



Life science

Research & development

Policy document

Republic of Ireland

PREAMBLE

This Policy is a contract of insurance between **you** and **us**. **Your** Policy contains all the details of the cover that **we** provide, subject always to **our** receipt of the Premium. This Policy consists of and must be read together with the Schedule and any Endorsements. This Policy is not complete unless it is signed and a Schedule is attached.

The Sections of this policy are identified by the **BLUE LINES** across the page with **WHITE UPPER CASE PRINT**. Clause headings in **BLUE UPPER CASE PRINT** are for information only and do not form part of the cover given by this Policy. Other terms in **bold lower case print** are defined terms and have a special meaning as set forth in the **DEFINITIONS** section and elsewhere. Words stated in the singular shall include the plural and vice versa.

In consideration of the Premium and in reliance upon the information that **you** have provided to **us** prior to commencement of this insurance and which is deemed to form the basis of this insurance:

INSURING CLAUSES

INSURING CLAUSE 1: PROPERTY DAMAGE

We agree to reimburse **you** up to the **amount insured** shown in the Schedule for:

1. the cost of repairing **damage** occurring during the **period of the policy to your premises**, including landlord's fixtures and fittings, walls, gates and fences, yards, car parks and pavements, trees, shrubs, plants and lawns, piping, ducting, cables, wires and associated control gear and accessories on the premises and extending to the public mains but only to the extent of **your** responsibility;
2. **damage** occurring during the **period of the policy to your property**, at the locations specified in the Schedule and whilst in **transit**;
3. the necessary and reasonable costs **you** incur following **damage** occurring during the **period of the policy** to glass which belongs to **you** or for which **you** are legally responsible, including:
 - 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;
4. **damage** occurring during the **period of the policy to money** held in the course of **your business activities**:
 - a) at **your premises** during business hours, in **transit** or in a bank night safe;
 - b) at **your premises** outside business hours in a locked safe;
 - c) at the home of **your** directors, partners or **employees**;
5. **damage** occurring during the **period of the policy** to the personal belongings of **your employees** or visitors to **your premises** provided they are not covered under any other insurance;
6. the reasonable cost of reconstituting the data **you** need to continue **your business activities** if **your** business records and electronic data have been lost or distorted as a direct result of **damage** covered under this **INSURING CLAUSE**;
7. the costs **you** incur to replace locks and keys necessary to maintain the security of **your premises** or safes following theft of keys involving force and violence occurring during the **period of the policy**;
8. the amount of any rent for **your premises** which **you** are legally obliged to pay for any period during which **your premises** or any part of it is unusable as a result of **damage** covered under this **INSURING CLAUSE**;
9. loss of metered water or gas, as a result of **damage** resulting in a water or gas charge that **you** are unable to recover from any other party.

We also agree to pay:

1. **costs and expenses** on **your** behalf;

2. compensation as shown in the Schedule if any of **your** directors, partners or **employees** who are aged between 16 and 70 years old on the Inception Date shown in the Schedule suffers an **injury** in the course of **your business activities** in a robbery or attempted robbery and suffers:
 - a) death, **permanent total disablement, loss of a limb or loss of sight** as a direct result of the **injury** within one year of the date of its occurrence;
 - b) **temporary total disablement**. The compensation for **temporary total disablement** will be the amount shown in the Schedule per week, for a maximum of 104 weeks.

However, **we** will not pay compensation under more than one heading in the Schedule for the same **injury**.

INSURING CLAUSE 2: IDEOLOGICALLY MOTIVATED ATTACK

We agree to reimburse **you** up to the **amount insured** shown in the Schedule for **damage** occurring during the **period of the policy** to **your premises** or **property** at the locations specified in the Schedule, directly caused by an **ideologically motivated attack**.

INSURING CLAUSE 3: BUSINESS INTERRUPTION – FLEXIBLE FIRST LOSS

We agree to reimburse **you** up to the **amount insured** shown in the Schedule for **your loss of income, costs and expenses, research and development expenditure, project delay costs and outstanding debts** resulting solely and directly from an interruption to **your business activities** caused by:

1. **insured damage to your premises**;
2. **insured damage to your property** at the locations specified in the Schedule and whilst in **transit**;
3. **insured damage** at the **premises** of **your supply chain partners** that directly results in their inability to fulfil their contractual obligations to **you**;
4. **insured damage** to property in the vicinity of **your premises** or the **premises** of **your supply chain partners** which prevents or hinders access to the **premises** or the ability of **your supply chain partners** to fulfil their contractual obligations to **you**;
5. failure in the supply of water, gas, electricity, or telephone services to **your premises** or the **premises** of **your supply chain partners** for more than 24 consecutive hours caused by **insured damage** to any property;
6. **your** inability to use **your premises**, or **your supply chain partner's** inability to use their **premises** that directly results in their inability to fulfil their contractual obligations to **you**, due to restrictions imposed by a public authority following:
 - a) a murder or suicide;
 - b) an occurrence of a **notifiable disease**, or the discovery of an organism likely to lead to a **notifiable disease**;

- c) **injury** traceable to food or drink consumed at the **premises**;
- d) vermin or pests at the **premises**.

INSURING CLAUSE 4: EMPLOYERS' LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of accidental **injury** to **your** directors, partners or **employees** occurring during the **period of the policy** in the course of **your business activities**. We will also pay **costs and expenses** on **your** behalf.

However, we will not make any payment on **your** behalf under this **INSURING CLAUSE** in respect of any **claim** arising directly or indirectly out of accidental **injury** to **your** directors, partners or **employees** occurring on an offshore installation, rig or platform.

INSURING CLAUSE 5: PUBLIC LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of accidental **injury** or **damage** occurring during the **period of the policy** in the course of **your business activities**. We will also pay **costs and expenses** on **your** behalf.

However, we will not make any payment on **your** behalf under this **INSURING CLAUSE** in respect of any **claim** which is covered under **INSURING CLAUSE 7**, or would be covered under **INSURING CLAUSE 7** but for the exhaustion of the **limit of liability** or **aggregate limit of liability** of **INSURING CLAUSE 7**.

INSURING CLAUSE 6: POLLUTION AND CONTAMINATION LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of accidental **injury** or **damage** occurring during the **period of the policy** and caused by **pollution** or **contamination** in the course of **your business activities** on the condition that such **pollution** or **contamination**:

1. was the direct result of a sudden, identifiable, unintended and unexpected incident occurring in its entirety at a specific time and place during the **period of the policy**; and
2. was not the direct result of **you** failing to take reasonable precautions to prevent such **pollution** or **contamination**;

provided always that all such **pollution** or **contamination** that arises out of one incident shall be considered for the purposes of this Policy to have occurred at the time such incident takes place.

We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 7: PRODUCTS AND SERVICES LIABILITY

IMPORTANT: INSURING CLAUSE 7 provides cover on a claims made basis. Under this **INSURING CLAUSE** a **claim** must be first made against **you** and notified to **us** during the **period of the policy** to be covered. This **INSURING CLAUSE** does not cover any **claim** arising out of any actual or alleged **injury** or **damage** or **wrongful act** occurring before the date specified as the Retroactive Date in the Schedule.

SECTION A: PRODUCTS LIABILITY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of accidental **injury** or **damage** caused directly by **your products**. We will also pay **costs and expenses** on **your** behalf.

SECTION B: PROFESSIONAL INDEMNITY / ERRORS & OMISSIONS

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of any:

- a) negligent act, error or omission, negligent misstatement or negligent misrepresentation;
- b) breach of any contractual term implied by law concerning necessary quality, safety or fitness, or **your** duty to use reasonable care and skill;
- c) breach of warranty of authority, breach of duty, breach of trust, breach of confidence, misuse of information or breach of privacy;
- d) libel, slander or defamation;
- e) dishonesty of **your** directors, partners or **employees** provided that we maintain all rights of subrogation to recover such legal costs and expenses from any director, partner or **employee** if they are found guilty of such a dishonest act; or
- f) other act, error or omission giving rise to civil liability to **your clients** but not any breach of contract save as specified above;

committed by **you** or on **your** behalf in the course of **your business activities**. We will also pay **costs and expenses** on **your** behalf.

However, we will not make any payment under this **SECTION** in respect of any **claim** which is covered under **INSURING CLAUSE 7, SECTION A**, or would be covered under **INSURING CLAUSE 7, SECTION A** but for the exhaustion of the **limit of liability** or **aggregate limit of liability** of **INSURING CLAUSE 7, SECTION A**.

SECTION C: BREACH OF CONTRACT

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** by a **client** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of any **breach of client contract**. We will also pay **costs and expenses** on **your** behalf.

However, we will not make any payment under this **SECTION** in respect of any **claim** which is covered under **INSURING CLAUSE 7, SECTIONS A** or **B**, or would be covered under **INSURING CLAUSE 7, SECTIONS A** or **B** but for the exhaustion of the **limit of liability** or **aggregate limit of liability** of **INSURING CLAUSE 7, SECTIONS A** or **B**.

SECTION D: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of **your** infringement of any **intellectual property right** in the course of **your business activities**. We will also pay **costs and expenses** on **your** behalf.

SECTION E: LOSS OF DOCUMENTS

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of destruction of, **damage** to, loss or mislaying of **your documents** or **documents** in **your** care, custody or control. We will also pay **costs and expenses** on **your** behalf.

SECTION F: COMPUTER VIRUS AND HACKING ATTACK

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** as a direct result of:

- any **third parties'** financial losses arising directly from a **hacking attack** or **virus** that has emanated from or passed through **your** computer systems, or
- any **third parties'** financial losses arising directly from their inability to access **your** computer systems in the way in which **you** have authorised them to as a direct result of **your** computer systems' failure or impairment due to a **hacking attack** or **virus**, or
- any **third parties'** financial losses arising directly from the loss or theft of **your** data or data for which **you** are responsible or held to be responsible arising directly from a **hacking attack** or **virus**.

We will also pay **costs and expenses** on **your** behalf.

SECTION G: LOSS MITIGATION

We agree to pay any reasonable costs necessarily incurred by **you** with **our** prior written consent in respect of measures taken by **you** for the sole purpose of avoiding or mitigating a **claim** or potential **claim** for which **you** would be entitled to indemnity under **INSURING CLAUSE 7** of this Policy had such measures not been taken.

SECTION H: PAYMENT OF WITHHELD FEES

We agree to pay **your withheld fees** with **our** prior written consent in the event that **your client** brings or threatens to bring a **claim** against **you** that would be covered under **INSURING CLAUSE 7, SECTIONS A, B** or **C** for an amount greater than **your withheld fees** if **you** attempt to recover the **withheld fees** from them. Prior to payment of **your withheld fees** **you** must obtain written confirmation from **your client** that they will not bring a **claim** against **you** if **you** agree not to pursue them for **your withheld fees** and provide it to **us**.

INSURING CLAUSE 8: CLINICAL TRIALS

IMPORTANT: **INSURING CLAUSE 8** provides cover on a claims made basis. Under this **INSURING CLAUSE** a **claim** must be first made against **you** and notified to **us** during the **period of the policy** to be covered. This **INSURING CLAUSE** does not cover any **claim** arising out of any **injury** occurring before the date specified as the Retroactive Date in the Schedule.

SECTION A – COMPENSATION AND LEGAL LIABILITY

We agree to pay on **your** behalf all sums:

- which are agreed under **clinical trial compensation guidelines**; or
- which **you** become legally obliged to pay (including liability for claimant's costs and expenses); or
- which are otherwise agreed by **us**;

as a result of any **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of **injury** to a **research subject** as a result of participation in an **insured clinical trial**.

We also agree to pay **costs and expenses** on **your** behalf.

The cover under this **SECTION** shall extend to indemnify **contract research organisations** and **ethics committees**, but only:

- at **your** request, at the time of a **claim**; and
- in respect of sums which they become legally obliged to pay, or

financial loss or **damage** they may suffer, as a result of their involvement in the conduct of an **insured clinical trial**; and

- to the extent that **you** are legally or contractually obliged to provide them with such cover, and
- where they are not entitled to indemnity under any other insurance.

SECTION B – COVER EXCESS OF UNDERLYING LOCAL POLICIES

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants costs and expenses) in excess of the limits of liability of **underlying local policies** as a result of a **claim** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during the **period of the policy** arising out of **injury** to a **research subject** as a result of participation in an **insured clinical trial**, provided that:

- the **claim** is covered by an **underlying local policy**; and
- the **claim** has been paid by the **underlying local policy** to its full limit of liability; and
- the **claim** would have been covered by **INSURING CLAUSE 8, SECTION A** of this Policy had it been the primary insurance policy.

INSURING CLAUSE 9: FIDELITY OF EMPLOYEES

We agree to reimburse **you** for **loss** first discovered during the **period of the policy** and incurred directly as a result of the dishonesty of **your employees** where there was a clear intention to cause **you** **loss** and obtain personal gain. We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 10: WEBSITE DAMAGE

We agree to reimburse **you** for **loss**, subject to **our** prior written agreement (such agreement not to be unreasonably withheld), which **you** incur in repairing, restoring or replacing **your** website as the direct result of any **hacking attack** or **virus** first discovered during the **period of the policy**. We will also pay **costs and expenses** on **your** behalf.

INSURING CLAUSE 11: BRAND PROTECTION

We agree to pay costs reasonably incurred with **our** prior written consent on the services of a public relations consultancy for the purpose of averting or mitigating damage to any of **your** brands caused by a **claim** or **loss** that is covered under any **INSURING CLAUSE** of this Policy for which **you** have purchased coverage and that the Claims Managers have accepted under this Policy and that constitutes a **newsworthy event**.

The public relations consultancy shall be chosen by the Claims Managers who shall take into account the nature of the **claim** or **loss** and the cost and quality of the services that they can deliver, unless **you** have reasonable cause to request a different public relations consultancy and the Claims Managers and **you** mutually agree upon such a company.

INSURING CLAUSE 12: COURT ATTENDANCE COSTS

We agree to reimburse **you** for **your** reasonable costs incurred with the prior written consent of the Claims Managers to attend court or any arbitration or adjudication hearing as a witness of fact in connection with a **claim** or **loss** covered under any **INSURING CLAUSE** of this Policy for which **you** have purchased coverage, provided that notification has been given to the Claims Managers and that the Claims Managers have given their written agreement that coverage applies.

HOW MUCH WE WILL PAY

The maximum amount payable by **us** for all **claims, losses, damage and costs and expenses** shall not exceed the amounts shown in the Schedule in respect of each **INSURING CLAUSE** unless limited below.

Where more than one **claim** or **loss** arises from the same original cause or single source or event all such **claims** or **losses** shall be deemed to be one **claim** or **loss** and only one **limit of liability** shall be payable in respect of the aggregate of all such **claims** or **losses**.

Where cover is provided under multiple **SECTIONS** of **INSURING CLAUSE 7** only one **limit of liability** shall be payable in respect of that **claim**.

In respect of **INSURING CLAUSES 1** and **2** only:

- a) at our option, **we** will pay for any **damaged property** on the following basis:
 - i) for the **premises**, the cost of rebuilding or replacing the **damaged** parts of the **premises**;
 - ii) for **machinery breakdown**, the cost of repairing or restoring the **damaged** portions or, where the **damage** is beyond economical repair, the cost of replacement with **machinery** which is as similar as possible to, and capable of performing the same function as, that which has sustained **damage**;
 - iii) for **damage to property** other than **machinery breakdown**, the cost of repair or replacement as new.
- b) if, at the time the **damage** occurs, the **amount insured** is less than 85% of the cost which would have been incurred in replacing all of the **premises** and **property** insured, the amount **we** will pay will be reduced in the same proportion as the **amount insured** bears to the total value of all of the **premises** and **property** insured.

- c) the **amount insured** for the **premises** and **property** will be adjusted monthly in line with any increase in nationally published indices. **We** will not reduce the **amount insured** without **your** consent.
- d) where improvements made by **you** to **your premises** are not **damaged**, but the lease on **your premises** is cancelled as a result of **insured damage**, **we** shall pay for the cost of reinstating such improvements to the extent that they are not salvageable.

In respect of **INSURING CLAUSE 3** the amount **we** will pay will be:

- a) the difference between **your** actual **income** during the **indemnity period** and the **income** it is estimated **you** would have earned during that period, less any savings resulting from the reduced costs and expenses **you** pay out of **your income** during the **indemnity period**; and
- b) any additional **costs and expenses**; and
- c) any **project delay costs** during the **indemnity period**; and
- d) **research and development expenditure**; and
- e) any **outstanding debts**, provided **you** keep a record of all amounts owed to **you** and keep a copy of the record away from **your premises**.

In respect of **INSURING CLAUSES 4, 5, 6, 7** and **8** **we** may at any time pay to **you** in connection with any **claim** the amount of the **aggregate limit of liability** or **limit of liability** (after deduction of any amounts already paid). Upon such payment being made **we** shall relinquish the conduct and control of and be under no further liability in connection with such **claim** except for the payment of **costs and expenses** incurred prior to the date of such payment (unless the **aggregate limit of liability** or **limit of liability** is stated to be inclusive of **costs and expenses**).

YOUR EXCESS

We shall only be liable for that part of each and every **claim** or **loss** (which for the purpose of this clause shall be deemed to include all **costs and expenses** incurred) which exceeds the amount of the Excess stated in the Schedule. Where more than one **claim** or **loss** arises from the same original cause or single source or event all such **claims** or **losses** shall be deemed to be one **claim** or **loss** and only

one Excess will apply, whichever is the larger.

If any expenditure is incurred by **us** which by virtue of this clause is **your** responsibility then **you** shall reimburse such amount to **us** on **our** request or where possible **we** will deduct such amount from any payment **we** make to **you**.

DEFINITIONS

1. **“Act of terrorism”**
means an act that is declared an act of terrorism by the government or other body authorised to do so in the country in which the act occurred.
2. **“Aggregate limit of liability”**
means the maximum amount payable as stated in the Schedule by **us** in respect of all **claims** and **losses**.
3. **“Amount insured”**
means the maximum amount payable by **us** as shown in the Schedule in respect of each of **INSURING CLAUSES 1, 2** and **3**. The amount applies to each incident of **loss** or **damage** occurring during the **period of the policy** provided always that after the first incident of **loss** or **damage** **you** comply with **our** recommendations to prevent any further incidents of

loss or **damage**.

4. **“Breach of client contract”**
means **your** unintentional breach of a written contract relating to the performance of **your business activities** for a **client**.
5. **“Business activities”**
means:
 - a) in respect of **INSURING CLAUSES 7** and **8**, the Business Activities as stated in the Schedule.
 - b) in respect of all other **INSURING CLAUSES**, the Business Activities as stated in the Schedule and shall include, for the purpose of those Business Activities:
 - i) the ownership, repair and maintenance of **your** property;
 - ii) provision and management of canteen, social, sports and welfare organisations for the benefit of **your** directors,

partners or **employees** and medical, fire fighting, and security services;

iii) attendance at conferences and tradeshows as either an exhibitor or visitor.

6. **“Claim”**

means a demand received by **you** for money or services, including the service of suit or institution of arbitration proceedings. Claim shall also mean a threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction).

7. **“Client”**

means any **third party** with whom **you** have a formal written or implied contract for the supply of **your business activities** in return for a fee.

8. **“Clinical trial”**

means an investigation, including pre-trial assessments, conducted by **you** or on **your** behalf, on humans for medical research purposes and that complies with the relevant statutory requirements, guidelines and approval requirements of the country in which the clinical trial is taking place, but not including the continued use of the drug, treatment or product after completion of the clinical trial.

9. **“Clinical trial compensation guidelines”**

means guidelines that are imposed on **you** by a government or other competent authority, or other written guidelines voluntarily accepted by **you** and specifically agreed by **us**, which set out a procedure for determining whether, and to what extent, a **research subject** should be compensated by **you** for **injury** sustained as a consequence of participation in an **insured clinical trial**.

10. **“Contract research organisation”**

means a **third party** organisation engaged by **you** to provide services or advice in connection with the conduct of a **clinical trial**.

11. **“Contractually committed costs”**

means payments made and not recoverable, or which **you** are contractually committed to pay, for research services that have been cancelled, or which **you** are unable to utilise, as a result of **insured damage**.

12. **“Costs and expenses”**

means:

- a) in respect of **INSURING CLAUSES 1** and **2** only, the necessary and reasonable costs and expenses **you** incur to remove debris from the **premises** or the area immediately adjacent and additional costs incurred solely due to the necessity to comply with governmental or regulatory authority requirements, following **damage** covered under these **INSURING CLAUSES**;
- b) in respect of **INSURING CLAUSES 1, 2, 3, 9,** and **10**, the costs and expenses incurred by **you** or on **your** behalf in establishing that **you** have sustained a **loss** or **damage** and the quantum of such **loss** or **damage** or the costs and expenses incurred by **you** or on **your** behalf in mitigating any such **loss** or **damage**;
- c) in respect of **INSURING CLAUSE 3** only, the necessary and reasonable additional costs and expenses **you** incur in order to continue **your business activities** during the **indemnity period**;
- d) in respect of **INSURING CLAUSES 4, 5** and **6** **your** legal costs and expenses in the defence or settlement of any **claim** made against **you**;
- e) in respect of **INSURING CLAUSE 7 SECTIONS A - F**,
 - i) **your** legal costs and expenses in the defence or

settlement of any **claim** made against **you**, and

- ii) **your** legal costs and expenses in the defence of any criminal claim made against **you**, provided that **we** maintain all rights of subrogation to recover such legal costs and expenses from any director, partner or **employee** if they are found guilty of such a criminal act;

f) in respect of **INSURING CLAUSE 8**

- i) **your** legal costs and expenses in the defence or settlement of any **claim** made against **you**, and
- ii) costs and expenses incurred in order to comply with **clinical trial compensation guidelines**.

Subject to all **costs and expenses** being incurred with the Claims Managers' written consent (such consent not to be unreasonably withheld).

If **costs and expenses** are shown in the Schedule to be in addition to the **aggregate limit of liability** or **limit of liability** in respect of **INSURING CLAUSES 4** to **8**, and if a payment in excess of the amount of indemnity available hereunder has to be made to dispose of any **claim** or number of **claims**, **our** liability for such **costs and expenses** shall be such proportion thereof as the amount of indemnity available hereunder bears to the amount required to dispose of such **claim** or **claims**.

Costs and expenses are always included in the **amount insured** in respect of **INSURING CLAUSES 1, 2** and **3**.

13. **“Damage/damaged”**

means direct physical damage to, destruction of, or loss of, tangible **property**, including, but not limited to, damage arising as a result of:

- a) the **transit of stock**;
- b) **pollution or contamination**;
- c) **machinery breakdown**;
- d) **spoilage of perishable stock**;
- e) condemnation or withholding from market of undamaged **stock** by a competent authority where this arises due to damage at the **premises** where such **stock** was located.

In respect of **INSURING CLAUSES 5, 6** and **7** **damage** does not include damage to, or corruption of, data.

14. **“Documents”**

means deeds, wills, agreements, maps, plans, records or formulas, books, lab books, letters, certificates, forms, computer programmes or information stored, written or punched into card or tape or magnetic discs or tapes or any other data media and documents of any nature whatsoever, whether written, printed or reproduced by any other method (other than bearer bonds, coupons, bank notes, currency notes and negotiable instruments).

15. **“Employee”**

means any:

- a) person under a contract of service or apprenticeship with the company named as the Insured in the Schedule, or any **subsidiary**;
- b) labour master and persons supplied by him;
- c) person employed by or supplied by labour-only sub-contractors;
- d) self employed person under the control of the company named as the Insured in the Schedule, or any **subsidiary**;
- e) person hired to or borrowed by the company named as the Insured in the Schedule, or any **subsidiary**;
- f) person undertaking study or work experience or youth training scheme with the company named as the Insured in the Schedule, or any **subsidiary**;

working for the company named as the Insured in the Schedule,

or any **subsidiary** in connection with their **business activities**.

Employee does not include any director or partner of the company named as the Insured in the Schedule, or any **subsidiary**.

16. **“Ethics committee”**
means an independent body, including its individual members, whose responsibility is to review and approve the conduct of a **clinical trial**.
17. **“Hacking attack”**
means any malicious or unauthorised electronic attack including but not limited to any fraudulent electronic signature, brute force attack, phishing, denial of service attack, that has been initiated by any **third parties** or by any **employees** and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of computer systems, software and ancillary equipment.
18. **“Ideologically motivated attack”**
means an act, including but not limited to the use of force or violence, or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government or to put the public, or any section of the public, in fear, but where such act has not been declared as an **act of terrorism**.
19. **“Income”**
means **your** total income from **your business activities**.
20. **“Indemnity period”**
means the period beginning at the date of the **damage**, or the date the restriction is imposed, and lasting for the period during which **your business activities** are disrupted as a result of such **damage** or restriction, but for no longer than the number of months shown in the Schedule.
21. **“Injury”**
means death, bodily injury, mental injury, illness or disease of or to any person.
22. **“Insured clinical trial”**
means all **clinical trials** notified to and accepted by **us** and listed in the Schedule.
23. **“Insured damage”**
means **damage to premises** or **property** provided that:
 - a) the **damage** is covered under **INSURING CLAUSE 1** or **2**; or
 - b) where such **premises** or **property** is owned by, or is the responsibility of, **your supply chain partner**, an insurer has paid a claim, or has agreed to pay a claim, to reinstate the **damaged premises** or **property**.
24. **“Intellectual property right”**
means any intellectual property right including but not limited to trademarks, broadcasting rights, domain names, metatags and copyrights but does not include patents or trade secrets.
25. **“Limit of liability”**
means the maximum amount payable by **us** as stated in the Schedule in respect of each **claim** or **loss**.
26. **“Loss of a limb”**
means loss by physical separation of a hand at or above the wrist, of a foot at or above the ankle, and includes total and irrecoverable loss of use of a hand, arm or leg.

27. **“Loss of sight”**
means total and irrecoverable loss of sight.

28. **“Loss”**
means direct financial loss sustained by **you**.

In respect of **INSURING CLAUSE 10**, **loss** means only those costs that **you** incur as a result of the use of external consultants, contractors or advisers. For the avoidance of doubt, **loss** does not include the salaries of **your employees** or **your premises** expenses or any payments that **you** have paid or agreed to pay as part of any service or maintenance contract.

29. **“Loss of income”**
means **your** income that, had the incident which gave rise to the claim not occurred, would have been generated directly from **your business activities** (less sales tax) during the indemnity period, less:

- a) actual income (less sales tax) generated from **your business activities** during the indemnity period; and
- b) any cost saving achieved as a direct result of the reduction in income.

30. **“Machinery”**
means all integral parts of any item utilised in the course of **your business activities** which is owned by **you** or, in respect of **INSURING CLAUSE 3**, **you** or **your supply chain partners**. Machinery does not include:

- a) road vehicles;
- b) electronic data processing equipment other than that used to control environmental conditions or manufacturing or research and development processes;
- c) equipment manufactured, processed or serviced by **you**;
- d) conveyor belts, sieves, brushes, ropes, chains and belts;
- e) parts, tools or consumables that are exchangeable, removable or require replacement in the normal course of operation;
- f) glass, porcelain or ceramic parts;
- g) glass, rubber or textile linings;
- h) catalysts, chemical or contact agents;
- i) fire or intruder protection systems;
- j) sewer piping;
- k) supporting structures.

31. **“Machinery breakdown”**
means sudden and accidental **damage** to any part of **machinery** caused by the actual failure, distortion, breaking or burning out of any part whilst in use arising from either mechanical or electrical defects or failure or fluctuation of the power supply that necessitates replacement or repair before it can resume working.

32. **“Money”**
means cash, bank and currency notes, cheques, travellers’ 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, travellers 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**.

33. **“Newsworthy event”**
means an event that has been publicised through any media channel, including television, print media, radio or electronic networks, including the internet, electronic mail, and the World Wide Web.

34. **“Notifiable disease”**
means a disease that is required by law, in the country in which the outbreak occurs, to be reported to the government or other competent authority.
35. **“Outstanding debts”**
means any of **your** outstanding debts which **you** are unable to recover as a direct result of **insured damage** to **your** accounting records.
36. **“Period of the policy”**
means the period between the Inception Date shown in the Schedule and the Expiry Date shown in the Schedule or until the Policy is cancelled in accordance with **CONDITION 12** of this Policy.
37. **“Permanent total disablement”**
means disablement which entirely prevents the injured person from attending to any business or occupation for which he is reasonably suited by training, education or experience and which lasts for 24 calendar months and at the expiry of that period being beyond hope of improvement.
38. **“Pollution or contamination”**
means pollution or contamination of the atmosphere, or of any water, land, buildings or other tangible property.
39. **“Premises”**
means a building (including any outbuildings) occupied in connection with **your business activities**.
40. **“Product”**
means any tangible property, including containers, packaging, labelling or instructions, after it has left **your** custody or control which has been designed, specified, formulated, manufactured, constructed, installed, sold, licensed, supplied, distributed, treated, serviced, altered, processed, cleaned, renovated or repaired by **you** or on **your** behalf in the course of **your business activities**.
41. **“Project delay costs”**
means any additional costs and expenses incurred by **you** as a direct result of a delay to a project, including the interest charges incurred from any reasonable loan required as a result of a delayed milestone payment.
42. **“Property”**
means the contents of the **premises** used by **you** or **your supply chain partners** in connection with **your business activities**, including:
a) computer and ancillary equipment (including VDUs, keyboards, printers and software), television and video equipment, photographic, photocopying, surveying and telecommunications equipment;
b) **documents**;
c) **stock**;
d) **research animals**;
e) wines, spirits and tobacco kept for entertainment purposes;
f) works of art or precious metals;
g) fixed glass in windows, doors and fanlights, glass showcases, glass shelves, mirrors and sanitary fixtures and fittings;
h) heating oil for **your premises** contained in fixed tanks in the open at the locations specified in the Schedule;
i) tenant’s improvements, decorations, fixtures and fittings including, if attached to the building, external signs, aerials and satellite dishes;
j) pipes, ducting, cables, wires and associated control equipment at the locations specified in the Schedule and extending to the public mains.
- “Property”** does not include **money** or the personal belongings of **your employees** or visitors to the **premises**.
43. **“Research and development expenditure”**
means **your** continuing operating expenses, including payroll and **contractually committed costs** required to continue **your** planned research and development activities, less:
a) savings achieved due to such expenses that cease or reduce as a result of the **damage**; and
b) raw materials consumed; and
c) income derived from research carried out under contract.
44. **“Research animals”**
means animals directly or indirectly used by **you** or **your supply chain partners** in connection with **your business activities**.
45. **“Research subject”**
means a person participating in a **clinical trial**, including their dependents, heirs, executors, administrators and legal representatives after their death and unborn children through the participation of their mother.
46. **“Spoilage of perishable stock”**
means **damage** to perishable **stock** resulting from an accidental change in air quality, temperature, atmosphere or other environmental condition within a space where the environment is artificially controlled.
47. **“Service”**
means any service provided by **you** to a **client** as part of **your business activities**.
48. **“Stock”**
means:
a) **your** stock, merchandise and materials in trade up to their value as materials, plus the cost of labour to reinstate or reproduce them, in so far as they are not otherwise insured;
b) goods (including customers goods) in trust, on commission, or for which **you** are responsible;
c) supplies used in the packing and shipping of stock;
d) **documents**, processes or cultures and resultant products, samples, clinical trial samples, laboratory consumables, models, moulds, prototypes or other materials produced and used as part of **your business activities** up to the value as materials, plus the cost of labour to reinstate or reproduce them, in so far as they are not otherwise insured.
49. **“Subsidiary”**
means any company which the company named as the Insured in the Schedule controls through:
a) holding 50% or more of the voting rights; or
b) having the right to appoint or remove 50% or more of its board of directors; or
c) controlling alone, pursuant to a written agreement with other shareholders or members, 50% or more of the voting rights therein.
50. **“Supply Chain Partner”**
means a **third party** organisation with which **you** have a contractual arrangement to purchase goods or services.
51. **“Temporary total disablement”**
means disablement which entirely prevents the injured person from attending to his business or occupation.
52. **“Third party”**
means any person or company who is not a director, partner or **employee** of the company named as the Insured in the Schedule or any **subsidiary**.

53. **“Transit”**
means any voyage, anywhere in the world other than where specified in the Schedule, conveying property in the course of **your business activities**.
54. **“Underlying local policy”**
means a policy that meets at least the minimum requirements of the government or regulatory authority in the country in which the **clinical trial** took place and which is listed in the Schedule.
55. **“Virus”**
means any malicious software code including but not limited to any logic bomb, Trojan horse or worm that has been introduced by any **third parties** or by any **employees** and that is designed to damage, destroy, corrupt, overload, circumvent or impair the functionality of computer systems, software and ancillary equipment.
56. **“We/our/us”**
means the Underwriters named in the Schedule.
57. **“Withheld fees”**
means any contractually due fee that **your client** refuses to pay **you**, but excludes any part of the fee that represents **your** profit or mark-up or liability for taxes.
58. **“Wrongful act”**
means any act or event the subject of **INSURING CLAUSES 7 and 8** of this Policy for which **you** have purchased coverage.
59. **“You/your”**
means:
a) the company named as the Insured in the Schedule, or any **subsidiary**, and;
b) any past, present or future **employee**, director or partner of the company named as the Insured in the Schedule or any **subsidiary**, and;
c) the officers, committees and members of **your** canteen, social, sports, medical, fire fighting, security services and welfare organisations for legal liabilities incurred in their respective capacity as such.

EXCLUSIONS

We will not

- make any payment on **your** behalf for any **claim**, or
- incur any **costs and expenses**, or
- reimburse **you** for any **loss, damage**, legal expenses, fees or costs sustained by **you**

EXCLUSIONS RELATING TO OTHER INSURANCES:

- Clinical trials**
arising out of **injury** to **research subjects** participating in **clinical trials** conducted by **you** or on **your** behalf except when, and to the extent that, cover is purchased under **INSURING CLAUSE 8**.
- Damage to third party property**
damage to third party property in **your** care, custody and control except when, and to the extent that, cover is purchased under **INSURING CLAUSES 1** or **2**.
- Directors' and Officers'**
arising out of any personal liability incurred by **your** directors or officers when they are acting in that capacity or managing **you**, or arising from any statement, representation or information regarding **your** business contained within any accounts, reports or financial statements.
- Double insurance**
for which **you** are entitled to indemnity under any other insurance except for
a) any additional sum which is payable over and above such other insurance, or
b) any contribution that **we** are obliged to make by law and that contribution shall be in proportion to the respective **limits of liability** or **amounts insured** of the Policies.
- Employment practices**
arising out of or resulting from any employer-**employee** relations, policies, practices, acts, omissions, any actual or alleged refusal to employ any person, or misconduct with respect to **employees**.
- Healthcare services**
arising directly or indirectly from the provision, or failure to provide, **healthcare services**, unless arising out of:
a) an **insured clinical trial**, or
b) services provided in connection with the management of a **clinical trial**, where the conduct of the trial is supervised by an independent clinical investigator.
- Injury to employees**
arising directly or indirectly out of **injury** to **your** directors, partners, or **employees**.
- Marine and aviation**
arising directly or indirectly from the ownership, possession or use by **you** or on **your** behalf of any aircraft, hovercraft, offshore installation, rig, platform or watercraft.
- Motor**
arising directly or indirectly from the ownership, possession or use by **you** or on **your** behalf of any motor vehicle or trailer other than **injury** or **damage**:
a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
b) occurring beyond the limits of any carriageway or thoroughfare and caused by the loading or unloading of any motor vehicle or trailer;
c) arising out of the use of any motor vehicle or trailer temporarily in **your** custody or control for the purpose of parking;
provided always that **we** will not make any payment on **your** behalf or incur any **costs and expenses** in respect of any legal liability for which compulsory insurance or security is required by legislation or for which a government or other authority has accepted responsibility.
- Product guarantee**
for costs incurred in the repair, alteration, reinstatement, inspection, reconditioning or replacement of any **product** or part thereof and any financial loss consequent upon the necessity for such repair, alteration, reinstatement, inspection, reconditioning or replacement, except when, and to the extent

that, cover is purchased under **INSURING CLAUSE 7** when **you** are legally obliged to pay these sums to a **client**.

11. **Product recall**
arising directly or indirectly from the recall of any **product** or part thereof except for **claims** made under **INSURING CLAUSES 7** and **8** where **you** are legally liable for these costs to a **third party** as the direct result of a **wrongful act, injury** or **damage** committed, caused or alleged to have been committed or caused by **you**.
12. **Products Liability**
arising as a consequence of **products** sold to a **third party** other than where used for research and development purposes only.

EXCLUSIONS RELATING TO THE CONDUCT OF YOUR BUSINESS:

13. **Catastrophe perils for unspecified supply chain partners**
in respect of **your supply chain partners** who are not individually specified in the Schedule, arising directly or indirectly out of:
 - a) windstorm or hail, or
 - b) rain, snow, sand or dust, whether driven by wind or not, if **loss** or **damage** would not have occurred but for windstorm or hail. But if windstorm or hail results in a cause of **loss** or **damage** other than rain, snow, sand or dust, and that resulting cause of **loss** or **damage** is not otherwise excluded under this Policy, **we** will pay for that **loss** or **damage**. For example, if the windstorm or hail damages a heating system and fire results, the **loss** or **damage** attributable to the fire is covered subject to any other applicable policy provisions; or
 - c) earthquake, except for ensuing **loss** or **damage** which results directly from fire, explosion, smoke or leakage from fire protective equipment, or ensuing **damage** to **property** while in **transit**, or
 - d) flood, including waves, tides, tidal waves, or the rising of, the breaking out, or the overflow, of any body of water whether natural or manmade, except for ensuing **loss** or **damage** which results directly from fire, explosion, smoke or leakage from fire protective equipment, or ensuing **damage** to **property** while in **transit**.
14. **Circumstances known at inception**
arising out of any circumstances or occurrences which could give rise to a **claim, loss** or **damage** under this Policy of which **you** are aware, or ought reasonably to be aware, prior to the Inception Date of this Policy, whether notified under any other insurance or not.
15. **Computer failure**
in respect of **INSURING CLAUSES 1** and **3** only, arising directly or indirectly from loss or distortion of **your** data or **damage** to **your** electrical or mechanical plant resulting from a failure of **your** computer or ancillary equipment (including VDUs, keyboards, printers or software), television or video equipment, photographic, photocopying, surveying or telecommunications equipment. However, **we** will reimburse **you** up to the **amount insured** for **damage** occurring during the **period of the policy** to **your** office computer and ancillary equipment, but only if **your** office computer and ancillary equipment are subject to a manufacturer's guarantee or a maintenance contract providing free parts and labour in the event of a breakdown.
16. **Contractual fines and penalties**
for fines and penalties arising from **your** breach of contract, including any liquidated damages, service credits or associated penalties arising from **your** failure to perform under a service level

agreement.

17. **Damage to stock or research animals**
arising directly or indirectly from **damage** to **your stock** and **research animals** while being processed, packaged, labelled, treated, tested, commissioned, serviced, repaired or worked upon by **you** or **your supply chain partners**.

However, this **EXCLUSION** will not apply to **damage** caused by or resulting from fire or explosion.
18. **Failure of medical product to function**
arising from the failure of a medical **product** to meet or fulfil its intended medical purpose.
19. **Failure to ensure feasibility of contracts**
arising from any contract where before entering into or amending the contract **you** failed to take reasonable steps to ensure that **you** could fulfil all **your** obligations in accordance with the terms of the contract.
20. **Failure to limit your liability**
arising from any contract where **you** have assumed any liability where **you** have failed to limit this in **your** contract where it was reasonable for **you** to have done so.
21. **Faulty workmanship etc**
arising from **damage** to **your property** or **premises** caused directly or indirectly by misuse, inadequate or inappropriate maintenance, faulty workmanship, defective design, the use of faulty materials or whilst being cleaned, worked on or maintained.
22. **Hazardous devices**
arising directly or indirectly from any **product** which with **your** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, other aerial device, military vehicle, hovercraft or waterborne craft.
23. **Legal action**
where action for damages is brought in a court of law outside the territories specified in the Schedule, or where action is brought in a court of law within those territories to enforce a foreign judgement whether by way of Reciprocal Agreement or otherwise.
24. **Limiting recovery rights**
arising directly or indirectly out of **your** failure to take reasonable steps to ensure that **our** rights of recovery against any **third party** are not unduly restricted or financially limited by a specific term in any contract or agreement.
25. **Machinery breakdown**
in respect of **INSURING CLAUSES 1** and **3** only, arising directly or indirectly from **machinery breakdown**, unless such **machinery** is subject to a manufacturer's guarantee or a maintenance contract providing free parts and labour in the event of a breakdown.

However, this **EXCLUSION** shall not apply to **spoilage of perishable stock** where that **spoilage of perishable stock** is a direct result of **machinery breakdown**.
26. **Patents and trade secrets**
arising out of the actual or alleged infringement of any patent or inducing the infringement of any patent or the dissemination of trade secrets.

27. **Research animals**
sickness, disease or death to **research animals** caused by or resulting from natural causes, intentional or humane destruction, or as a consequence of scientific research, testing or experimentation.
28. **Retroactive date**
in respect of **INSURING CLAUSES 7 and 8** only, arising out of any event or actual or alleged **wrongful act** occurring before the date specified as the Retroactive Date in the Schedule.
29. **Unjust enrichment**
in respect of **INSURING CLAUSE 7** only, for that part of any **claim** that results in **you** being in a better financial position as a direct result of **your wrongful act** than **you** would have been if **you** had not committed the **wrongful act**.
30. **Wilful or dishonest acts of directors**
in respect of **INSURING CLAUSES 5 to 12** only, arising out of any wilful, malicious, reckless or dishonest act or omission by any director, partner or officer of the company named as the Insured in the Schedule or any **subsidiary**, unless such person had already ceased to be a director, partner or officer of the company named as the Insured in the Schedule and all **subsidiaries** at the time of their first wilful, malicious, reckless or dishonest act or omission, or unless specifically covered under **INSURING CLAUSE 7 SECTION B (e)**. **We** will not provide any cover for any director, partner or officer of the company named as the Insured in the Schedule or any **subsidiary** who commits, condones or ignores any dishonesty.

GENERAL INSURANCE EXCLUSIONS:

31. **Antitrust**
for or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws or false or deceptive advertising unless insurable under the applicable law.
32. **Asbestos**
arising directly or indirectly or resulting from or contributed to by the manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, materials or products containing asbestos, or asbestos fibres or dust.
33. **Associated companies**
a) in respect of any **claim** made by any company, firm, or partnership in which the company named as the Insured in the Schedule has an executive or financial interest; or
b) in respect of any **claim** made by any company, firm, partnership or individual which has an executive or financial interest in the company named as the Insured in the Schedule or any **subsidiary**, unless such **claim** emanates from an independent **third party**; or
c) arising out of or resulting from any of **your** activities as a trustee, partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the company named as the Insured in the Schedule or any **subsidiary**; or
d) in respect of any **claim** made by or on behalf of the company named as the Insured in the Schedule or any **subsidiary**.
34. **Electromagnetic fields**
directly or indirectly arising out of, resulting from or contributed to by electromagnetic fields, electromagnetic radiation, electromagnetism, radio waves or noise, unless arising directly out of **your** Business Activities as stated in the Schedule.
35. **Fines**
for fines, penalties, civil or criminal sanctions and for punitive, multiple or exemplary damages unless insurable under the applicable law.
36. **Insolvency**
arising out of or relating directly or indirectly from **your** insolvency or bankruptcy, or the insolvency or bankruptcy of any **third party**. Furthermore, no coverage is provided under **INSURING CLAUSE 3** if **you** become insolvent or bankrupt.
37. **Land or water**
other than in respect of **INSURING CLAUSE 6**, arising directly or indirectly from **damage** to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by **you** or otherwise in **your** care, custody or control.
38. **Miscellaneous property exclusions**
in respect of **INSURING CLAUSES 1 and 3** only, arising directly or indirectly from:
a) wear and tear, inherent defect, rot, 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 or **spoilage of perishable stock**;
c) coastal or river erosion;
d) a rise in the water table;
e) theft from an unattended vehicle unless the stolen item is out of sight;
f) frost, other than **damage** due to water leaking from burst pipes forming part of the permanent internal plumbing provided the **premises** is occupied and in use;
g) arising directly or indirectly from unexplained loss or disappearance or inventory shortage of **your property**;
h) a **hacking attack** or **virus**.
39. **Nuclear**
arising directly or indirectly from or contributed to by:
a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
However, for the avoidance of doubt, this exclusion shall not apply to injury or damage arising from the use of radioactive isotopes in the course of **your** Business Activities as stated in the Schedule.
40. **Pollution or contamination**
arising from **pollution or contamination** except when, and to the extent that, cover is purchased under **INSURING CLAUSES 1, 3 or 6**.
41. **Specified diseases**
arising from the transmission, cross infection, or failure to test for the presence of Viral Hepatitis; Human Immunodeficiency Virus (HIV); Human T-Cell Lymphotropic Virus Type iii or Lymphadenopathy (or any mutants, derivatives or variations thereof); Transmissible Spongiform Encephalopathy, Creutzfeldt Jakob Disease or variants thereof; Acquired Immune Deficiency Syndrome or any similar syndromes or conditions.
42. **Terrorism**
arising directly or indirectly out of:
a) an **act of terrorism**; or
b) an **ideologically motivated attack**, except when, and to the extent that, cover is purchased under **INSURING CLAUSE 2**.

This **EXCLUSION** also excludes **claims, losses, damage, costs and expenses** of whatsoever nature directly or indirectly

caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to a) or b) above.

This **EXCLUSION** does not apply to any **claim** or **loss** arising directly from a **hacking attack** or **virus**.

43. Toxic mould / fungus

arising directly or indirectly from any **loss, injury, damage, costs** or **expenses**, including, but not limited to, **losses, damage, costs** or **expenses** related to, arising from or associated with clean-up, remediation, containment, removal or abatement, caused directly or indirectly, in whole or in part, by:

- any **fungus, mould, mildew** or yeast, or
- any **spore** or toxins created or produced by or emanating from such **fungus, mould, mildew** or yeast, or
- any substance, vapour, gas, or other emission or organic or inorganic body or substance produced by or arising out of any **fungus, mould, mildew** or yeast, or
- any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure, that contains, harbours, nurtures, or acts as a medium for any **fungus, mould, mildew** yeast, or **spore** or toxins emanating therefrom, regardless of any other cause, event, material, product or building component that contributed concurrently or in any sequence to that **loss, injury, damage, cost** or **expense**.

For the purposes of this **EXCLUSION** the following definitions are added to the Policy:

Fungus includes, but is not limited to, any plants or organisms belonging to the major group Fungi, lacking chlorophyll, and including **moulds, rusts, mildews, smuts** and mushrooms.

Mould includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and **fungi** that produced moulds.

Spore means any dormant or reproductive body produced by or arising from or emanating out of any **fungus, mould, mildew, plants, organisms** or microorganisms.

44. Trade debt

arising out of or in connection with any trading losses or trading liabilities incurred by any business managed or carried on by **you**, or any loss of **your** profit arising from the loss of any client, account or business.

44. War

directly or indirectly out of:

- war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- any action taken in controlling, preventing, suppressing or in any way relating to a) above.

CONDITIONS

I. What you must do in the event of a claim or loss

Should any director, partner, or senior executive officer of the company named as the Insured in the Schedule and any **subsidiary** become aware of any **claim, loss** or **damage** or of any situation that could give rise to a **claim** or **loss** or should an allegation, complaint or **claim** be made or intimated against **you**, the following obligations must be complied with by **you**:

- You** must not admit liability for or settle or make or promise any payment in respect of any **claim, loss** or **damage** which may be covered under this Policy. Neither must **you** incur any **costs** or **expenses** in connection with such a **claim, loss** or **damage** without **our** written consent.

However, **you** should arrange for any urgent repairs following **damage** covered under **INSURING CLAUSES 1** or **2** to be done immediately. Before any other repair work begins **we** have the right to inspect **your damaged property**. **We** will notify **you** if **we** intend to do this.

- The Claims Managers, as specified in the Schedule, must be notified as soon as is reasonably possible if during the **period of the policy**:
 - you** suffer any **loss** or **damage** that could be covered by this Policy or any allegation, complaint or **claim** is made or intimated against **you**, whether verbal or made in writing.
 - any director, partner, or senior executive officer of the company named as the Insured in the Schedule and any **subsidiary** become aware of the intention of any person to make a complaint or allegation or **claim** against **you**, whether verbal or in writing. Once notice has been made to **us**, **we** will regard any subsequent **claim** that may arise as notified under this Policy.
 - you** become aware of an action of **yours** that could give rise to a **loss, allegation, complaint** or **claim** being made

or intimated against **you**. Once notice has been made **we** will regard any subsequent **claim** that may arise as notified under this Policy.

- you** discover reasonable cause for suspicion of fraud or dishonesty whether this could give rise to a claim under this Policy or not and **we** shall not be liable under this Policy for any **claim** or **loss** sustained in consequence of any fraudulent or dishonest act or omission committed after the date of such discovery.

We have nominated the Claims Managers to accept notice on **our** behalf.

Due to the nature of the coverage offered by this Policy, any unreasonable delay by any director, partner, or senior executive officer of the company named as the Insured in the Schedule and any **subsidiary** in notifying the Claims Managers of (i), (ii), (iii) or (iv) above could lead to the size of the **claim, loss** or **damage** increasing or to **our** rights being restricted. **We** shall not be liable for that portion of any claim that is due to any unreasonable delay in any director, partner, or senior executive officer of the company named as the Insured in the Schedule and any **subsidiary** notifying the Claims Managers of any **claim, loss** or **damage** in accordance with this clause.

- We** will expect **you** to provide **us** with full and accurate information about any matter that **you** notify to **us** under **your** obligations set out above. Once notice has been made **you** must give the Claims Managers all the assistance and information that is reasonably required. **You** must follow their advice and do anything that they reasonably require **you** to do to avoid, minimise, settle or defend any **claim, loss** or **damage**.

If **you** think a crime has been committed **you** must report it to the appropriate law enforcement authorities. **You** must

also permit the Claims Managers and any other parties that are appointed by the Claims Managers to notify the appropriate law enforcement authorities of any **claim**, **loss** or **damage** where this action is deemed necessary, and **you** must comply with the advice given by such authorities.

If any of **your** computer or ancillary equipment is lost or stolen while it is temporarily removed from the **premises**, **we** will not make any payment unless **you** report the loss to the police within 48 hours after **you** become aware of it.

2. Continuous cover

If **you** have neglected, through error or oversight only, to report a **claim** made against **you** during the period of a previous renewal of this Policy issued to **you** by **us**, then provided that **you** have maintained uninterrupted insurance of the same type with **us** since the expiry of that earlier Policy, then, notwithstanding **EXCLUSION 14**, **we** will permit the matter to be reported under this Policy and will indemnify **you**, provided that:

- a) the indemnity will be subject to the applicable **aggregate limit of liability** or **limit of liability** of the earlier Policy under which the matter should have been reported or the **aggregate limit of liability** or **limit of liability** of the current Policy, whichever is the lower;
- b) **we** may reduce the indemnity entitlement by the monetary equivalent of any prejudice which has been suffered as a result of the delayed notification.
- c) the indemnity will be subject in addition, to all of the terms, **CONDITIONS**, **DEFINITIONS** and **EXCLUSIONS**, other than the **aggregate limit of liability** or **limit of liability**, contained in this current Policy.

3. Fraudulent claims

If **you** notify **us** of any **claim** knowing that **claim** to be false or fraudulent in any way, **we** shall have no responsibility to pay that **claim** or any other **claims** under this insurance and the Policy will be treated as if it had not been effected.

4. Agreement to pay claims

We have the right (but not the obligation) to take control of and conduct in **your** name the investigation settlement or defence of any **claim**. **We** shall also pay on **your** behalf **costs** and **expenses** incurred with **our** prior written consent (subject to the Limits of Liability shown in the Schedule) provided that **we** shall not

- a) pay for the **costs** and **expenses** of any part of a **claim** that is not covered by this Policy.
- b) incur any **costs** and **expenses** in the defence of any **claim** unless there is a reasonable prospect of success, taking into account the commercial considerations of the costs of defence.

We shall always endeavour to settle any **claim** through negotiation, mediation or some other form of alternative dispute resolution and shall pay on **your** behalf the amount so agreed by us and the claimant. If **we** cannot settle by such means, **we** shall pay the amount which **you** are found liable to pay either in court or through arbitration proceedings, subject always to the Limit of Liability shown in the Schedule.

If **you** refuse to consent to a settlement that **we** recommend and that the claimant will accept, then **you** must then defend, investigate or settle the **claim** at **your** own expense. As a consequence of **your** refusal, **our** liability for any **claim** shall not be more than the amount that **we** could have settled the **claim** had **you** consented, plus any **costs** and **expenses** incurred prior to the date of such refusal.

5. Innocent non-disclosure

We will not seek to avoid the Policy or reject any claim on the grounds of non-disclosure or misrepresentation except where

the non-disclosure or misrepresentation was reckless or fraudulent or **you** failed to conduct a full enquiry prior to providing the information that forms the basis of this insurance. In the event that **we** seek to avoid the Policy or reject any claim on this basis the burden of proving otherwise rests solely with **you**.

6. Your duty to advise us of changes

If **you** become aware that any of the information that **you** have given **us** in the Proposal Form or elsewhere in connection with **your** proposal for this insurance has materially changed then **you** must advise **us** as soon as is practicable. In this event, **we** reserve the right to amend the terms, conditions or premium of the Policy.

7. Newly acquired premises or property

We will cover newly acquired **premises** or **property** up to 10% of the total **amount insured** in respect of **INSURING CLAUSES 1** and **2**, provided that **we** are notified within 90 days of the date of the acquisition. Once **we** are notified **we** reserve the right to charge an additional premium from the date of the acquisition.

8. Damage at the premises of your supply chain partners

In respect of **damage** at the **premises of your supply chain partners**, coverage under **INSURING CLAUSE 3** is provided subject to either **you** or **your supply chain partner** having in place at the time of the **damage** a policy of insurance to allow for the reinstatement or repair of the **damage**.

9. Contractually committed costs

Prior to payment being made in respect of **contractually committed costs**, **you** must provide **us** with a copy of the contract between **you** and **your supply chain partner** providing reasonable evidence that **you** are contractually committed to pay these costs, or if already paid that **you** are not entitled to a refund of the payments or reasonable transfer of the services to an alternative time or place.

10. Risk management conditions

If **we** attach any additional conditions to **your** Policy regarding any risk survey or risk management timetable or any other similar conditions then it is **your** responsibility to ensure that these conditions are complied with by the deadlines shown in the conditions.

11. Our rights of recovery

If any payment is made under this Policy in respect of a **claim**, **loss** or **damage** and there is available to **us** any of **your** rights of recovery against any other party then **we** maintain all such rights of recovery. **We** shall not exercise these rights against any past, present or future **employee**, director or partner of the company named as the Insured in the Schedule or any **subsidiary**, unless such payment is in respect of any wilful, malicious or dishonest acts or omissions.

You must do nothing to impair any rights of recovery. At **our** request **you** will bring proceedings or transfer those rights to **us** and help **us** to enforce them. Any recoveries shall be applied as follows:

- a) first, to **us** up to the amount of **our** payment on **your** behalf including **costs** and **expenses**;
- b) then to **you** as recovery of **your** Excess or other amounts paid as compensation or costs and expenses.

12. Cancellation

This Policy may be cancelled:

- a) if **you** give **us**, or **we** give **you**, 30 (thirty) days written notice, or
- b) should any amount in default not be paid within 14 (fourteen) days of the due date shown in the Debit Note that accompanies this Policy, **we** shall have the right to notify **you** in writing of cancellation of the Policy after 14 (fourteen)

additional days should the amount in default not be paid by that date. Any such cancellation shall take effect from the Inception Date of the Policy so that **we** shall have no liability under the Policy whatsoever.

If **you** give **us** notice of cancellation in accordance with a) above, the earned Premium shall be computed at pro rata to the number of days that the Policy is in effect subject to a minimum amount of thirty percent (30%) of the Premium; provided that the Premium shall be deemed fully earned if any **claim, loss or damage** has been notified under this Policy.

If **we** give **you** notice of cancellation in accordance with a) above, the Premium shall be computed at pro rata to the number of days that the Policy is in effect.

The Policy Administration Fee shall be deemed fully earned upon inception of the Policy.

13. Prior subsidiaries

In respect of **INSURING CLAUSES 7 to 11** only, should an entity cease to be a **subsidiary** after the Inception Date of this Policy, cover in respect of such entity shall continue as if it was still a **subsidiary**, until the termination of this Policy, but only in respect of any **claim or loss** that arises out of any act, error or omission committed by that entity prior to the date that it ceased to be a **subsidiary**.

14. Mergers and acquisitions

During the **period of the policy**, if the company named as the Insured in the Schedule or any **subsidiary**

- a) purchases assets or acquires liabilities from another entity in an amount greater than ten percent (10%) of the assets of the company named as the Insured in the Schedule as listed in its most recent financial statement; or
- b) acquires another entity whose annual revenues are more than ten percent (10%) of the annual revenues of the company named as the Insured in the Schedule for their last completed financial year;

then **you** shall have no coverage under this Policy for any **claim, loss or damage** that arises directly or indirectly out of the purchased or acquired entity unless the company named as the Insured in the Schedule gives **us** written notice prior to the purchase or acquisition, obtains **our** written consent to extend coverage to such additional entities, assets or exposures, and agrees to pay any additional premium required by **us**.

If during the **period of the policy** the company named as the Insured in the Schedule consolidates or merges with or is acquired by another entity, then all coverage under this Policy shall terminate at the date of the consolidation, merger or acquisition unless **we** have issued an endorsement extending coverage under this Policy, and the company named as the Insured in the Schedule has agreed to any additional premium and terms of coverage required by **us**.

15. Extended reporting period

In respect of **INSURING CLAUSES 7 and 8** only, an Extended Reporting Period of 30 days following the Expiry Date as shown in the Schedule shall be automatically granted hereunder at no additional premium. Such Extended Reporting Period shall cover **claims** first made and reported to **us** during this 30 day Extended Reporting Period but only in respect of a **wrongful act** committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions and exclusions of this Policy. No **claim** shall be accepted by **us** in this 30 day Extended Reporting Period if **you** are entitled to indemnity under any other insurance, or would have been entitled to indemnity under such insurance but for the exhaustion thereof.

16. Optional extended reporting period

In respect of **INSURING CLAUSES 7 and 8** only, in the event of cancellation or non-renewal of this Policy by **us** then **you** shall have the right, upon payment of the Optional Extended Reporting Period Premium shown in the Schedule in full and not proportionally or otherwise in part, to have issued an endorsement providing a 365 day Optional Extended Reporting Period from the cancellation or non-renewal date. Such Optional Extended Reporting Period shall cover **claims** first made against the company named as the Insured in the Schedule or any **subsidiary** and notified to **us** during this Optional Extended Reporting Period but only in respect of any **claim** arising out of **wrongful act** committed prior to the date of cancellation or non-renewal, and subject to all other terms, conditions and exclusions of the Policy.

In order for **you** to invoke the Optional Extended Reporting Period option, the payment of the Optional Extended Reporting Period Premium shown in the Schedule for this Optional Extended Reporting Period must be paid to **us** within 15 days of the date of the non-renewal or cancellation. At the commencement of this Optional Extended Reporting Period the entire premium shall be deemed earned and in the event that **you** terminate the Optional Extended Reporting Period for any reason prior to its natural expiration, **we** will not be liable to return any premium paid.

The right to the Extended Reporting Period or the Optional Extended Reporting Period shall not be available to **you** where:

- a) Cancellation or non-renewal by **us** is due to non-payment of premium, or
- b) Cancellation or non-renewal by **us** is due to **your** failure to pay such amounts in excess of the applicable Limit of Liability or within the amount of the applicable Excess as is required by this Policy in the payment of **claims**.

At the renewal of this Policy, our quotation of different premium, Excess or Limit of Liability or changes in policy language shall not constitute non-renewal by **us** for the purposes of granting this Optional Extended Reporting Period.

In no event shall the granting of the Extended Reporting Period or the Optional Extended Reporting Period increase **our** Limit of Liability, including **costs and expenses**, as shown in the Schedule.

17. Third party rights

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 (U.K.) or any similar legislation in any other territory to enforce any term of this contract but this does not affect any right or remedy of a **third party** which exists or is available apart from that Act or similar legislation.

18. Choice of law and complaints

The parties are free to choose the law applicable to this insurance contract. Unless specifically agreed to the contrary, this insurance shall be subject to Irish Law. Any enquiry or complaint should be addressed in the first instance to **your** broker. If **you** are not satisfied with the way a complaint has been dealt with **you** may ask the Lloyd's underwriters Sole General Representative in Ireland to review **your** case without prejudice to **your** rights in law. The address is:

The Country Manager for Ireland
Lloyd's Ireland Representative Limited
7/8 Wilton Terrace
Dublin 2
Ireland
Tel: 01 6313 600
Email: lloydsireland@lloyds.com