 1 104 weeks in connection with one injury;
- 2 52 weeks in connection with one **illness**.

Payment of medical expenses

We will pay up to the amount shown in the schedule.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Change in circumstances condition

You must tell us as soon as **you** become aware of

- 1 any injury, disability or other condition where the **insured person** has become affected
- 2 any change to information previously given in connection with the occupation of an insured person.

We do not have to accept any request to change **your** cover.

If **we** accept any change to the cover, an increase in the premium or different terms or conditions of cover may be required by **us**.

Claims evidence condition

- 1 The **insured person** must as early as possible, seek the attention of a qualified medical practitioner in the event of injury which causes or may cause a claim and all certificates, information and evidence required by **us** in connection with that injury is to be provided at **your** or the **insured person's** expense.
- 2 All medical records, notes and correspondence in connection with a claim or a related pre-existing condition must be made available on request to any medical adviser appointed by **us** and that medical adviser is to be allowed to make an examination of the **insured person** as often as necessary.
- 3 In the case of death of the **insured person** **we** will be entitled to have a post mortem examination at **our** expense.

If **you** do not comply with this condition **you** will not be covered and **we** will not pay **your** claim.

Terrorism section

Contents of this section

Meanings of defined terms	94
What is covered	95
What is not covered	95
Section conditions	96

Your schedule will show if this section is covered.

Meanings of defined terms

These meanings apply within **your** Terrorism section. If a word or phrase has a defined meaning it will be highlighted in bold blue print and will have the same meaning wherever it is used in this section. The meaning of defined terms that apply throughout **your policy**, and not just this section, can be found on page 8 of the General introduction section of **your policy**.

Business interruption

Loss resulting from interruption of or interference with the **business** carried on by **you** at the **premises** as a result of **damage** to property used by **you** at the **premises** for the purpose of the **business**.

Computer systems

Computer or other equipment or component or system or item which processes stores transmits or receives **data**.

Damage

Accidental loss, destruction or damage.

Data

Any data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

Denial of service attack

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability or performance of networks, network services, network connectivity or **computer systems**. Denial of service attacks include, but are not limited to, the generation of excess traffic into network addresses, the exploitation of system or network weaknesses, the generation of excess or non-genuine traffic between and amongst networks and the procurement of such actions or instructions by other **computer systems**.

Hacking

Unauthorised access to any **computer systems** whether **your** property or not.

Phishing

Any access or attempted access to **data** made by means of misrepresentation or deception.

Premises

The premises shown in **your** schedule.

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.

Virus or similar mechanism

Program code, programming instruction or any set of instructions constructed with the purpose and ability, or purposely used, to damage, interfere with, adversely affect, infiltrate or monitor computer programs, **computer systems, data** or operations, whether involving self-replication or not. The meaning of virus or similar mechanism includes but is not limited to trojan horses worms and logic bombs and the exploitation of bugs or vulnerabilities in a computer program to damage, interfere with, adversely affect, infiltrate or monitor as above.

✓ What is covered

We will extend the cover provided under the following sections, where **your** schedule shows these as covered, to include **damage** caused by **terrorism**.

- 1 Property – buildings
- 2 Property – portable tools and equipment
- 3 Property – contents
- 4 Property – business interruption

All losses arising within 72 hours caused by **terrorism** during the **period of insurance** will be treated as one loss and **you** can decide when the 72 hour period starts as covered by this section, provided that all **damage** occurs

within the **period of insurance** and that no two periods overlap.

x What is not covered

Electronic risks exclusion

We will not cover any losses directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from

- 1 damage to or the destruction of any **computer systems**
- 2 any alteration, modification, distortion, erasure or corruption of **data**

in each case whether **your** property or not, where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**.

But this exclusion will not apply where the loss

- A)** results directly from fire, explosion, flood, escape of water from any tank, apparatus or pipe (including any sprinkler system), impact of aircraft or any aerial devices or articles dropped from them, impact of any sea going or water going vessel or of any vehicle whatsoever or of any goods or cargo carried in or on such a vessel or vehicle, destruction of, damage to or movement of buildings or structures, plant or machinery other than any **computer systems**;

and

- B)** comprises
- a** the cost of reinstatement, replacement or repair in respect of **damage** to or destruction of property insured by **you** and/or
 - b** **business interruption** suffered directly by **you** as a direct result of either **damage** or destruction to property used by **you** at a location covered by this **policy** or as a direct result of denial, prevention or hindrance of access to a location where property used by **you** is covered by this **policy** as a result of **damage** caused by **terrorism** to property which is within one mile of the location.

Terrorism section continued

However, under **A)** and **B)** above **we** will not cover **you** for any losses caused by **terrorism** where the organisation involved or any persons acting on behalf of or in connection with that organisation are controlled by, acting on behalf of or part of any de jure or de facto government of any nation, country or state.

Subject only to the proviso set out in **C)** below, the following property is specifically excluded from the cover provided under **A)** and **B)** above

- i** money, currency, electronic cryptographic or virtual currency including Bitcoin or anything similar, negotiable or non-negotiable instruments, financial securities or any financial instrument of any sort whatever

and

ii data

- C)** However, in circumstances where loss otherwise falling within this section results indirectly from any alteration, modification, distortion, erasure or corruption of **data** because the occurrence of a peril or perils detailed under **A)** above results from any alteration, modification, distortion, erasure or corruption of **data** then notwithstanding **(ii)** above, such loss shall nonetheless be covered.

Excluded property exclusion

We will not cover **you** for any losses directly or indirectly caused by or resulting from loss, destruction or damage to any

- 1** property located outside England, Wales and Scotland and property in the territorial seas adjacent thereto as defined by the Territorial Seas Act 1987
- 2** nuclear installation or nuclear reactor
- 3** property which is specifically excluded elsewhere in this **policy**.

Motor exclusion

We will not cover **you** for

- 1** any property covered by a motor policy other than a motor trade policy

- 2** property covered under a road risks section of a motor trade policy.

Other insurances exclusion

We will not cover **you** for any property which is insured by or would but for the existence of this section, be insured by any form of transit, aviation or marine policy.

War risks exclusion

We will not cover any claims caused by or happening through riot, civil commotion, war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Section conditions

These conditions of cover apply only to this section. **You** must comply with the following conditions to have the full protection of **your policy**. Conditions may specify circumstances whereby non-compliance will mean that **you** will not receive payment for a claim. However **you** will be covered and **we** will pay **your** claim if **you** are able to prove that the non-compliance with these conditions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

Limitation of liability condition

Our liability for all losses from any one event and in total in any one **period of insurance** will not exceed

- 1** the total sums insured, or
- 2** for each item its individual sum insured, or
- 3** any other limit of liability

whichever is the less as stated within the Sections applicable shown in the Terrorism section of **your** schedule.

Proof of cover condition

In any action, lawsuit or other proceedings or where **we** state that any loss, damage, costs or expense is not covered by this section it will be **your** responsibility to prove that they are covered.

Making a complaint

AXA Insurance aims to provide the highest standard of service to every customer.

If **our** service does not meet **your** expectations **we** want to hear about it so **we** can try to put things right.

All complaints **we** receive are taken seriously. Following the steps below will help **us** understand **your** concerns and give **you** a fair response.

How to make your complaint

The majority of complaints can be resolved quickly and satisfactorily by the department **you** are dealing with. If **your** complaint relates to a claim on **your policy**, please contact the department dealing with **your** claim. If **your** complaint relates to anything else, please contact the agent or AXA office where **your policy** was purchased. Telephone contact is often the most effective way to resolve complaints quickly.

Alternatively **you** can write to **us** at

AXA Insurance
Commercial complaints
AXA House
4 Parklands
Lostock
Bolton
BL6 4SD

Tel: 01204 815359

Email:

commercial.complaints@axa-insurance.co.uk

When **you** make contact please tell **us** the following information:

- Name, address and postcode, telephone number and email address (if **you** have one).
- **Your policy** and/or claim number, and the type of **policy you** hold.
- The name of **your** insurance agent/firm (if applicable).
- The reason for **your** complaint.

Any written correspondence should be headed '**COMPLAINT**' and **you** may include copies of supporting material.

Beyond AXA

Should **you** remain dissatisfied following **our** final written response, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS).

The FOS is an independent body that arbitrates on complaints about general insurance products. The FOS can only consider **your** complaint if **we** have given **you our** final decision.

You have six months from the date of **our** final response to refer **your** complaint to the FOS. This does not affect **your** right to take legal action.

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9SR

Tel: 0800 023 4567*

Tel: 0300 123 9123**

Fax: 020 7964 1001

Email:

complaint.info@financial-ombudsman.org.uk

Web: www.financial-ombudsman.org.uk

Our promise to you

We will

- Acknowledge written complaints promptly.
- Investigate **your** complaint quickly and thoroughly.
- Keep **you** informed of progress of **your** complaint.
- Do everything possible to resolve **your** complaint.
- Learn from **our** mistakes.
- Use the information from complaints to continuously improve **our** service.

Telephone calls may be monitored and recorded.

* free for people phoning from a 'fixed line' (for example, a landline at home)

** free for mobilephone users who pay a monthly charge for calls to numbers starting 01 or 02

Financial Services Compensation Scheme (FSCS)

AXA Insurance UK plc are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation in the unlikely event **we** cannot meet **our** obligations to **you**. This depends on the type of insurance, size of the **business** and the circumstances of the claim. Further information about the compensation scheme arrangements is available from the FSCS (www.fscs.org.uk).

The European Commission has also provided an Online Dispute Resolution Service for logging complaints. To use this service please go to: <http://ec.europa.eu/odr>

This document is available in other formats.

If you would like a Braille, large print or audio version, please contact your insurance adviser.

www.axa.co.uk

