



Policy Wording

Angel Professional Package Insurance Accountants



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1 Introduction

This **Policy** is a contract between **You** and **Us**. It is arranged through **Angel** on **Our** behalf.

This **Policy** consists of this document, the **Schedule** and **Endorsements**, if any, all of which are a single document and are to be read as one contract. In this **Policy**, certain words or phrases are specially defined. In deciding to accept this **Policy** and in setting the terms and premium **We** have relied on the information which **You** have provided to **Us**.

We will, in consideration of the payment of the premium, insure **You**, subject to the terms and conditions of this **Policy**, against the events set out in the Operative Clauses and occurring in connection with the **Business** during the **Period of Insurance** or any subsequent period for which **We** agree to accept payment of premium.

Please read this **Policy** carefully and make sure that it meets **Your** needs. If any corrections are necessary **You** should contact **Your** broker through whom this **Policy** was arranged.

Please keep this **Policy** in a safe place – **You** may need to refer to it if **You** have to make a **Claim**.

1.1 Accessibility

Upon request **Angel** can provide Braille, audio or large print versions of the **Policy** and the associated documentation including the policy summary document. If **You** require an alternative format **You** should contact **Your** broker through whom this **Policy** was arranged.

1.2 Fair Processing Notice

(a) AXA XL Insurance Company UK Limited

This Privacy Notice describes how AXA XL Insurance Company UK Limited (together, “we”, “us” or the “insurer”) collect and use the personal information of insureds, claimants and other parties (“you”) when we are providing our insurance and reinsurance services.

The information provided to the insurer, together with medical and any other information obtained from you or from other parties about you in connection with this policy, will be used by the insurer for the purposes of determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about you, or as a consequence of any contractual relationship we have with you. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by the insurer for these purposes with group companies and third party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of Your personal information. Because we operate as part of a global business, we may transfer your personal information outside the United Kingdom and/or European Economic Area for these purposes.

You have certain rights regarding your personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of your personal information in a usable electronic format and to transmit it to a third party (right to portability).



If you have questions or concerns regarding the way in which your personal information has been used, please contact: dataprivacy@axaxl.com.

We are committed to working with you to obtain a fair resolution of any complaint or concern about privacy. If, however, you believe that We have not been able to assist with your complaint or concern, you have the right to make a complaint to the Data Protection Authority.

For more information about how we process your personal information, please see our full privacy notice at: <http://axaxl.com/privacy-and-cookies>.

(b) **Angel Risk Management Limited**

For information about how Angel Risk Management Limited processes your personal information, please see our full privacy notice at: <https://www.angelriskmanagement.com/privacypolicy>.

Brokers, Intermediaries, Partners, Employers and Other Third Parties

If You provide us with information about someone else, we will process their personal information in line with the above. Please ensure you provide them with this notice and encourage them to read it as it describes how we collect, use, share and secure personal information when we provide our services as an insurance and reinsurance business.

1.3 **Third Party Rights**

A person who is not a party to this **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this **Policy** but this does not affect any right or remedy of a third party that exists or is available apart from that Act.

1.4 **Law and Jurisdiction**

The parties are free to choose the law applicable to this **Policy**. Unless specifically agreed to the contrary this **Policy** shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this **Policy** and all communications relating to it will be in English.

1.5 **Interpretation**

In this **Policy**:

- (a) reference to any Act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this **Policy**;
- (b) if any term, condition, exclusion or **Endorsement** or part thereof is found to be invalid or unenforceable the remainder shall be in full force and effect;
- (c) the headings in this **Policy** are for general reference only and shall not be considered when determining the meaning of this **Policy**.



1.6

Cancellation and Cooling Off Period

(a) Your Right to Cancel during the Cooling-Off Period

You are entitled to cancel this **Policy** by **Notifying Us** through **Angel** within thirty (30) days of either:

- (i) the date **You** receive this **Policy**; or
- (ii) the start of **Your Period of Insurance**;

whichever is the later.

A full refund of any premium paid will be made unless **You** have made a **Claim** in which case the full annual premium is due.

(b) Your Right to Cancel after the Cooling-Off Period

You are entitled to cancel this **Policy** after the cooling-off period by **Notifying Us** through **Angel**. Cancellation will be effective from the date of such notice to cancel. Any return of premium due to **You** will be calculated at a proportional daily rate depending on how long the **Policy** has been in force unless **You** have made a **Claim** in which case the full annual premium is due.

(c) Our Right to Cancel

We are entitled to cancel this **Policy**, if there is a valid reason to do so, including for example:

- (i) any failure by **You** to pay the premium; or
- (ii) a change in risk which means **We** can no longer provide **You** with insurance cover; or
- (iii) non-cooperation or failure to supply any information or documentation **We** request, such as details of a **Claim**;

by giving **You** thirty (30) days' notice in writing. Any return of premium due to **You** will be calculated at a proportional daily rate depending on how long the **Policy** has been in force unless **You** have made a **Claim** in which case the full annual premium is due.

Unless **We** have agreed that the **Premium** can be paid via direct debit instalments, the **Premium** must be paid in full within forty five (45) days of the beginning of the **Period of Insurance**. If the **Premium** has not been received by the due date then **We** will have the right to cancel this policy in accordance with the provisions set out above. If **Premium** due is paid in full to **Us** before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

1.7

Information You Have Given Us

In deciding to accept this **Policy** and in setting the terms including premium **We** have relied on the information which **You** have provided to **Us**. **You** must take care when answering any questions **We** ask by ensuring that any information provided is accurate and complete.



If **We** establish that **You** deliberately or recklessly provided **Us** with untrue or misleading information **We** will have the right to:

- (a) treat this **Policy** as if it never existed;
- (b) decline all **Claims**; and
- (c) retain the premium.

If **We** establish that **You** carelessly provided **Us** with untrue or misleading information **We** will have the right to:

- (i) treat this **Policy** as if it never existed, refuse to pay any **Loss** and return the premium **You** have paid, if **We** would not have provided **You** with cover;
- (ii) treat this **Policy** as if it had been entered into on different terms from those agreed, if **We** would have provided **You** with cover on different terms;
- (iii) reduce the amount **We** pay on any **Claim** in the proportion that the premium **You** have paid bears to the premium **We** would have charged **You**, if **We** would have charged **You** more.

We will notify **You** in writing if (i), (ii) and/or (iii) apply.

If there is no outstanding **Claim** and (ii) and/or (iii) apply, **We** will have the right to:

- (1) give **You** notice that **We** are terminating this **Policy**; or
- (2) give **You** notice that **We** will treat this **Policy** and any future **Claim** in accordance with (ii) and/or (iii), in which case **You** may then give **Us** notice that **You** are terminating this **Policy**

In accordance with the Cancellation and Cooling-Off Provisions.

If this **Policy** is terminated in accordance with (1) or (2), **We** will refund any premium due to **You** in respect of the balance of the **Period of Insurance**.

1.8 **Changes We Need to Know About**

You must tell **Us** through **Angel** as soon as practicably possible of any change in the information **You** have provided to **Us** which happens before or during any **Period of Insurance**.

When **We** are **Notified** of a change **We** will tell **You** if this affects **Your Policy**. For example **We** may cancel **Your Policy** in accordance with the Cancellation and Cooling-Off Provisions, amend the terms of **Your Policy** or require **You** to pay more for **Your** insurance. If **You** do not inform **Us** about a change it may affect any **Claim** **You** make or could result in **Your** insurance being invalid.

1.9 **Fraud**

If **You**, or anyone acting for **You**, makes a fraudulent **Claim**, for example a loss which is fraudulently caused and/or exaggerated and/or supported by a fraudulent statement or other device, **We**:

- (a) will not be liable to pay the **Claim**; and
- (b) may recover from **You** any sums paid by **Us** to **You** in respect of the **Claim**; and
- (c) may by notice to **You** treat this **Policy** as having been terminated with effect from the time of the fraudulent act.



If **We** exercise **Our** right under (c) above:

- (i) **We** shall not be liable to **You** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to **Our** liability under this **Policy** (such as the occurrence of a loss, the making of a **Claim**, or the notification of a potential **Claim**); and.
- (ii) **We** need not return any of the premium paid.

1.10 **Sanctions**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

1.11 **Complaints Procedure**

We are dedicated to providing a high-quality service and **We** want to ensure that **We** maintain this at all times.

If **You** wish to make a complaint **You** can do so at any time by referring the matter to:

Complaints Department
XL Catlin Services SE, UK Branch
20 Gracechurch Street
London
EC3V 0BG

Telephone Number: +44 (0)20 7743 8487
E-mail: axaxlukcomplaints@axaxl.com

XL Catlin Services SE acts on **Our** behalf in the administration of complaints.

If **You** remain dissatisfied after the Complaints Department has considered **Your** complaint, or **You** have not received a final decision within eight (8) weeks, **You** can refer **Your** complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
United Kingdom

E-mail: complaint.info@financial-ombudsman.org.uk

From within the United Kingdom

Telephone Number: 0800 0234 567	calls to this number are free on mobiles and landlines
Telephone Number: 0300 1239 123	calls to this number costs no more than calls to 01 and 02 numbers



From outside the United Kingdom

Telephone Number: +44(0)20 7964 0500

Fax Number: +44(0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

1.12 Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if **We** are unable to meet **Our** obligations under this **Policy**. If **You** were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this **Policy**. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY) and on their website: www.fscs.org.uk.

1.13 Regulatory Information

(a) AXA XL Insurance Company UK Limited

AXA XL Insurance Company UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308).

Registered office: 20 Gracechurch Street, London, EC3V 0BG.
Registered in England No. 5328622.

(b) Angel Risk Management Limited

Angel Risk Management Limited are authorised and regulated by the Financial Conduct Authority (Firm Reference No. 718451).

Registered office: 20 Gracechurch Street, London, EC3V 0BG.
Registered in England No. 2942487.

You can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(c) XL Catlin Services SE

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited in connection with this policy. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01HP90, Ireland.
Registered in Ireland Number 659610.

You can check this information on the Central Bank of Ireland's website at www.centralbank.ie which includes a register of all the firms they regulate.



1.14

Employers Liability Tracing Office Notice

Certain information relating to this **Policy**, namely:

- (a) the **Policy** number(s),
- (b) employer's names and addresses, including subsidiaries and any relevant changes of name,
- (c) coverage dates and,
- (d) if relevant, the employer's reference numbers provided by Her Majesty's Revenue and Customs and Companies House Reference Numbers will be provided to the Employers Liability Tracing Office, (the ELTO) and added to the Employers Liability Database (ELD).

It is understood by **You** that the above named information provided to **Us** will be processed by **Us** for the purpose of providing to the ELD, in compliance with the provisions of the Employers Liability Insurance: Disclosure by Insurers Instrument 2010.

The ELTO may provide such information to third parties to assist individuals with **Claims** arising out of their course of employment in the United Kingdom for employers carrying on, or who carried on, business in the United Kingdom, to identify an insurer or insurers that provided employers liability insurance.



2 General Definitions

Words specially defined below have the same meaning wherever they appear in bold type throughout this **Policy**.

- 2.1 **Angel** means Angel Risk Management Limited.
- 2.2 **Communicable Disease** means any illness, sickness, disease, infection, condition, or disorder caused, in whole or in part, by any direct or indirect contact with or exposure to any virus, parasite, or bacteria or any disease-causing agent of any nature regardless of the method of transmission, contact or exposure.
- 2.3 **Computer System** means:
- any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,
- owned or operated by the **Insured** or any other party.
- 2.4 **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- 2.5 **Cyber Incident** means:
- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
- (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.
- 2.6 **Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.
- 2.7 **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.
- 2.8 **Endorsement** means a change in the terms and conditions of this **Policy** that can extend or restrict cover.
- 2.9 **Excess** means the first part of each and every **Claim** or **Damage** payable by **You** or other person reimbursed before **We** shall have any liability to reimburse **under** this **Policy**.

The **Excess** in respect of each **Claim** or **Damage** shall be in the amount stated in the relevant **Schedule(s)** applicable to the relevant **Section** and shall include **Defence Costs and Expenses**.

The **Limit(s)** stated in the relevant **Schedule(s)** are in excess of and are not reduced by the amount of any **Excess**.



- 2.10 **Notified/Notify** means a notice being sent in writing, email or telephone to and received by **Us** directly by **You**, other person reimbursed or **Your** insurance broker and by no other person for the purposes of this **Policy**.
- 2.11 **Period of Insurance** means the period shown in the **Schedule** during which time the **Policy** is in force.
- 2.12 **Person Employed** means any:
- (a) person under a contract of service or apprenticeship with **You**;
 - (b) labour master and persons supplied by him
 - (c) **Person Employed** by labour only sub-contractors;
 - (d) self employed person;
 - (e) person hired to or borrowed by **You**; or
 - (f) person undertaking study or work experience, voluntary work or a youth training scheme with **You**;
 - (g) working for and under **Your** control in connection with the **Business**.
- 2.13 **Policy** means this insurance contract.
- 2.14 **Pollution** means any pollution, seepage, discharge, dispersal, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant including, for example smoke, vapours, soot, dust, fibres, fungi, mould, fumes, acids, alkalis, chemicals and waste (including, for example material to be recycled, reconditioned or reclaimed) or contamination of any kind; or ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from combustion of nuclear fuel; or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 2.15 **Premises** means **Your** premises specified as such in the **Schedule**.
- 2.16 **Proposal** means the written proposal or proposals, whether or not using a special form or including a presentation document, made by or on behalf of the **Directors** and/or **Company** for the insurance evidenced by this **Policy** or any of its **Sections**, including any, statements of fact, declarations, warranties or information which **We** have relied on.
- 2.17 **Schedule** means the **Schedule** or any of the **Schedules** particular to any coverage **Section**.
- 2.18 **Section** means the part of this **Policy** to which a specific coverage part applies.
- 2.19 **Terrorism** means an act, including for example the use of force or violence and/or the 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 to put the public or any section of the public in fear.
- 2.20 **Trigger** means the Trigger for each liability coverage **Section** is as stated in each such **Section**. The Trigger is what must happen during the **Period of Insurance** and/or at certain other times in order for coverage to be considered under the relevant **Section**.



- 2.21 **Unoccupied** means the vacant or untenanted **Premises** as declared to **Us** which includes the overnight stay (or as otherwise agreed) of **You** or any person acting on **Your** behalf.
- 2.22 **We / Us / Our/ Insurer** means AXA XL Insurance Company UK Limited
- 2.23 **You / Your/ Insured** means:
- (a) The person, persons or corporate body or other entity named in the **Schedule** to this **Policy** or named in any of the **Schedules** to the coverage **Sections** as applicable to such **Sections**; and
 - (b) **Your** subsidiary companies **Notified** to and accepted in writing by **Us**.



3 General Exclusions

All the individual **Policy Sections** are subject to the following exclusions except where stated below.

This **Policy** does not apply to or include cover for or arising out of or relating to:

3.1 **Asbestos**

Manufacture, mining, processing, distribution, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or materials or products containing asbestos whether or not there is another cause of loss which may have contributed concurrently or in any sequence to a loss or in respect of that part of any property insured by this **Policy** which consists of asbestos.

3.2 **Communicable Disease**

Any loss, damage, claim, cost, expense, or other sum of any nature whatsoever, directly or indirectly based upon, arising out of, attributed to, caused by, or relating to, in whole or in part:

- (a) any **Communicable Disease** (actual, threatened, perceived or suspected); or
- (b) any act, error, or omission in controlling, preventing, or suppressing, or failing to control, prevent, or suppress, or in any way relating to any actual, threatened, perceived or suspected outbreak of any **Communicable Disease**.

This exclusion applies regardless of any other cause or event contributing concurrently or in any other sequence with or to such loss, damage, claim, cost, expense, or other sum.

Any actual, alleged, threatened, perceived, or suspected presence or existence of any **Communicable Disease** at, on, in, affecting, impacting, or impairing any property, or preventing any use of any property, shall not constitute loss or damage whether physical or otherwise, or loss of use to tangible or intangible property.

The presence of a person or persons at an insured location that is/are possibly infected with a **Communicable Disease** or is/are actually infected with a **Communicable Disease** shall not constitute loss or damage, whether physical or otherwise

3.3 **Cyber**

- (a) any actual or alleged loss, damage, liability, claim, fine, penalty, cost (including, but not limited to, defence cost and mitigation cost) or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - (i) a **Cyber Incident**, unless subject to the provisions of paragraph 3.3(c);
 - (ii) a **Cyber Act**; or
 - (iii) a breach of **Cyber Protection Law** by the **Insured**, or parties acting for the **Insured**, involving access to, processing of, use of or operation of any **Computer System** or **Data**, including notification costs, crisis consultancy costs, credit monitoring expenses, replacement of actual credit or payment cards, forensic expenses, public relations expenses or legal advice and services.
- (b) Any cover for the costs of reconstituting or recovering lost or damaged documents owned or controlled by the **Insured** in this Policy shall not apply to **Data**. This exclusion shall not apply to cover as provided under insuring clause 5.1 (d) (Loss of Documents or **Data**).



- (c) Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, sub-paragraph 3.3(a) shall not apply to any otherwise covered claim arising out of any actual or alleged breach of Professional Duty by the **Insured** involving access to, processing of, use of or operation of any **Computer System** or **Data** unless such actual or alleged breach of Professional Duty by the **Insured** is caused by, contributed to by, resulting from, arising out of or in connection with a **Cyber Act**

3.4 **Data Protection**

any compensation, damages, losses, costs, expenses, fines, penalties or any other sum arising out of breach of privacy rules or legislation including the Data Protection Act 2018, whether the liability of the Insured arises directly or indirectly.

This exclusion does not apply to the Data Protection Act 2018 Extension 6.9 of the Liability Section.

3.5 **Known Claim or Circumstance**

Claims or circumstances known to **You** or any person reimbursed or which **You** or person reimbursed ought to have known prior to the beginning of the Period of Insurance.

3.6 **Punitive Damages**

Award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages or in any other form whatsoever.

3.7 **Radioactive Contamination, Chemical, Biological, Bio-Chemical And Electromagnetic Weapons**

- (a) Ionising radiations from 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 or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- (e) any chemical, biological, bio-chemical, or electromagnetic weapon.

3.8 **Terrorism**

Act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This exclusion also applies to any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.

In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This exclusion does not apply to the Employers Liability Section of this **Policy**.



3.9

War

any of the following:

- (a) war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;
- (b) insurrection, rebellion, civil war, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these;
- (c) confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority



4 General Conditions

4.1 Contribution

Where **You** or any person entitled to reimbursement has other insurance or insurances covering loss, damage or liability which is also covered by any **Section** of this **Policy** then the following provisions shall apply in determining the amount payable under such **Section**.

Any term of such other insurances which restricts the amount payable by making them excess of another unspecified policy or which excludes cover altogether or which restricts the amount payable because of the existence of some other unspecified policy shall be ignored for the purposes of this clause.

The amount payable under all insurances available to **You** or any other person entitled to reimbursement, including this **Policy**, in respect of the loss in question, shall be added together to produce the total amount of available reimbursement for the purposes of this clause. Only that part of any loss which would fall within the Limit of Liability of the relevant **Section**, having regard to the maximum Limit of Liability and any **Excess**, aggregate or sub-limit, shall be considered. The amount finally payable under such **Section** shall be the amount otherwise available under such **Section** alone multiplied by the ratio of that amount to the total amount of available reimbursement.

4.2 Duty to Co-operate

You or any person or entity who **Claim** for reimbursement under this **Policy** must as soon as practicably possible provide to the **Us** full details concerning any **Claim** and any circumstance which may give rise to a **Claim** and provide such co-operation and assistance as **We** and **Our** representatives, legal advisers or agents may reasonably require. It is an important condition to the right to be reimbursed under this **Policy** **You** or any person or entity who **Claim** for reimbursement under this **Policy** shall ensure that all documents relevant to any **Claim** and any circumstance which may give rise to a **Claim** shall not be destroyed or otherwise disposed of. Failure by **You** or any person or entity who **Claim** for reimbursement under this **Policy** to comply with this condition will entitle **Us** to refuse to pay the **Claim** in its entirety.

4.3 Entitlement to Defend

We shall be entitled to take over and conduct in **Your** name or any person or entity who **Claim** for reimbursement under this **Policy**, the defence or settlement of any **Claim** or to prosecute in **Your** name or persons reimbursed for their own benefit any **Claim** for reimbursement or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any **Claim** and **You** and persons reimbursed shall give all such information and assistance as **We** may require.

4.4 No Admission of Liability

You or any person or entity who **Claim** for reimbursement under this **Policy** shall not, without **Our** prior written approval, admit liability for, compromise, settle or make any offer or payment in respect of any **Claim** or any circumstance(s) likely to give rise to a **Claim** where cover has been requested under this **Policy**.



4.5

Notification

We will not make any payment under this **Policy** unless all of this condition has been complied with.

We must be **Notified** in writing by email or by telephone through **Angel** to the Notification Address shown in the **Schedule** and in accordance with the following provisions:

(a) **Applicable to the Professional Liability Section and where cover is included, the Directors and Officers Liability Section.**

The following must be **Notified** through **Angel** as soon as practicable after they come to the attention of **You**, a **Director** or the person responsible for arranging insurance:

- (i) any **Claim**; or
- (ii) any circumstance(s) which is or are likely to give rise to a **Claim** or an entitlement to be reimbursed under this **Policy**; or
- (iii) receipt of any **Claim** form, particulars of **Claim**, arbitration notice or any other formal document commencing legal proceedings.

We must be **Notified** through **Angel** during the **Period of Insurance** or within thirty days of the end of the **Period of Insurance** and should include copies of all relevant documents.

(b) **Where cover is included, applicable to the General Liability Section and the Employers Liability Section**

The following must be **Notified** as soon as practicable after they come to **Your** attention or the attention of the person responsible for arranging insurance:

- (i) any **Claim** made against **You** or any party reimbursed by this **Section** of the **Policy** which may fall within the scope of this **Policy**;
- (ii) the receipt of notice, whether written or oral, from any person or entity of their intention to make such a **Claim** against **You**;
- (iii) any circumstances of which **You** or any party reimbursed by this **Section** of the **Policy** shall become aware which are likely to give rise to such a **Claim** being made against **You**, giving reasons for the anticipation of such **Claim**;
- (iv) any other circumstances which are likely to give rise to a **Claim** under this **Policy**.

(c) **Where cover is included, applicable to the Material Damage Section**

The following must be **Notified** as soon as practicable

- (i) notify the police authority as soon as practicably possible it becomes evident that any **Damage** has been caused by malicious persons;
- (ii) notify the police authority as soon as practicably possible and take all practical steps to discover any guilty person and to trace and recover the property insured as a result of theft;
- (iii) carry out and permit to be taken any action to prevent further **Damage**;
- (iv) deliver to **Us** at **Your** own expense;



- (v) full information in writing of the property damaged and of the amount of **Damage**; and
- (vi) details of any other insurances applicable to the **Damage** being **Claimed** for, whether **You** intend to make a **Claim** against such insurances or not and whether such insurances are valid and collectible or not; and
- (vii) any other proofs and information relating to the loss as **We** may require.

In the event of breach of this condition, **We** shall have no liability under this **Policy**, unless **You** show that non-compliance with this condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

(d) **Where cover is included, applicable to the Business Interruption Section**

The following must be **Notified** as soon as practicably possible:

- (i) deliver to **Us** at **Your** expense as soon as practicably possible of its happening full details of **Damage** caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons;
- (ii) carry out and permit to be taken any action which may be reasonably practicable to minimise or check any interruption of or interference with **Your** business or to avoid or diminish the loss

In the event of a **Claim** being made under this Section, **You**, at **Your** expense, shall

- (1) as soon as practicably possible after the expiry of the **Liability Period** or within such further time as **We** may allow, deliver to **Us** in writing particulars of **Your Claim**, together with details of all other insurances covering property used by **You** at the **Premises** for the purpose of **Your** business or any part of it or any resulting consequential loss;
- (2) deliver to **Us** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may be reasonably required by **Us** for the purpose of investigating or verifying the **Claim** together with, if demanded, a statutory declaration of the truth of the **Claim** and of any matters connected with it.

4.6 **Precautions and Care**

It is an important condition to **Our** liability that **You** shall:

- (a) take all practicable precautions to prevent or minimize accidents or injury;
- (b) take all practicable precautions for the safety of or to prevent or minimize loss in respect of property insured;
- (c) exercise due care in the selection and supervision of **Persons Employed**;
- (d) use its best efforts to observe and comply with statutory or local authority obligations, regulations, laws or bye-laws.

In the event of breach of this condition, **We** shall have no liability under this **Policy**, unless **You** show that non-compliance with this condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

**Subrogation**

In the event of any payment by **Us** under this **Policy**, **We** shall be subrogated up to the amount of such payment to all **Your** rights of recovery or any person reimbursed against any third party, provided always that **We** shall not exercise any such rights against any **Person Employed** or former **Person Employed** unless the loss was caused or contributed to by a fraudulent, dishonest or malicious act or omission by said person.

You and any person reimbursed shall, without charge, provide such assistance as **We** may reasonably require in any subrogation and shall at all times protect and preserve any rights of recovery to which they would become subrogated under this **Policy**. **You** and any person reimbursed agree that **We**, at **Our** option, may have the conduct of any proceedings to recover monies paid or payable by **Us**, whether or not **You** or person reimbursed has an interest in such proceedings by reason of any uninsured losses.



5 Professional Liability Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions except where expressly overridden.

5.1 Operative Clauses

(a) Professional Liability

We shall reimburse **You** in respect of settlement, damages, interest and **Claimant's** costs arising from the conduct of the **Business** by reason of:

- (i) any negligent act, negligent error, negligent omission or negligent breach of duty by **You** or by any **Person Employed** or by any other person, firm or company directly appointed by and acting for or on **Your** behalf;
- (ii) any dishonest or fraudulent act or omission, but only on the part of any **Person Employed**;
- (iii) libel or slander committed unintentionally but only by **You** or by any **Person Employed**;
- (iv) any unintentional breach of confidentiality, right to privacy or loss of a Document committed by **You** or by any **Person Employed** or by any other person, firm or company directly appointed by and acting for or on **Your** behalf;
- (v) any passing-off or infringement of copyright, design right, registered design, trademark or patent committed unintentionally and in good faith by **You** or by any **Person Employed**;
- (vi) any other civil liability unless excluded herein.

Trigger:

This Operative Clause applies where a **Claim** is first made against **You** and is **Notified** to **Us** through **Angel** during the **Period of Insurance** and in accordance with the applicable General Conditions Notification condition arising from an act, error or omission occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the **Period of Insurance**.

(b) Defence Costs and Expenses

We shall reimburse **You** for **Defence Costs and Expenses** until the Limit of Liability applicable to this **Section** has been exhausted.

(c) Ombudsman Awards

We shall reimburse **You** against any amount paid and/or payable and/or the cost of taking steps which **You** are directed to take pursuant to or by the recommendation of any Ombudsman appointed pursuant to the provisions of the Financial Services and Markets Act 2000, the Central Bank and Financial Conduct Authority of Ireland Act 2004 or any amendment or re-enactment thereof to the same extent **We** are obliged under this **Section** to reimburse **You** in respect of any civil liability.



Trigger:

This Operative Clause applies where a recommendation or direction is first made against **You** and is **Notified** to **Us** through **Angel** during the **Period of Insurance** arising from acts or events occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the **Period of Insurance**.

(d) **Loss of Documents or Data**

We shall reimburse **You** for costs of repair, replacement or reconstitution of any Document which has been unintentionally destroyed, damaged, lost or mislaid during the **Period of Insurance** and which after diligent search cannot be found.

Trigger:

This Operative Clause applies where the loss of **Documents or Data** which have been destroyed, damaged, lost or mislaid is **Notified** to **Us** through **Angel** during the **Period of Insurance**.

(e) **Data Protection Act 1998**

This Operative Clause applies where a prosecution is first brought against **You** and is **Notified** to **Us** through **Angel** during the **Period of Insurance** in respect of an offence or alleged offence arising out of the conduct of the **Insured's Business** in respect of any offences or alleged offences under sections 21(1), 21(2), 22(6) or 47(1) of the Data Protection Act 1998 occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry of the **Period of Insurance**.

(f) **Data Protection Act 2018**

Subject to the policy terms, exclusions and conditions this policy **We** will cover **You** for legal liability in respect of any **Claim** for compensation as a result of injury and/or damage under Section 168 of the Data Protection Act 2018.

Cover in respect of such **Claims** shall be available only under the terms and conditions of this extension and nowhere else in this policy.

For the purposes of this extension non-material damage which is the subject of such **Claim** shall be considered as injury and will be treated as having occurred when the claimant first had knowledge or alleges that they had knowledge of the event giving rise to that injury.

This extension applies where **Claims** are made against **You** during the **Period of Insurance** arising from injury and/or damage occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the policy. If a circumstance occurring subsequent to the **Retroactive Date** and before the expiry date of the policy is notified to **Us** in accordance with Condition 4.5 – Claim Notification, **We** will not deny any subsequent **Claim** arising out of that circumstance solely because the **Claim** was made after the expiry date of the policy.

Our liability under this extension shall be limited to GBP 50,000 any one occurrence and in the aggregate, inclusive of defence costs, which shall be a part of and not in addition to the Limit of Liability stated in the **Schedule**.

The **Excess** under this extension shall be 10% of each **Claim** subject to a minimum of GBP 1,000 and shall be applicable to defence costs.



Additional Exclusions

This extension shall not provide cover:

- (a) against liability caused by or arising from a deliberate act by or omission of any person entitled to insurance under this policy if the result could have been expected having regard to the nature and circumstances of such act or omission;
- (b) for the costs of replacing, reinstating, rectifying or erasing any Personal Data, as defined in Data Protection Act 2018;
- (c) against liability caused by or arising from the recording, processing or provision of data for reward or the determining of the financial status of a person; or
- (d) against liability which attaches by virtue of a contract or agreement but which would not have attached in the absence of such contract or agreement.

Fee Payment Condition

We shall be entitled to refuse to pay any **Claim** under this policy in its entirety if **You** have not paid any fees required to be paid by any data protection authority.

(g) **Witness Attendance**

We shall pay **You** or any **Person Employed** the amount stated in the **Schedule** for attendance at any Court, Arbitration or Adjudication hearing provided that:

- (i) legal advisers acting on **Your** behalf require such attendance in connection with a **Claim**; and
- (ii) **We** have given **Our** prior written consent to such attendance.

(h) **Legal Representation Costs**

We shall pay on **Your** behalf all costs and expenses incurred by **You** or any **Person Employed** for representation at properly constituted hearings, tribunals or proceedings provided that;

- (i) they arise directly out of a **Claim** which is or in **Our** opinion is likely to be covered in Operative Clause 5.1(a); and
- (ii) is not covered under **Defence Costs and Expenses**; and
- (iii) **We** have given **Our** prior written consent to such costs and expenses.

(i) **Payment of Outstanding Fees**

We shall reimburse **You** in respect of fees and expenses invoiced to customers for professional services rendered in the course of the **Business** but which **Your** customers have refused to pay on the grounds of actual, imminent or alleged loss of the customer resulting from the negligent provision of such services.

No payment will be made by **Us** under this Operative Clause unless **You** bring evidence that it had taken all practicable steps to recover the relevant fees and expenses, that the taking of any further steps would trigger the customer into making a **Claim** for damages for professional negligence and that refraining from pursuing payment would reduce the likelihood of such a **Claim** being made.



This condition will only apply where the **Claim** or potential **Claim** for damages was of a type otherwise covered by this **Section**. Furthermore, in the event of a **Claim** being made, despite **You** have refrained from pursuing the collection of invoiced fees and expenses, any payment made by **Us** under this Operative Clause will be deducted from the subsequent payment due to **You** in respect of such **Claim**.

It is a condition of this Operative Clause that **You** shall not agree with a customer to waive collection of an invoice without **Our** prior consent. It is a further condition that upon payment by **Us** under this Operative Clause, **We** shall make no further attempt to collect the relevant unpaid fees and expenses without **Our** prior consent. In the event of a breach of either of these conditions by **You**, **We** shall be entitled to refuse payment of any eventual **Claim** for damages in relation to the services which are the subject of the fees and expenses concerned.

Trigger:

This Operative Clause applies where a refusal by the customer to pay invoiced fees and expenses has been made during the **Period of Insurance** and **Notified** to **Us** through **Angel** in accordance with the applicable General Conditions Notification condition arising from an act, error or omission occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the **Period of Insurance**.

5.2 Additional Definitions

This Section is subject to the following additional definitions:

- (a) **Alternate** means an individual practitioner, partnership, limited liability partnership, Isle of Man limited liability company or company acting in connection with arrangements to cover the incapacity or death of a sole practitioner.
- (b) **Business** means the professional services performed or the advice given by **You** in relation to those activities declared in the **Proposal** and stated in the **Schedule**. Professional services include personal appointments as a trustee, personal representative, Company Secretary or **Director** made or accepted solely in the course of the **Business** and solely in relation to the performance of Services.
- (c) **Claim** means

A demand made of, or assertion of a right against **You** by a third party which is communicated to **You** in writing, made according to the laws of a territory specified in the **Schedule** as a Covered Jurisdiction; or

- (i) where applicable, proceedings brought under the jurisdiction of a competent court or tribunal within a territory specified in the **Schedule** as a Covered Jurisdiction; or
- (ii) an award made by a competent court or tribunal anywhere in the world to enforce a judgement, award or settlement made in accordance with the laws of or under the jurisdiction of a territory specified in the **Schedule** as a Covered Jurisdiction; or
- (iii) a complaint or reference to any Ombudsman appointed pursuant to the provisions of the Financial Services and Markets Act 2000, the Central Bank and Financial Services Authority of Ireland Act 2004 or any amendment or re-enactment thereof.

Limitations or exclusions of Covered Jurisdictions shall be understood in the same way.



- (d) **Claimant** means a person or entity which has made or may make a **Claim** including (without limitation) a **Claim** for contribution or reimbursement, and shall be deemed to include a complainant to the Ombudsman.
- (e) **Data Protection Regulations** means any privacy laws, statutes and regulations associated with the control and use of personal data, including for example the Data Protection Act 1998, the Regulation of Investigatory Powers Act 2000 and the Privacy and Electronics Communications (EC Directives) Regulations 2003.
- (f) **Defence Costs and Expenses** means costs and expenses in:
 - (i) the defence, investigation or settlement of any **Claim** which falls to be dealt with under the **Operative Clauses**; or
 - (ii) the investigation of any circumstance **Notified to Us** through **Angel** which is likely to give rise to a **Claim**,incurred by or on **Your** behalf with **Our** prior written and continuing consent but not including **Your** own costs and expenses or any value attributable to the time spent by **You** in dealing with a **Claim** or a circumstance.
- (g) **Documents or Data** means all and any records in connection with the **Business** kept by or on **Your** behalf, whether kept in paper, magnetic or electronic form, for which **You** are legally responsible. **Documents or Data** do not include stamps, currency, bank notes and instruments, travellers cheques, cheques, postal orders, money orders, securities and the like.
- (h) **Excess** means as defined in the General Definitions provided;
 - (i) the maximum amount borne by **You** during the **Period of Insurance** shall not exceed the maximum amount calculated in accordance with the relevant provisions of the Professional Liability Insurance Regulations of The Institute of Chartered Accountants in England and Wales, of Scotland or in Ireland as applicable, in force at the date of inception of this **Policy**; and
 - (ii) the **Excess** shall not be applicable to **Defence Costs and Expenses**.
- (i) **You/Your/Insured**
 - (i) Any firm, sole practitioner, company, limited liability partnership or Isle of Man limited liability company or any other entity stated in the **Schedule** including any of their predecessors in business;
 - (ii) its principals, partners, directors or members; including any former partner, director or member whether or not acting as a consultant to **You**;
 - (iii) any person who is or has been under a contract of service with any firm, company, limited liability partnership or Isle of Man limited liability company or any other entity named in the **Schedule**;
 - (iv) any person who is or has been under a contract for services with any firm, company, limited liability partnership or Isle of Man limited liability company or any other entity named in the **Schedule** insofar as any **Claim** arises whilst such person is working for or on behalf of the **Business**;



- (v) the estates and/or legal representatives of any insured person referred to above in the event of death, incapacity, insolvency, bankruptcy; or
- (vi) any person who is acting on behalf of an **Insured** as an **Alternate**.
- (j) **Retroactive Date** means the date (if any) specified in the **Schedule**.
- (k) **Services** means all services performed or advice given by **You** in connection with tax matters, secretarial work, share registration, financial advice to management, book-keeping, management accounting, financial investigations and reports, financial **Claims** – their negotiation and settlement, company formations, investment advice, insurance and pension scheme advice and computer consultancy, whilst holding the appointment of Company Secretary, Registrar or **Director** as referred to in the definition of the **Business**.

5.3 Limit of Liability

- (a) The Limit of Liability is the maximum amount **We** shall be called upon to pay under this **Section** in respect of any one **Claim** during the **Period of Insurance** under Operative Clauses 5.1(a) Professional Liability and 5.1(c) Ombudsman Awards and the aggregate of all **Claims** under Operative Clauses 5.1(d) Loss of Documents or Data, 5.1(e) Data Protection Act 1998, 5.1(g) Witness Attendance. and 5.1(i) Payment of Outstanding Fees. **Defence Costs and Expenses** are in addition.
- (b) The Limit of Liability shall be the amount stated in the **Schedule**. In respect of Operative Clauses 5.1(d) Loss of Documents or Data, 5.1(e) Data Protection Act 1998, 5.1(g) Witness Attendance, and 5.1(i) Payment of Outstanding Fees an aggregate Sub-Limit in the amounts stated in the **Schedule** shall apply. An aggregate Sub-Limit will also apply to the Discovery Period if purchased.
- (c) All payments made by **Us** in respect of any Operative Clauses or any **Endorsement** or otherwise (except for the payment under **Defence Costs and Expenses**) relating to the same **Claim** shall erode the limit of liability in respect of any one **Claim** under this **Section**.
- (d) If a payment is required or made in settlement of any **Claim** which exceeds the Limit of Liability available under this **Section**, **Our** liability for **Defence Costs and Expenses** shall be limited to such proportion as the amount of the Limit of Liability available in respect of such **Claim** bears to the amount required or paid in settlement and **You** shall make any consequent repayment due to **Us** as soon as practicably possible upon demand, failing which **We** will be entitled to deduct the amount of repayment from any **Claim** settlement monies due from them under this **Section**.
- (e) All **Claims**, whether made against or sought by one or more **Insured**, wholly or substantially arising from or having any connection with or relation to:
 - (i) the same event, occurrence, act, error, omission or breach of duty or having the same originating or underlying cause; or
 - (ii) a series of events, occurrences, acts, errors, omissions or breaches of duty having the same originating or underlying cause; or
 - (iii) the acts, errors, omissions or breaches of a single person or persons acting together or in which such person or persons is or are concerned or implicated;

shall be deemed to be one **Claim** or single application for costs under Operative Clauses for Loss of Documents or Data and Data Protection for the purposes of deciding the applicable limit of liability and the application of the **Excess** under this **Section**.

**Exclusions****(a) Contractual Liability**

- (i) a breach of any written contractual duty or duty of care owed by **You** to any third party which imposes a greater obligation upon **You** than would otherwise be implied by common law or statute; and
- (ii) from any contract where, before entering into or extending a contract, **You** failed to take practicable steps to ensure that it could fulfil all of **Your** obligations in accordance with the terms of the contract or any representations made by or on **Your** behalf;

(b) Death and Bodily Injury

any bodily injury, sickness, disease, emotional distress (except emotional distress arising from any libel or slander), mental anguish, mental stress or death of any person unless caused directly by any unintentional breach of duty or negligence by **You** or by any **Person Employed** or by any other person, firm or company directly appointed by and acting for or on **Your** behalf;

(c) Deliberate Acts

- (i) any deliberate or reckless breach, act, omission or infringement committed, condoned or ignored by **You**; or
- (ii) any statement made which was known or ought reasonably to have been known by **You** to be libellous or slanderous at the time of publication.

(d) Director and Officer

any of **Your** liability as a director, officer and/or trustee in their respective capacity as such;

(e) Documents or Data

any repair, replacement or reconstitution cost of any **Documents or Data**, directly or indirectly occasioned by any government or public or local authority action or order or resulting from wear or tear, the action of vermin, gradual deterioration or magnetic flux or loss of magnetism (except where caused by lightning);

(f) Fines and Penalties

any regulatory or disciplinary investigations or proceedings or any fines, penalties or penal, punitive, exemplary, liquidated, restitutionary, non-compensatory or aggravated damages, or the additional award of damages consequent upon or by reason of any multiplication of compensatory damages, except with regard to libel or slander;

(g) Fraud and Dishonesty

any dishonest or fraudulent act or omission of any of **Your** former or present partner, principal, director, member, consultant or sub-contractor or **Alternate**:

- (i) in respect of any person committing or condoning such dishonest or fraudulent act or omission; or



- (ii) in the amount recoverable from the dishonest or fraudulent person or persons or their estates or legal representatives; or
 - (iii) arising after the discovery of reasonable cause for suspicion of dishonesty or fraud by the dishonest or fraudulent person or persons; or
 - (iv) in the amount equivalent to,
 - (v) any monies owed by **You** to any person committing, condoning or contributing to the dishonest or fraudulent act or omission; or
 - (vi) any monies held by **You** and belonging to such person; or
 - (v) any monies recovered in accordance with the Dishonest or Fraudulent **Claim** Recovery condition of this **Section**;
- (h) **Goods and Services**

any contract for the provision of goods or services to **You** or any goods or products sold, supplied, made, constructed, installed, maintained, repaired, altered or treated by or on **Your** behalf.
- (i) **Insolvency**

Your insolvency or bankruptcy;
- (j) **Insured versus Insured**

any **Claim** by any person comprising the **Insured** against any other person comprising the **Insured**, except in accordance with the operation of Dishonest or Fraudulent Claim Recovery Condition 5.5(e) of this **Section**;
- (k) **Internet Service, Telecommunications or Other Utility Provider**

any failure or loss of service provided by an internet service provider, telecommunications provider or other utility provider except where these services are provided by **You** as part of the **Business**;
- (l) **Joint Venture**

any **Claim** by **Your** joint venture or association partner unless the **Claim** emanates from a wholly independent third party;
- (m) **Jurisdiction and Territorial Limits**

any:

 - (i) legal proceedings brought in a court of law outside the Covered Jurisdiction stated in the **Schedule** or brought in a court of law within the stated jurisdictions to enforce a judgement or order made in any court of law outside those jurisdictions; or
 - (ii) **Business** undertaken outside the Territorial Limits shown in the **Schedule**;



(n) **Market Fluctuation**

any depreciation or loss of investment when such depreciation or loss arises from fluctuations in any financial stock or commodity or other markets and any express or implied warranty or guarantee relating to the financial return of any investment or portfolio of investments or in connection with any investment advice given or services performed which have not been authorised where such authorisation is required under any statutory regulation by an appropriate statutory authority;

(o) **Pollution**

Pollution, except where arising directly from any actual or alleged breach of duty in the performance of (or failure to perform) the **Business**;

(p) **Property Damage**

any damage to or destruction or loss of any property except as provided under Loss of Documents or Data Operative Clause 5.1(d) or Data Protection Operative Clause 5.1(e) and 5.1 (f);

(q) **Retroactive Date**

any **Claim** arising out of **Business** prior to the **Retroactive Date** specified in the **Schedule**;

(r) **Trading Losses**

any trading losses or trading liabilities incurred by **You** or any business managed by or carried on by or on **Your** behalf including for example any loss of client account and/or custom except that this exclusion will not apply to any **Claim** made against **You** for negligence in the normal course of their conduct of any receivership or procedures under the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 1989 or in the Republic of Ireland any receivership or insolvency procedures under the Companies Acts 1963 to 2005 or the Bankruptcy Act 1988 or any amendment or re-enactment thereof;

(s) **Warranties and Guarantees**

any performance warranty, guarantee, penalty clause, liquidated damages clause or similar provision unless Your liability would have existed to the same extent in the absence of such warranty, guarantee or clause or similar provision

5.5 **Conditions**

(a) **Advancement of Defence Costs and Expenses**

We will reimburse **You** in respect of **Defence Costs and Expenses** under Operative Clause 5.1(b) as and when they are incurred, including **Defence Costs and Expenses** incurred on **Your** behalf who is alleged to have committed or condoned a dishonest or fraudulent act or omission, provided that **We** are not liable for **Defence Costs and Expenses** incurred on **Your** behalf after the earlier of:

- (i) **You** admitted to **Us** the commission or condoning of such dishonest or fraudulent act or omission; or
- (ii) a court or other judicial body finding that **You** was in fact guilty of such dishonest or fraudulent act or omission.



Each **Insured** who admits to **Us** the commission or condoning of such dishonest or fraudulent act or omission, or against whom there is a finding of a court or other judicial body that such **Insured** was in fact guilty of such dishonest or fraudulent act or omission shall reimburse **Us** in respect of **Defence Costs and Expenses** advanced on that **Insured's** behalf.

(b) **Cancellation**

In the event of the cancellation of this **Section We** will immediately notify the relevant Institute being The Institute of Chartered Accountants in England and Wales (the "ICAEW"), The Institute of Chartered Accountants of Scotland (the "ICAS") or The Institute of Chartered Accountants in Ireland (the "ICAI") of the cancellation and the name of the **Insured**.

(c) **Difference in Conditions**

We hereby agree that the terms of cover provided by this **Section** shall be no less favourable to and provide no less protection than those of the Minimum Approved Policy Wording (as referred to in the Professional Liability Insurance Regulations issued by The Institute of Chartered Accountants in England and Wales, of Scotland, or in Ireland as applicable) in force at the date of inception of this **Policy**.

We further agree that if the terms of cover provided by this **Section** exceed those of the Minimum Approved Policy Wording then, despite anything contained herein to the contrary, the sum insured in respect of such additional coverage shall be in addition to the terms of cover provided by the Minimum Approved Policy Wording. However, such additional coverage will only operate when any insurance excess of the primary insurance has been exhausted by reason of **Claims**.

(d) **Discharge of Policy Liability**

We may at **Our** absolute discretion, at any time, after deduction of such sums as **We** may already have paid, agreed to pay or be responsible for, in respect of any settlement, damages, interest and **Claimant's** costs or costs for which **You are** liable in respect of any **Claim**, tender to **You**:

- (i) the remaining amount of the limit of liability available under this **Section** or
- (ii) such lesser amount for which the **Claim** can be settled, including **Claimants'** costs and interest, and 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 **Defence Costs and Expenses** incurred prior to the date of such payment.

(e) **Dishonest or Fraudulent Claim Recovery**

Where a **Claim** or circumstance involves the dishonest or fraudulent act or omission of the **Person Employed**:

- (i) **You** shall at **Our** request and expense take all practicable steps to obtain reimbursement from such person;
- (ii) any monies which but for the dishonest or fraudulent act or omission would be due to such persons from **You** or any monies of such persons held by **You** shall be retained by **You** and allocated to reducing the amount of such **Claim**;
- (iii) nothing in this **Section** shall preclude **Us** from exercising any right of subrogation against any person committing or condoning such dishonest or fraudulent act or omission;



- (iv) no payment shall be made by **Us** under this **Section** until after the final ascertainment of the amount of any recovery from the dishonest or fraudulent person or persons or their estates or legal representatives.

(f) **Duty to Cooperate**

You must as soon as practicably possible provide to **Us** full details concerning any **Claim** and any circumstance which may give rise to a **Claim** and any circumstances where **You** have requested to be reimbursed under this Section and provide such co-operation and assistance as **We** and **Our** representatives, legal advisers or agents may reasonably require. It is an important condition to the right to be reimbursed under this **Section** that **You** and any **Person Employed** (or any person, firm or company acting for or on **Your** behalf) shall ensure that all documents relevant to any **Claim** and any circumstance which may give rise to a **Claim** shall not be destroyed or otherwise disposed of. Subject always to the foregoing and to the application of the Notification and No Admission of Liability conditions, compliance by **You** with any rules, requirements, directions or guidance of any Ombudsman appointed pursuant to the provisions of the Financial Services and Markets Act 2000, the Central Bank and Financial Services Authority of Ireland Act 2004 or any amendment or re-enactment thereof will not constitute a breach of any condition of this **Section**.

(g) **Insurers Entitled to Defend**

We shall be entitled, but not obliged, to take over and conduct in **Your** name the investigation, defence and settlement of any **Claim** and any circumstance likely to give rise to a **Claim** and any circumstance where **You** have requested to be reimbursed under this **Section**. **We** shall have full discretion in the handling thereof (despite that a dispute may have arisen between **Us** and **You**) provided always that **You** shall not be obliged to defend any legal proceedings unless a King's Counsel or in the Republic of Ireland a Senior Counsel (to be mutually decided upon by **Us** and **You**) taking due account of the interests of both **Us** and **You** shall advise that such proceedings can be contested with a reasonable prospect of success. **You** shall be entitled to any and all information and/or documentation regarding the defence, investigation or settlement of any **Claim** and/or the investigation into any circumstances as they may reasonably request from **Us**.

(h) **Institute Subrogation**

If the Institute of Chartered Accountants in England and Wales, of Scotland, or in Ireland, as applicable becomes subrogated to **Your** rights under this **Policy** arising from it making a payment to a third party from the Institute Compensation Fund, the Institute shall be deemed hereby to rank as a preferential creditor and its **Claim** shall have priority over any other party who may be come subrogated to **Your** right hereunder.

(i) **Protection of Computer Systems**

The **Insured** shall take practical measures to maintain and upgrade software which protects against any unauthorised use or access to the **Insured's Computer System** or internet web site, and to take regular back-up copies of any data, file or programme.

In the event of breach of this condition, **We** shall have no liability under this **Policy**, unless **You** show that non-compliance with this condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.



6 Liability Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions except where expressly overridden.

6.1 Operative Clause

We shall reimburse **You** against **Your** legal liability to pay damages (including **Claimants'** costs, fees and expenses) in respect of **Claims** for and/or arising out of accidental **Injury** and/or **Damage**.

The reimbursement granted only applies to liability arising from **Claims** both:

- (a) made against **You** in Covered Jurisdictions as stated in the **Schedule**; and
- (b) arising out of the **Business**.

The reimbursement granted applies only to such liability.

Trigger:

This **Section** applies where **Injury** or **Damage** occur during the **Period of Insurance**.

Defence Costs:

We will also pay **Defence Costs**, provided that **We** shall not be liable for any fines or penalties imposed as a consequence of any **Claim**, suit or proceedings. **Defence Costs** will be payable in addition to the Limit of Liability. If the amount required in settlement of the third party **Claim** is greater than the Limit of Liability available in respect of such **Claim**, then **We** will not pay more than their corresponding proportional share of the associated **Defence Costs**.

6.2 Additional Definitions

This **Section** is subject to the following definitions:

- (a) **Business** means the business stated in the **Schedule** conducted at or from **Your Premises**, as well as:
 - (i) the ownership, repair and maintenance of **Your** own property;
 - (ii) provision and management of canteen, social, sports, medical and welfare organisations and fire fighting and security services principally for the benefit of Persons Employed and for the protection and promotion of **Your** business as stated in the **Schedule**;
 - (iii) private work undertaken by any **Person Employed** for any of **Your** director or partner with **Your** prior consent.
- (b) **Claim**
 - (i) A **Claim** by a third party made according to the laws of a territory specified in the **Schedule** as a Covered Jurisdiction; or
 - (ii) where applicable, proceedings brought under the jurisdiction of a competent court or tribunal within a territory specified in the **Schedule** as a Covered Jurisdiction; or
 - (iii) an award made by a competent court or tribunal anywhere in the world to enforce a judgement, award or settlement made in accordance with the laws of or under the jurisdiction of a territory specified in the **Schedule** as a Covered Jurisdiction.

Limitations or exclusions of Covered Jurisdictions shall be understood in the same way.



- (c) **Damage** means loss of possession of or physical damage to tangible property.
- (d) **Defence Costs** means costs, fees and expenses incurred by or on **Your** behalf with **Our** written consent in the defence or settlement of any **Claim**, suit or proceedings which are or would, if successful, be covered under this **Section**, including legal expenses in respect of representation at any inquest or inquiry or in respect of the defence of any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of reimbursement. **Defence Costs** do not include **Your** own costs, fees or expenses or value attributable to the time spent in dealing with a **Claim** or a circumstance.
- (e) **Injury** means
 - (i) Death, bodily injury, illness or disease of or to a person;
 - (ii) trespass, nuisance, invasion of the right of privacy or interference with any right of way, air, light, water or other easement;
 - (iii) wrongful arrest, wrongful detention, false imprisonment or malicious prosecution.
- (f) **Occurrence** means an event or series of events having a common originating cause.
- (g) **Product** means any tangible property after it has left **Your** custody or control which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by **You** or on **Your** behalf.
- (h) **Products Liability** means liability for and/or arising out of accidental **Injury** and/or **Damage** and arising out of or in connection with any **Product**. '**Products Liability**' does not include liability arising out of **Pollution**.
- (i) **Pollution Liability** means liability for and/or arising out of accidental **Injury** and/or **Damage** and arising out of or in connection with **Pollution**.

6.3 **Limit of Liability**

(a) **Occurrence**

Our total liability to pay damages (including **Claimants'** costs, fees and expenses) shall not exceed the sum stated in the relevant **Schedule** in respect of any one **Occurrence**.

Where an **Occurrence** involves liability under more than one of the liability **Sections**, the limits of each liability **Section** are non-cumulative and shall not be in addition to one another and **Our** total liability in respect of that **Occurrence** shall not exceed the largest individual Limit of Liability available under the relevant **Sections**.

(b) **Aggregate**

Where an aggregate Limit of Liability is stated in the **Schedule** to apply, **Our** total liability to pay damages (including **Claimants'** costs, fees and expenses) in respect of the entire **Period of Insurance** shall not exceed such aggregate Limit of Liability regardless of the number or severity of **Occurrences** or **Claims**.



6.4

Liability to Others

The reimbursement granted extends to:

- (a) managerial or supervisory **Persons Employed** in their **Business** capacity for legal liabilities arising out of the performance of the **Business** and any of **Your** director or partner in respect of private work undertaken by any **Person Employed** for such director or partner with **Your** prior consent;
- (b) 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;
- (c) any person or firm for legal liabilities arising out of the performance of a contract with **You** constituting the provision of labour only;
- (d) any principal for legal liabilities arising out of work carried out by **You** under a contract or agreement in respect of which **You** would have been entitled to reimbursement under this **Section** if the **Claim** had been made against **You**;
- (e) the personal representatives of any person reimbursed by reason of this Liability to Others clause in respect of legal liability incurred by such person.

Provided that all such persons or parties shall observe, fulfil and be subject to the terms of this **Section** as though they were **You**.

6.5

Cross Liabilities

Each person or party specified as **You** in the **Schedule** is separately reimbursed in respect of **Claims** made against any of them by any other such person or party subject to **Our** total liability not exceeding the stated Limit of Liability.

6.6

Defective Premises Act

Liability arising out of any condition in **Your Premises** subsequent to the disposal of such **Premises** by **You**, including liability which is established by application of Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975, shall be treated as **Products Liability** for the purposes of this **Section**.

6.7

Court Attendance Costs Extension

We will reimburse **You** by paying a daily reimbursement for each day on which attendance is required in the event of any director, partner or **Person Employed** attending court as a witness at **Our** request in connection with a **Claim** which is reimbursed under this **Section** of the **Policy**. If the Employers' Liability Section is operative, this extension also applies to that **Section**.

6.8

Data Protection Act 1998

We will reimburse **You** under this **Section** for **Your** liability to pay compensation in respect of any **Claim** under Sections 21(1), 21(2), 22(6) or 47(1) of the Data Protection Act 1998 for compensation for inaccuracy for loss or unauthorised disclosure. Such liability shall be considered as **Injury** for the purposes of this **Section** and the **Injury** will be deemed to have occurred when the **Claimant** first knew or alleges that he knew that the subject information was inaccurate or the date or alleged date the information had been disclosed without authorisation, as the case may be.

**Trigger:**

This extension applies where **Claims** are made against **You** during the **Period of Insurance** arising from **Injury** occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the **Policy**. If a circumstance occurring subsequent to the **Retroactive Date** and before the expiry date of the **Policy** is **Notified** to **Us** through **Angel**, **We** will not deny any subsequent **Claim** arising out of that circumstance solely because the **Claim** was made after the expiry date of the **Policy**.

(a) Condition

It is an important condition to **Our** liability that **You** have registered in accordance with the terms of the said Act or has applied for such registration which has not been refused or withdrawn.

(b) Exclusions

We shall not provide cover:

- (i) against liability caused by or arising from a deliberate act by or omission of any person entitled to reimbursement under this **Section** if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission;
- (ii) for the costs of replacing, reinstating, rectifying or erasing any Personal Data, as defined in the Data Protection Act 1984;
- (iii) against liability caused by or arising from the recording, processing or provision of data for reward or the determining of the financial status of a person;
- (iv) against liability which attaches by virtue of a contract or agreement but which would not have attached in the absence of such contract or agreement.

6.9 Data Protection 2018

Subject to the policy terms, exclusions and conditions this policy **We** will cover **You** for legal liability in respect of any **Claim** for compensation as a result of injury and/or damage under Section 168 of the Data Protection Act 2018.

Cover in respect of such **Claims** shall be available only under the terms and conditions of this extension and nowhere else in this policy.

For the purposes of this extension non-material damage which is the subject of such **Claim** shall be considered as injury and will be treated as having occurred when the claimant first had knowledge or alleges that they had knowledge of the event giving rise to that injury.

This extension applies where **Claims** are made against **You** during the **Period of Insurance** arising from injury and/or damage occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the policy. If a circumstance occurring subsequent to the **Retroactive Date** and before the expiry date of the policy is notified to **Us** in accordance with Condition 4.5 – Claim Notification, **We** will not deny any subsequent **Claim** arising out of that circumstance solely because the **Claim** was made after the expiry date of the policy.

Our liability under this extension shall be limited to GBP 50,000 any one occurrence and in the aggregate, inclusive of defence costs, which shall be a part of and not in addition to the Limit of Liability stated in the **Schedule**.

The **Excess** under this extension shall be 10% of each **Claim** subject to a minimum of GBP 1,000 and shall be applicable to defence costs.



Additional Exclusions

This extension shall not provide cover:

- (a) against liability caused by or arising from a deliberate act by or omission of any person entitled to insurance under this policy if the result could have been expected having regard to the nature and circumstances of such act or omission;
- (b) for the costs of replacing, reinstating, rectifying or erasing any Personal Data, as defined in Data Protection Act 2018;
- (c) against liability caused by or arising from the recording, processing or provision of data for reward or the determining of the financial status of a person; or
- (d) against liability which attaches by virtue of a contract or agreement but which would not have attached in the absence of such contract or agreement.

Fee Payment Condition

We shall be entitled to refuse to pay any **Claim** under this policy in its entirety if **You** have not paid any fees required to be paid by any data protection authority.

6.10 **Housing Grants, Construction and Regeneration Act 1996**

We shall not be bound by any adjudication made under the Housing Grants, Construction and Regeneration Act 1996 following a request for adjudication made by or to **You**.

6.11 **Exclusions**

We shall not have any liability under this **Section** for, anything connected with:

(a) **Aircraft, Watercraft and Offshore Work**

for and/or arising out of the ownership, possession, work on and/or visits or use by or on **Your** behalf of any aircraft, spacecraft, hovercraft, offshore installation, rig, platform or watercraft (other than watercraft not exceeding 10 meters in length whilst on inland waterways) or for or arising out of any **Product** which with **Your** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft, spacecraft, avionics, hovercraft, offshore installation, rig, platform or watercraft;

(b) **Care, Custody or Control**

for **Damage** to property owned, leased to, hired by, under hire purchase, on loan to, held in trust by or otherwise in **Your** care, custody or control other than:

- (i) clothing and personal effects of **Persons Employed** and visitors;
- (ii) **Premises** (including contents therein) temporarily occupied by **You** for work therein or thereon but no reimbursement shall be granted for **Damage** to that part of the property on which **You** are or have been working and which arises out of such work; or



(iii) **Premises** tenanted by **You** but always excluding liability for **Damage**:

- (1) arising out of any perils which the tenancy agreement requires **You** to insure against;
- (2) (to any property which the tenancy agreement requires **You** to insure; or
- (3) to any property which the tenancy agreement requires **You** to be responsible for;

except if such **Damage** is the proven consequence of **Your** own negligence;

(c) **Deliberate Failure to Prevent Injury or Damage**

for or arising out of the deliberate, conscious or intentional disregard by any of **Your** directors or managerial or supervisory **Persons Employed** of the need to take all practicable steps to prevent **Injury** or **Damage**;

(d) **Injury to Persons Employed**

for or arising out of **Injury** to a **Person Employed** where such **Injury** arises out of and in the course of **Employment** by **You** or any liability arising out of any workers' compensation or any similar legislation anywhere in the world;

(e) **Large Events**

for or arising out of any exhibition or show which exceeds 5 days in duration or where the number of attendees at any one time exceeds 250;

(f) **Motor Vehicles**

arising out of the ownership, possession or use by or on **Your** behalf or any person or party entitled to reimbursement of any motor vehicle or trailer, other than legal liability:

- (i) 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;
- (ii) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer; or
- (iii) arising out of any motor vehicle or trailer temporarily in **Your** custody or control for the purpose of parking;

(g) **Professional Liability**

arising out of breach of professional duty or wrongful or inadequate advice given separately for a fee;

(h) **Road Traffic Act**

in respect of which compulsory insurance or security is required to be arranged under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order;

(i) **Warranties and Guarantees**

for or arising out of any performance warranty, guarantee, penalty clause, liquidated damages clause or similar provision unless **Your** liability would have existed to the same extent in the absence of such warranty, guarantee or clause or similar provision;

**Products Liability – Special Provisions****(a) Exclusions**

In respect of **Products Liability**, the following additional Exclusions shall apply:

This **Section** does not apply to or include legal liability:

(i) Contracts or Agreements

arising by virtue of a contract or agreement other than a warranty of fitness or quality of **Your Products** established or implied by virtue of the Sale of Goods Act 1979 or equivalent legislation or a warranty that work done will be performed in a workmanlike manner;

(ii) Recall

for and/or arising out of:

- (a) the recall of any **Product** or part thereof or;
- (b) the recall of any product manufactured, distributed or handled by **Your** customer ("Customer's product") of which the **Product** becomes an ingredient or a component part. However, this exclusion shall not apply in respect of those individual units of the Customer's product which have either:
 - (1) suffered accidental **Damage** themselves; or
 - (2) caused accidental **Injury** and/or **Damage** to a third party;
 - (3) arising out of or in connection with any **Product**;

(iii) Repair or Replacement

for costs incurred in the repair, reconditioning or replacement of any **Product** or part thereof which is or is alleged to be defective.

(b) Consumer Protection Act Extension**(i) Operative Clause:**

We shall reimburse **You** in respect of **Products Liability** for legal costs and expenses incurred in the defence of any criminal proceedings for a breach of Part II of the Consumer Protection Act 1987 including such legal costs and expenses incurred in an appeal against conviction arising from such proceedings and prosecution costs awarded in connection therewith.

Reimbursement shall extend to **You** and, at **Your** request, any **Your** director, partner or **Person Employed**.

Trigger:

This extension applies where the proceedings are first brought during the **Period of Insurance** in respect of a breach or alleged breach occurring on or after the **Retroactive Date** specified in the **Schedule** and before the expiry date of the **Period of Insurance**.



(ii) **Condition**

The **Director**, partner or **Person Employed** shall observe, fulfil and be subject to the terms of this **Section** as though they were **You**.

(iii) **Exclusions**

We shall not provide reimbursement:

- (1) in respect of proceedings consequent upon a deliberate act by or omission of any person entitled to reimburse under this **Section** if the result could reasonably have been expected having regard to the nature and circumstances of such act or omission; or
- (2) in respect of proceedings which arise out of any activity or risk excluded from this **Section**.

6.13 **Pollution Liability – Special Provisions**

(a) **Operative Clause:**

In respect of **Pollution Liability**, cover under this **Section** shall only apply:

- (i) to **Pollution** which is the direct result of a sudden, identifiable, unintended and unexpected event occurring in its entirety at a specific time and place; and
- (ii) if **You** have taken all practicable precautions to prevent **Pollution**.

Trigger:

This **Section** applies where **Injury** or **Damage** and the entire event giving rise to the **Injury** or **Damage** occur during the **Period of Insurance**.

(b) **Your Premises and Land Exclusion:**

This **Section** does not apply to or include legal liability for **Damage** to **Premises** presently or at any time previously owned or tenanted by **You** or **Damage** to land or water within the boundaries of or below any land or **Premises** presently or at any time previously owned or leased by **You**.

6.14 **Conditions**

(a) **Payment in Full**

We may at any time pay to **You** in connection with any **Claim** or series of **Claims** under this **Section** to which a Limit of Liability applies the amount of such Limit (after deduction of any sums already paid) or any lesser amount for which such **Claims** can be settled and upon such payment being made **We** shall relinquish the conduct and control of and be under no further liability in connection with such **Claims** except for the payment of **Defence Costs** incurred prior to the date of such payment. This Condition does not apply where and to the extent **Defence Costs** are inclusive within the Limit of Liability.

If **We** exercise the above option and the amount required to dispose of any **Claim** or series of **Claims** exceeds the Limit of Liability and such **Excess** amount is insured either in whole or in part, with **Defence Costs** payable in addition to the Limit of Liability, then **We** will also contribute their proportion of subsequent **Defence Costs** incurred with their prior written consent as the Limit of Liability bears to the amount paid to dispose of a **Claim**.



7 Employers Liability Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions and to the same Definitions, Exclusions and Conditions as are contained in the Public Liability **Section** except where expressly modified.

7.1 Operative Clause

We shall reimburse **You** against their legal liability to pay damages (including **Claimants'** costs, fees and expenses) for and/or arising out of Injury to any **Person Employed** and arising out of and in the course of that person's **Employment** by **You**, subject always to the terms of the **Policy**.

The reimbursement granted only applies to liability arising from **Claims** both:

- (i) made against **You** in Covered Jurisdictions as stated in the **Schedule**; and
- (ii) arising out of the **Business**.

The reimbursement granted applies only to such liability:

(a) **United Kingdom**

as is compulsorily insurable under the United Kingdom Employers Liability (Compulsory Insurance) Act 1969 as amended, except as specially extended by this **Section**. Where any applicable Definitions, Conditions or Exclusions would operate to provide less cover than is compulsory under the above Act, then this **Section** is deemed to be extended to provide the cover compulsorily insurable subject always to the Limit of Liability stated in the **Schedule**.

(b) **Work Overseas**

as would otherwise be covered under (a) United Kingdom above but for **Injury** caused to a **Person Employed** whilst temporarily engaged in non manual work anywhere else in the world; provided that:

- (i) such **Person Employed** is ordinarily resident within the United Kingdom;
- (ii) **We** shall not provide reimbursement in respect of any amount payable under Workmen's **Compensation**, Social Security or Health Insurance legislation;
- (iii) **We** shall not provide reimbursement in respect of any temporary visit to the United States of America or any overseas territory or affiliated state of the United States of America; and
- (iv) such temporary work does not exceed 6 consecutive months in duration.

Trigger:

This **Section** applies where **Injury** occurs during the **Period of Insurance**. In the case of an accident or exposure to harmful conditions manifesting itself as **Injury** after the **Person Employed** has left **Your** employ, this **Section** will apply, subject to all the other terms, conditions and exclusions of the **Section**, to such **Injury** regardless of whether this **Section** is still in force at the time of such manifestation, but only if the **Person Employed** last left **Your** employ during the **Period of Insurance**.

**Extensions**

These Extensions are subject otherwise to the terms, Exclusions and Conditions of this **Section**.

(a) **Terrorism**

This **Section** will apply, subject to all its terms and conditions, to **Terrorism** to the extent that reimbursement is required in accordance with the provisions of any law relating to compulsory insurance of liability to **Persons Employed** in the United Kingdom and where a sub Limit of Liability is specified in the **Schedule**.

(b) **Unsatisfied Court Judgements**

Where a judgement for damages has been obtained by any **Person Employed** or the legal personal representatives of any **Person Employed**:

- (i) in respect of **Injury** sustained by the **Person Employed** arising out of and in the course of **Employment by You** in the **Business**;
- (ii) against any company or individual operating from or resident in **Premises** within the United Kingdom; and
- (iii) such judgement remains unsatisfied in whole or in part 6 months after the date of judgement;

then at **Your** request **We** will pay to the **Person Employed** or the said legal personal representatives the amount of any such damages and any awarded costs to the extent that they remain unsatisfied;

provided that:

- (1) there is no appeal outstanding;
- (2) if any payment is made by **Us** the **Person Employed** or the said legal personal representatives shall assign **Our** judgement;
- (3) this **Section** is operative at the time that such **Injury** is caused; and
- (4) **Our** liability for damages costs and expenses shall not exceed the amount stated as the Limit of Liability in the **Schedule**.

(c) **Liability to Principals**

To the extent that any contract or agreement entered into by **You** with any principal so requires, **We** will, at **Your** request,

- (i) reimburse **You** against liability assumed by **You**;
- (ii) reimburse the principal in like manner to **You** in respect of the liability of the principal arising out of the performance by **You** of such contract or agreement.



Provided always that:

- (1) the conduct and control of **Claims** is vested in the **Insurer**;
- (2) the principal shall observe fulfil and be subject to the terms of this **Policy**.

Liability to any principal shall only apply in respect of liability for which **You** would have been entitled to reimbursement if the **Claim** had been made directly against **You**.

For purposes of this extension the term principal shall include any partner, co-venturer, subsidiary or affiliated or parent company to the principal but only to the extent that the contract between the principal and **You** require these additional parties to be reimbursed in a like manner to the **You**.

7.3 **Exclusions**

We shall not have any liability under this **Section** for, anything connected with:

(a) **Offshore**

arising out of work on and/or visits to any offshore rig and/or installation and/or platform from the time of embarkation onto a conveyance at the point of final departure to such offshore rig and/or installation and/or platform until disembarkation from the conveyance from such offshore rig and/or installation and/or platform.

(b) **Road Traffic Act**

in respect of which compulsory insurance or security is required to be arranged under the Road Traffic Act 1988 or the Road Traffic (Northern Ireland) Order 1981 or any subsequent legislation amending or replacing such Act or Order.



8 Material Damage Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions except where expressly overridden.

8.1 Operative Clause

We shall reimburse **You** against certain kinds of **Damage** to property as stated in the **Schedule** belonging to **You** or for which **You** is responsible occurring during the **Period of Insurance**.

8.2 Amount Payable

The amount **We** will pay under this **Section** is the intrinsic worth of the property which has suffered **Damage** as determined by the basis of valuation.

In respect of each loss, **We** do not cover the **Excess** stated in the **Schedule**, for each relevant Property Specification for each event.

At any given **Premises**, only the largest applicable **Excess** will apply in respect of that **Premises**.

Sums Insured are first loss, in excess of any applicable **Excess**.

8.3 Property Covered

The property covered is as stated in each Property Specification.

No cover is available for any property which does not fall under any of the covered Property Specifications.

8.4 Additional Definitions

This **Section** is subject to the following additional definitions:

(a) Business Hours

The period or periods during which the **Premises** are normally occupied for business purposes but only whilst **You** or any **partner**, director or **Person Employed** by **You** is in the **Premises**.

(b) Damage

Physical damage to tangible property or irremediable loss or irremediable deprivation of the use of tangible property. **Damage** does not include loss, impairment or deprivation of the use of intellectual property, book debts, land values, legal, contractual or financial rights and options or any other form of non-tangible property. **Damage** does not include loss of use of property which has not been physically damaged and which is physically accessible to **You** and shall be understood independently of the property's ability to function as intended.

(c) Sum Insured

The **Sum Insured** is the most **We** will pay in respect of any one event and the **Sum Insured** will not be reduced by the amount of any loss in respect of any subsequent events.



8.5

Conditions

(a) **Equipment Inspection**

Any vessel, machinery or apparatus which is required to be inspected periodically by an engineer qualified for the purpose in order to comply with any statutory regulation or by-law shall be the subject of an insurance or other contract providing the required inspection service.

(b) **Protection, Preservation and Security of Property**

It is an important condition to **Our** liability that **You** use the utmost diligence and take all practicable steps to protect, recover and save property insured and minimize any actual or potential **Damage** when property has sustained or is in imminent danger of sustaining **Damage**.

The **Section** also includes costs incurred to temporarily protect or preserve property when this is necessary due to actual or to prevent imminent **Damage** but not exceeding the amount by which a loss under this **Section** is reduced by reason of such preventative or protective action. Such costs are subject to the **Excess** that would have applied had the **Damage** occurred.

It is also an important condition to **Our** liability that **You** at all times maintain all property in a good, proper and workmanlike manner and ensures that all protection and security systems that have been advised to **Us**, as well as all other protection and security systems, are in force at all times.

8.6

Basis of Valuation

For assessment and for adjustment in the event of **Damage** under this **Section**, the Basis of Valuation shall be as follows:

(a) **Property not Reinstated**

On property which **You** decide not to repair or replace or which is of no utility value to **You**, the basis of valuation is the amount it would cost to repair or replace as per the Reinstatement basis stated below after deduction for depreciation, wear, tear and obsolescence of the property that has sustained **Damage** in the state it was in immediately prior to the **Damage**.

(b) **Reinstatement**

On all property, other than those specified below, which **You** repair or reinstate, the basis of valuation of property that has sustained **Damage** is whichever costs less of:

- (i) repairing; or
- (ii) rebuilding, replacing or reinstating to the same quality, size and extent and on the same site with new materials.

The work of repair, replacement or reinstatement must commence and be undertaken with due diligence and dispatch. Failing this, **We** will not be obligated to pay more than for property which **You** do not repair or reinstate.

Architects', surveyors', legal and other professional fees incurred to repair, rebuild or reinstate following **Damage** are included but only up to the amounts determined in the scales of charges published by the respective professional bodies.

However, **We** shall not be liable for costs associated with the preparation of **Your Claim** under this **Section**.



(c) **Property offered for Sale**

On property, other than stock, on offer of sale at the time of **Damage**, the basis of valuation is the sale price of the property or the reinstatement cost as per the Reinstatement basis stated above, whichever is less.

(d) **Technical Equipment**

On property consisting of electrical, optical, mechanical or computing equipment which cannot be repaired, the basis of valuation is the cost to replace the equipment with new equipment which has most nearly the same function even if to get the same function requires new equipment which is more advanced.

(e) **Raw Materials and Supplies**

On property consisting of raw materials, supplies and other merchandise not manufactured by **You**, the basis of valuation is the lesser of the cost to repair or replace.

(f) **Personal Effects**

On property consisting of directors', **Persons' Employed** and visitors' clothing, personal effects and tools of trade, the basis of valuation is the cost to repair or replace after deduction for depreciation, wear, tear and obsolescence subject to a maximum deduction of 50%.

(g) **Valuable Papers**

On property consisting of valuable documents, manuscripts, securities, deeds, specifications, plans, drawings, designs and business books but not electronic or magnetic information storage and processing media, computer data storage disks or tapes, the basis of valuation is the cost of reinstating, replacing, reproducing or restoring, including information contained in them or on them but excluding the value to **You** of the said information or, if such is not required, the replacement cost of materials as blank stationery at the time and place of the **Damage**.

(h) **Data Media**

On property consisting of electronic or magnetic information storage and processing media, film, data storage disks and tapes, the basis of valuation is the cost of replacement of unexposed or blank media.

8.7 **Basis of Cover**

The Basis of Cover is All Risks; this shall be understood as **Damage** by any cause except as excluded below.

(a) **All Risks Cover Exclusions**

We shall not have any liability under this **Section** for, anything connected with:

(i) **Damage** to any property caused by or consisting of its own:

- (1) spontaneous fermentation; or
- (2) spontaneous heating; or
- (3) spontaneous ignition; or



- (4) undergoing any heating process or any process involving the application of heat; or
 - (5) bursting, overflowing, exploding or leaking; or
 - (6) mechanical, chemical or electrical breakdown, short-circuiting, overrunning, derangement or being used for a purpose other than it was designed for or in excess of design tolerances or in breach of any manufacturer's instructions as to use or operation; or
 - (7) being repaired, renovated, tested or otherwise worked on; or
 - (8) defective design, defective manufacture or defective construction or having any natural or man-made inherent flaws or defects; or
 - (9) wearing out or gradually deteriorating, evaporating rusting, corroding, being scratched or discolouring or other chemical or biological transformation or being affected by loss of flavour, crispness or texture, damp, dryness, wet or dry rot, vermin, insects or mould;
- (ii) **Damage** by any weather conditions to fences and/or gates or moveable property in the open or in open sided buildings contained in outbuildings unless **Damage** to the main building has occurred which is in excess of £1,000;
- (iii) **Damage** by bursting, overflowing or leaking of water, oil, fuel or beverages from any container, pipe, dispenser or installation:
- (1) as a result of repair, testing, removal, alteration or extension not carried out by a qualified engineer or plumber; or
 - (2) occurring at an **Unoccupied** building. Buildings in normal use but closed outside **Business Hours** or for holidays or weekends are not considered **Unoccupied**; or
 - (3) from sprinkler installations occurring during repairs or alterations to the **Premises**;
- (iv) **Damage** by malicious persons at or to **Unoccupied** Buildings or Outbuildings. Buildings in normal use but closed outside **Business Hours** or for holidays or weekends are not considered **Unoccupied**;
- (v) **Damage** by subsidence, heave, landslip or landslide to yards, car parks, roads, pavements, swimming pools, paved terraces, walls, gates, fences or any water, gas, electricity, sewerage or communications services unless the **Damage** to the structure of the buildings exceeds £1,000.
- (vi) **Damage** by subsidence, heave, landslip or landslide caused by or consisting of:
- (1) the settlement or bedding down of structures which are less than 12 months old since completion; or
 - (2) the settlement or movement of made-up ground which is less than 12 months old since completion; or
 - (3) coastal or river erosion; or
 - (4) demolition, construction, structural alteration or repair of any property, groundwork or excavation;



- (vii) **Damage** by or during or consisting of an act of theft or attempted theft from any vehicle outside the **Premises** where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it;
- (viii) simple or mysterious disappearance or inventory shortage or error or omission;
- (ix) **Damage** caused or contributed to by **Pollution** in any sequence unless such **Pollution** was a single isolated event occurring in its entirety during the **Period of Insurance** stated in the **Schedule**;
- (x) **Damage** caused by or consisting of confiscation, requisition, seizure or destruction by order of the Government or any public authority;
- (xi) **Damage** caused by total or partial cessation or interruption or retarding of work;
- (xii) voluntary parting with title or possession;
- (xiii) **Damage** caused or contributed to by acts of fraud or dishonesty on **Your** part or by any partner, director or **Person Employed** by **You**, members of their families or any other person to whom property insured has been entrusted or in collusion with any of such persons;
- (xiv) **Damage** caused by or consisting of fungal pathogens or bacteria. For the purposes of this exception “fungal pathogens” shall mean any fungus or mycota or any by-product or type of infestation produced by such fungus or mycota, including for example mould, mildew, mycotoxins, spores or any biogenic aerosols.

8.8 Property Specifications

(a) Miscellaneous Contents Specification

The cover is for contents whilst in or on the **Premises** other than:

- (i) anything having the value of money, including currency, crossed or uncrossed cheques, crossed or uncrossed Giro cheques, Giro drafts, travellers’ cheques, crossed or uncrossed money orders, crossed or uncrossed postal orders, crossed or uncrossed bankers’ drafts, pre-signed blank cheques, bearer bonds, current postage stamps, current revenue stamps, unused units in postage stamp franking machines, bills of exchange, consumer redemption vouchers, trading stamps, gift vouchers, telephone cards and VAT purchase invoices; or
- (ii) anything on or in or forming part of a construction site; or
- (iii) fine arts and antiques, rare books, curiosities, furs, jewellery, jewels, pearls, precious or semi-precious stones, precious or semi-precious metals or bullion; or
- (iv) stock and materials in trade whether finished or unfinished or in the process of manufacture or treatment; or
- (v) any motor vehicle which is required to be registered for use on the public highway; or
- (vi) machinery, plant and equipment; or
- (vii) landlord’s fixtures and fittings; or
- (viii) tenant’s improvements.



(b) **Money Specification**

(i) **Cover**

The cover is for anything having the value of money, including currency, crossed or uncrossed cheques, crossed or uncrossed Giro cheques, Giro drafts, travellers' cheques, crossed or uncrossed money orders, crossed or uncrossed postal orders, crossed or uncrossed bankers' drafts, bearer bonds, current postage stamps, current revenue stamps, unused units in postage stamp franking machines, bills of exchange, consumer redemption vouchers, trading stamps, gift vouchers, telephone cards and VAT purchase invoices.

The cover applies whilst the money is:

- (1) at the **Premises**; or
- (2) in transit; or
- (3) whilst deposited in a bank night safe; or
- (4) at **Your** private residences or the private residence of any partner, director or authorised **Person Employed**,

but only whilst within the within the territorial limits stated in the **Schedule** and subject to the conditions, exclusions and limitations below.

(ii) **Excluded Property**

This Specification excludes:

- (1) pre-signed blank cheques or other financial instruments requiring signature;
- (2) money in any vehicle where there is no one in charge keeping the vehicle under observation and able to interfere with any attempt by anyone to break into it or steal it or anything in it.

(iii) **Replacement of Keys and Locks**

This Specification also includes the cost of necessary replacement of keys and lock mechanisms:

- (1) to any external door to the **Premises** or the private residences of any person authorised and directed by **You** to be available at all times to accept notification of faults or alarm signals relating to any intruder alarm system and allow access to the **Premises**;
- (2) of any safe or strong room listed in the table of sub-limits above;

following theft of keys by forcible and violent entry or exit or violence against a person at the **Premises** or the said private residences. **Our** maximum liability under this clause is GBP 500 in respect of any one occurrence, which shall be inclusive within the overall limit for this Money Specification stated in the **Schedule**.



(iv) **Fraudulent use of Credit Cards**

This Specification also includes the fraudulent use of credit or charge cards provided to any **Person Employed** by **You** for use in connection with the **Business**. **Our** maximum liability under this clause is GBP 250 any one card.

(v) **Basis of Cover**

The basis of cover for this Specification is All Risks Cover subject to the following additional exclusion.

(vi) **Exclusion**

This Specification does not cover **Damage** caused or contributed to by or consisting of the depreciation in value, dishonoured cheques or the use of counterfeit money.

(vii) **Basis of Valuation**

The amount payable shall be the value of the money at the time of its loss.

(viii) **Conditions**

(1) **Precautions**

You shall take all precautions:

- (a) for the security of money and maintain records of any money, whether in transit or at the **Premises** and such records are to be kept in a secure place other than the safe or strong room;
- (b) to monitor and control the custody of keys to the **Premises** or any part thereof which protects the **Premises** or money and to prevent the possession of keys to the **Premises** by unauthorised persons;
- (c) to monitor and control access to any security device which protects the **Premises**, including any random key code numbers and to prevent the possession of such information by unauthorised persons;
- (d) to ensure any random key code numbers used are altered at regular intervals.

In the event of breach of this condition, **We** shall have no liability under this **Policy**, unless **You** show that non-compliance with this condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

(2) **Reporting**

You shall report as soon as practicably possible to the police any theft or assault and offer them all assistance required.



(c) **Business Machines Specification**

(i) **Cover**

This Specification is for **Your** equipment which is designed to be portable and which is:

- (1) of personal, general utility including carrying cases, computers, computer peripherals, cameras, video cameras and playing devices, watches, mobile telephones, data carrying devices, satellite navigation equipment, audio playing and recording equipment; or
- (2) scientific or monitoring or testing equipment,

whilst being personally carried as such by **You**, **Persons Employed** or other persons authorised by **You** within the territorial limits stated in the **Schedule**.

(ii) **Item Limit**

We shall not be liable in respect of any single item to pay more than the Item Limit stated in the **Schedule**.

9 Business Interruption Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions and the Definitions, Exclusions and Conditions of the Material Damage **Section** except where expressly overridden.

9.1 Operative Clause

This **Section** covers **Your** business interruption, being loss other than the loss of intrinsic value of tangible property which has sustained **Damage**. Only such business interruption as described and in the manner set out below in the **Business** Interruption Specification(s) is included.

Such Business Interruption must result from the necessary interruption of or interference with **Your Business**, resulting from **Damage** to property occurring during the Period of Insurance caused by any event which gives rise to a payment by **Us** under the Material Damage Section.

If the only reason **Damage** is not covered (by another **Section** of this **Policy**) is because of an **Excess** provision, then this **Section** will apply, subject to all its terms, conditions and exclusions, to the Business Interruption arising from such **Damage**.

In no case will **We** pay for such loss over a longer period than it would take, with the exercise of due diligence and dispatch, for **Normal Operations** to be restored.

The amounts insured in respect of each Business Interruption Specification are in addition to the **Sum Insured** or Limit of Liability under any other **Section** of this **Policy**.

9.2 Definitions

- (a) **Liability Period** means the period beginning with the occurrence of the **Damage** and ending not later than the last day of the period specified in the **Schedule** during which the results of the business shall be affected in consequence of the **Damage**.
- (b) **Normal Operations** means the condition present at such time that **Your** business could be restored to the condition that would have existed had no loss occurred.

9.3 Exclusions

This **Section** does not cover loss resulting from damage to documents, manuscripts, business books, patterns, models, moulds, plans, designs and computer systems' records.

9.4 Conditions

(a) Diligence

You must do everything reasonably practicable and in a positive and diligent manner to minimise any interruption of or interference with the business and to avoid or diminish the loss.

(b) Winding Up

This **Section** will automatically come to an end if the business gets wound up or carried on by an administrator, liquidator or receiver or is permanently discontinued or **You** enter into a scheme of arrangement with creditors or if **Your** interest ceases except by death.

**Specifications****(a) Auditors Charges Specification**

This Specification provides cover for charges payable by **You** to their auditors or professional accountants for producing and certifying any particulars or details contained in **Your** books of account or other business books or documents or such other proofs, information or evidence as may be required by **Us** in connection with a consequential loss **Claim** under any of the other consequential loss Specifications of this **Section**.

The amount **We** will pay in respect of this Specification is included in the **Sum Insured** in respect of the other consequential loss Specifications.

(b) Stand Alone Increased Cost of Working Specification

This Specification provides cover for the increased cost of continuing the business during the **Liability Period** specified in the **Schedule** over and above the costs that would have been incurred during the same period had no **Damage** occurred. Such increased cost shall include but not be limited to the cost of moving to and from and the additional rent of temporary **Premises**, additional rates and taxes on such **Premises** and expenses incurred in equipping the said **Premises** to make them suitable for **Your** business, additional cost in respect of additional staff and overtime and allowances for meals to existing staff incurred in order to minimise any interruption or interference with the business during the **Liability Period**.

Reimbursement shall be limited to the increased cost which is incurred to maintain the business as existing immediately before the **Damage**.

Our liability under this Specification shall not exceed:

- (i) 50 % of the **Sum Insured** during the 60 days; or
- (ii) Proportional balance of the **Sum Insured** during each of the remaining months of the period shown in the **Schedule** as the **Liability Period**.

(c) Wastage of Metered Services Specification

This Specification provides cover for the wastage of metered services of water, gas or electricity from **Premises** where an appliance using such services cannot be turned off or a conduit carrying such services leaks and the main or local supply switch, tap or valve cannot be shut off or the appliance cannot be disconnected because of **Damage** to any of them or physical inaccessibility to any of them due to other **Damage** at the **Premises** or because the shutting off of the main or local supply would cause or exacerbate a loss under any of the other Business Interruption Specifications following **Damage**.

The basis upon which the amount payable is to be calculated will be the amount of the metered charges for the period during which the wastage occurs following **Damage** less the charges made to **You** for the corresponding period in the preceding year, adjusted for changes in the supplier's charges and for variations affecting **Your** consumption in the intervening period. The amount payable shall not exceed the **Liability Period** nor, in total, the **Sum Insured** stated in the **Schedule** for this Specification.

This Specification excludes wastage in respect of any **Unoccupied** building or outbuilding.



10 Directors and Officers (D&O) Liability Section

This **Section** is subject to the General Terms, Definitions, Exclusions and Conditions except where expressly overridden.

10.1 Operative Clauses

We will pay on behalf of:

(a) **Director's Liability**

the **Director** all **Loss** that the **Director** is legally liable to pay;

(b) **Corporate Reimbursement**

- (i) the **Company** any **Loss** that the **Company** is legally required or permitted to pay the **Director** as advancement or reimbursement under any applicable company law or agreement;
- (ii) the **Company** any such **Criminal Defence Costs and Expenses** that the **Company** is legally required or permitted to pay the **Director** as advancement or reimbursement;

Trigger:

for a **Claim** against the **Director** arising from a **Wrongful Act** or an **Employment Practices Wrongful Act** provided that the **Claim** is first made against the **Director** during the **Period of Insurance** or discovery period if applicable.

(c) **Defence and Investigation Costs**

We will pay on behalf of the **Director**:

- (i) **Defence Costs and Expenses** in the defence, investigation or settlement of any **Claim** which falls to be dealt with under the D&O Operative Clause 10.1(a) and 10.1(b);
- (ii) **Defence Costs and Expenses** in the investigation of any circumstance(s) **Notified** which is (or are) likely to give rise to a **Claim**;
- (iii) **Defence Costs and Expenses** in the defence or investigation of an **Identity Theft Claim**;
- (iv) **Investigation Costs and Expenses**;
- (v) **Criminal Defence Costs and Expenses**;
- (vi) **Pollution and Contamination Defence Costs and Expenses**;
- (vii) **Extradition Proceedings Defence Costs and Expenses**;
- (viii) **Asset and Liberty Proceedings Defence Costs and Expenses**;
- (ix) **Public Relations Costs**.

(d) **We** will pay on **Your** behalf the **Shareholders Derivative Costs**.

**Extensions**

Subject to all other terms, conditions, exceptions, limits and exclusions of this **Section**:

(a) **Additional Limit**

In the event that payments are made exhausting the Limit of Liability and all other applicable insurance policies operating in excess of this **Section**, and any other source available to provide reimbursement for **Loss** to the **Director** has also been exhausted, then **We** agree to provide to each **Director** an additional Limit of Liability for any subsequent **Claim** made within the **Period of Insurance**. Each such additional Limit of Liability is subject to the aggregate limit for all **Directors** of the amount stated in the **Schedule**.

Provided that:

- (i) the **Claim** is brought against a **Director**;
- (ii) the **Claim** is payable under the D&O Operative Clause 10.1(a).

(b) **Automatic Acquisition Cover**

This **Section** provides automatic cover for **Loss** arising out of a **Claim** against any **Director** of any newly created or acquired **Subsidiary**, including by merger, provided:

- (i) the **Total Gross Assets** of the **Company** at the commencement of the **Period of Insurance** are not increased by the acquisition or creation of such **Subsidiary** or **Subsidiaries** by more than 50%; and
- (ii) any **Wrongful Act** takes place while the **Subsidiary** is a **Subsidiary** of the **Company**.

This extension shall not apply to any **Director** of a new **Subsidiary** that:

- (1) has its securities listed or traded on any exchange; or
- (2) possesses any tangible or intangible asset located within the USA and /or Canada.

Where the coverage for the **Directors** of a newly created or acquired **Subsidiary** is not automatically conferred as a consequence of (a) or (b) above, then the **Company** may request that the **Section** be extended to cover the **Directors** of such **Subsidiary** and **We** may alter the terms and conditions of this Section accordingly including the charging of an additional premium.

(c) **Discovery**

In the event that, on the expiry of the **Period of Insurance**, this **Section** is not renewed or replaced with any other policy cover broadly equivalent to this **Section** in scope, there has not been an insolvency practitioner (or equivalent) appointed as a liquidator, administrator or receiver (or equivalent) of the **Company** or a merger, consolidation or acquisition as detailed in the Takeovers and Mergers Run Off clause 10.2(h), then the **Director** may purchase a discovery period of twelve (12) or twenty-four (24) months or request a period of up to seventy-two (72) months immediately following the **Period of Insurance** so that for the purposes of D&O Operative Clause 10.1, any **Claim** made in the discovery period shall be deemed to have been first made during the **Period of Insurance**. The right to purchase the discovery period shall terminate unless **We** receive within thirty (30) days of the end of the **Period of Insurance** written notice of such election together with the additional premium due.



The discovery period shall be subject to the following conditions:

- (i) cover shall apply only in relation to a **Claim** arising out of a **Wrongful Act** occurring prior to the expiry of the **Period of Insurance**; and
- (ii) there is no cover for any **Claim** arising out of a **Wrongful Act** occurring after the expiry of the **Period of Insurance**; and
- (iii) the Limit of Liability for the **Period of Insurance** including the discovery period shall remain as set out in the **Schedule**; and
- (iv) there is no cover unless payment of an additional premium equal to 50% for twelve (12) months or 100% for twenty-four (24) months of the annual premium shown in the **Schedule** is made within thirty days of the expiry of the **Period of Insurance**; and
- (v) cover shall automatically lapse upon the **Director** or the **Company** effecting a **Directors and Officers** policy cover broadly equivalent to this **Section** in scope; and
- (vi) premiums for this extension are fully earned and non-refundable.

We may offer a seventy-two (72) months discovery period which may be subject to additional and altered terms and conditions of this **Section** including the charging of an additional premium.

(d) **Emergency Defence Costs**

In the event the **Director** is unable to contact **Us** or **Our** representatives to obtain consent to authorise **Defence Costs and Expenses** following a **Claim**, then, in relation to any **Claim** that may be covered by D&O Operative Clause 10.1, **We** agree to reimburse the **Director** for emergency **Defence Costs and Expenses** incurred during the period of up to fourteen days from the date the **Claim** was first made and up to the amount stated in the **Schedule**.

(e) **Outside Boards**

This **Section** shall extend to any **Wrongful Act** committed by a **Director** in their capacity of **Outside Director**, but only in excess of the aggregate of:

- (i) the amount of **Loss** the **Outside Director** serving on the outside board is reimbursed by the outside entity;
- (ii) any other potentially applicable cover, whether or not it actually responds.

(f) **Personal Appointments**

This **Section** shall extend to any actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by a **Director** whilst serving in a personal capacity as a governor or trustee of a **School, Charity or Charitable Organisation** but only in excess of the aggregate of:

- (i) the amount of **Loss** reimbursable by the **School, Charity or Charitable Organisation** to the **Director**; and
- (ii) any other potentially applicable cover, whether or not it actually responds.



Provided that:

- (1) the **Director** is formally appointed on written authority; and
- (2) the maximum aggregate payable by Us shall not exceed the amount stated in the **Schedule**.

(g) **Retirement Run-off**

In the event that, on the expiry of the **Period of Insurance**, this **Section** is not renewed or replaced with any other Directors and Officers policy cover broadly equivalent to this **Section** in scope, then any **Directors** who had voluntarily retired or resigned from the **Company** during the **Period of Insurance** or a previous policy with **Us** which is linked by continuous renewal to this **Period of Insurance** shall automatically have a discovery period of seventy-two (72) months immediately following the date of retirement in respect of any **Claim** covered under D&O Operative Clause 10.1(a). Any **Claim** made in this automatic discovery period shall be deemed to have been first made during the **Period of Insurance** and shall be subject to the following conditions:

- (i) cover shall apply only in relation to a **Claim** arising out of a **Wrongful Act** occurring prior to the date of their voluntary retirement or resignation; and
- (ii) the maximum aggregate payable by **Us** shall not exceed the amount stated in the **Schedule**; and
- (iii) the automatic discovery period will run concurrently with any other discovery period; and
- (iv) cover shall automatically lapse upon the **Director** or the **Company** effecting a Directors and Officers policy cover broadly equivalent to this **Section** in scope; and

This extension does not apply to any **Director** who:

- (1) has been or is disqualified from holding the position of director; or
- (2) has left the **Company** as a result of a merger, consolidation or acquisition as detailed in the Takeovers and Mergers Run Off Clause 10.2(h); or
- (3) has left the **Company** as a result of the appointment of an insolvency practitioner (or equivalent) appointed as a liquidator, administrator or receiver (or equivalent) of the **Company**.

(h) **Takeovers and Mergers Run-off**

If during the **Period of Insurance** the **Company** merges with or consolidates into another entity or any person or entity acquires 50% or more of its issued share capital (other than by way of a **Management Buy Out**):

- (i) cover under this **Section** shall thereafter apply only to **Claims** resulting from **Wrongful Acts** occurring prior to the effective date of such merger, consolidation or acquisition; or
- (ii) the **Company** may cancel the remainder of this **Section** on behalf of the **Company** and all **Directors** by sending written notice to **Us** at the address shown in the **Schedule**, stating the date from which the cancellation is to take effect; or



- (iii) the **Company** may request that the **Section** be extended for up to seventy-two (72) months to cover **Wrongful Acts** occurring prior to the effective date of such merger, consolidation or acquisition. Such extension will be at **Our** sole discretion and may be **subject** to additional and altered terms and conditions of this **Section** including the charging of an additional premium; and
 - (1) (Clauses 10.2(c) Discovery and 10.2(g) Retirement Run-off will not apply to any such extension;
 - (2) cover shall lapse in the event that the **Company** effects a Directors and Officers policy cover broadly equivalent to this **Section** in scope; and
 - (3) cover shall not be provided to any **Director** who has been or is disqualified from holding the position of **Director**.

10.3 Definitions

- (a) **Asset and Liberty Proceeding** means proceedings brought against the **Director** by anybody (including the Financial Conduct Authority) other than the Company, so authorised for the purpose of examining the affairs of the Company or the conduct of the **Director** in their capacity as such, seeking:
 - (i) confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of a **Director**;
 - (ii) a charge over real property or personal assets of such **Director**;
 - (iii) a temporary or permanent prohibition on such **Director** from holding the office of or performing the function of a **Director**;
 - (iv) a restriction of such **Director's** liberty to a specified domestic residence or an official detention;
 - (v) deportation of a **Director** following revocation of otherwise proper, current and valid immigration status for any reason other than such **Director's** conviction of a crime.
- (b) **Asset and Liberty Proceedings Defence Costs and Expenses** means **Defence Costs and Expenses** incurred by the **Director** in dealing with an **Asset and Liberty Proceeding**, provided that such proceeding is commenced during the **Period of Insurance**.
- (c) **Claim** means a demand made for compensation or damages from, or an allegation of a right against, a **Director** which is communicated to the **Director**. All **Claims** related or connected in any way by reference to any common contributory factor or characteristic shall be treated as a single **Claim**, provided that all such **Claims** are **Notified** during the **Period of Insurance** or the discovery period if applicable.
- (d) **Company** means the entity(ies) named in the **Schedule**, including any **Subsidiary**, but excluding any firm or company acting in their capacity as liquidator, external auditor, receiver or administrative receiver.



- (e) **Criminal Defence Costs and Expenses** means the **Defence Costs and Expenses** incurred by the **Director** in defending any criminal investigations or proceedings commenced during the **Period of Insurance** and brought against them by any government body for any gross breach of duty of care that causes the death of another person.
- (f) **Defence Costs and Expenses** means the legal costs and expenses incurred by or on behalf of the **Director** with **Our** prior written and continuing consent. It does not include any **Director's** or the **Company's** own costs and expenses (including salaries) or any value attributable to the time spent by the **Director**, **Company** or any **Employee** in dealing with a **Claim**. **Defence Costs and Expenses** shall include premium paid for insurance instruments or for bonds which may be required.
- (g) **Director** means
 - (i) Any natural person who is, was, or becomes a director or officer of the **Company** during the **Period of Insurance** or holds any equivalent position in any jurisdiction;
 - (ii) Any natural person who is, was, or becomes an **Employee** of the **Company** during the **Period of Insurance**:
 - (1) acting at the specific prior written request of the **Company** in the capacity of **Outside Director**; or
 - (2) acting in a managerial or supervisory capacity; or
 - (3) named as co-defendant with any director or officer; or
 - (iii) any director or officer's lawful spouse or civil partner as defined in the Civil Partnership Act 2004 where in receipt of a **Claim** because of the **Wrongful Act** of the director or officer; or
 - (iv) the estate, heirs, legal representatives or assigns of any person within (i) or (ii) above.

All references to directors and officers apply equally to non-executive and executive directors.

Director does not include any person acting in their capacity as administrator, liquidator, external auditor, receiver or administrative receiver.
- (h) **Employee and Employment** means any:
 - (i) person under a contract of service or apprenticeship with the **Company**;
 - (ii) person employed by labour only sub-contractors;
 - (iii) self employed person;
 - (iv) person hired to or borrowed by the **Company**; or
 - (v) person undertaking study or work experience, voluntary work or a youth training scheme;

whilst working for and under the control of the **Company** provided they are not acting as a **Director**.



- (i) **Employment Practices Wrongful Act** means any actual or alleged:
 - (i) discrimination with respect to the terms or conditions of **Employment** on the basis of an individual's race, colour, religion, age, sex, national origin, disability, pregnancy, sexual orientation or preference or other status protected under applicable law;
 - (ii) harassment, including unwelcome sexual or non sexual advances, requests for sexual favours and any unwelcome verbal, visual or physical contact of a sexual nature which:
 - (1) is explicitly or implicitly made a term or condition of **Employment**;
 - (2) creates a hostile or offensive working environment;
 - (3) when rejected or opposed by a person becomes a basis for decisions regarding that person's **Employment**;
 - (iii) defamation (including libel and slander) which relates to a person's job skills, job performance, qualifications for **Employment**, professional reputation, disciplinary history or termination of **Employment**;
 - (iv) wrongful termination of **Employment** or refusal to hire;
 - (v) adverse change in the terms and conditions of a person's **Employment** in retaliation for that person's exercise of his or her rights under law or support of the rights of another.
- (j) **Extradition Notice** means
 - (i) any request for the extradition of any **Director**, any warrant for the arrest of any **Director** or other proceedings under the provisions of the United Kingdom Extradition Act 2003;
 - (ii) any associated appeal;
 - (iii) the equivalent of the above in any other jurisdiction;arising from a **Wrongful Act**.
- (k) **Extradition Proceedings Defence Costs and Expenses** means **Defence Costs and Expenses** incurred by the **Director** in dealing with an **Extradition Notice**, provided the **Extradition Notice** is first served on the **Director** during the **Period of Insurance**.
- (l) **Identity Theft Claim** means a **Claim** made by a third party to enforce an agreement entered into with **another** person or entity fraudulently representing themselves as a director in connection with the **Company** business **Notified** to **Us** through **Angel** during the **Period of Insurance**.
- (m) **Investigation** means a formal investigation, enquiry or request for information of or **attendance** by the **Director** initiated by a third party with a legal right other than the **Company** authorised so to compel the **Director** for the purpose of evaluating the conduct of the **Director**.
- (n) **Investigation Costs and Expenses** means **Defence Costs and Expenses** incurred in the context of an Investigation provided that such Investigation is first commenced during the **Period of Insurance**.
- (o) **Loss** means an award of compensatory damages made by a competent court or tribunal including third party costs or any settlement incurred with **Our** prior written consent.



Loss does not include

- (i) **Director** or **Employee** remuneration, benefits, stock or share options or severance payments; or
- (ii) taxes, fines or civil, regulatory or criminal penalties; or
- (iii) punitive, aggravated or exemplary damages; or
- (iv) in respect of **any Employment Practices Wrongful Act**:
 - (1) any salary or wages earned while in the **Employment** of the **Company**;
 - (2) any **Employment** related benefits to which the **Claimant** would have been entitled had the **Director** or the **Company** provided the **Claimant** with a continuance, reinstatement or commencement of **Employment**;
 - (3) contractual damages based upon the terms of a contract of **Employment**;
 - (4) any liability or costs incurred to modify any building or property in order to make such a building or property more accessible or accommodating to any disabled persons.
- (p) **Management Buy Out** means a change of ownership of the **Company** whereby at least 50% of the issued share capital of the **Company** is transferred to the existing **Directors** and/or members of the **Company**.
- (q) **Outside Director** means a **Director** acting in the capacity of a director formally appointed on the written authority and request of the **Company** to the board or equivalent position in any organisation in which the **Company** holds a shareholding, any not-for-profit entity, any entity specified in the **Schedule** or any other entity which has been agreed to in writing by **Us** other than:
 - (i) the **Company**; or
 - (ii) any entity that:
 - (1) has its securities listed or traded on any exchange; or
 - (2) possesses any tangible or intangible asset located within the USA and/or Canada.
- (r) **Pension/Employee Benefit Scheme** means a money purchase (defined contribution) pension or employee benefit scheme which is registered in the United Kingdom and governed by the laws of England and Wales.
- (s) **Pollution and Contamination Defence Costs and Expenses** means a **Defence Costs and Expenses** incurred by the **Director** in defending any proceedings brought against them during the **Period of Insurance** in relation to any **Wrongful Act** involving **Pollution**.
- (t) **Public Relations Costs** means fees, costs and expenses of the public relations consultants incurred by a **Director** with **Our** prior written consent to be given at their absolute discretion where they are satisfied that such fees, costs and expenses will mitigate or reduce the adverse effect on such **Director's** reputation from a **Claim** first made against the **Director** during the **Period of Insurance**.



- (u) **School, Charity or Charitable Organisation** means
 - (i) a place or institution for teaching and learning; or
 - (ii) a body registered with the Charities Commission; or
 - (iii) a voluntary organisation which does not distribute its surplus funds to owners or shareholders, but instead uses them for the benefit of its members or charitable purposes; in the United Kingdom.
- (v) **Shareholders Derivative Costs** means fees, costs and expenses incurred by any shareholder of the **Company** in pursuing a **Claim** first made during the **Period of Insurance** against a **Director** for a **Wrongful Act** by way of a shareholder derivative action on behalf of the **Company** but only to the extent that the **Company** is legally liable to pay such fees, costs and expenses pursuant to an order of the Court.
- (w) **Subsidiary** means an entity in which the **Company**:
 - (i) owned or owns directly or indirectly more than 50% of the voting rights or more than 50% of the share capital issued in such entity; or
 - (ii) had or has the right to appoint or remove the majority of such entity's board of directors; or
 - (iii) controlled or controls alone pursuant to a written agreement with other shareholders or members the majority of the voting rights in such entity, provided that the **Company** is also a shareholder in it;but only in respect of **Wrongful Acts** committed in relation to the **Subsidiary** while a **Subsidiary** of the **Company**.
- (x) **Total Gross Assets** means the total gross assets of the **Company** and its **Subsidiaries** as shown in its audited consolidated group accounts most recently preceding the **Period of Insurance**.
- (y) **Wrongful Act** means an actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by a **Director** acting in his or her capacity as:
 - (i) a director or officer of the **Company**; or
 - (ii) a director or administrator of a **Pension/Employee Benefit Scheme** of the **Company**.

10.4 **Limit of Liability**

- (a) Despite the Additional Limit Clause 10.2(a), the Aggregate Limit set out in the **Schedule** is the maximum aggregate amount payable by **Us** under this **Section** (including in respect of any **Claims Notified** during any discovery period) irrespective of the number of **Claims**.
- (b) The Limit of Liability applicable to the Operative Clauses and each Extension shall be as stated in the **Schedule**.
- (c) Any payment in respect of this **Section** excluding 10.2(a) shall erode the Limit of Liability. Once the Limit of Liability is completely eroded then, subject to 10.2(a), **We** shall have no further liability under this **Section**.



- (d) The amount payable by **Us** in respect of D&O Operative Clauses 10.1 (c) (iii), (vi), (viii), (ix) or Extensions 10.2(a), 10.2(d), 10.2(f) and 10.2(g) shall not exceed the sub-limits stated in the **Schedule**. These sub-limits are each aggregate limits and form part of the Limit of Liability. Once such sub-limit or the Limit of Liability is completely eroded then, subject to the applicability of the Additional Limit Clause 10.2(a) **We** shall have no further liability under this **Section**.
- (e) If the Additional Limit Clause 10.2(a) applies, then each and every further payment shall erode the aggregate sub-limit stated in the **Schedule** and once that has been completely eroded **Us** shall have no further liability under this **Section**.

10.5 Exclusions

We shall not have any liability under this **Section** (including any Extensions) for arising out of, or in any way connected with:

(a) **Death or Bodily Injury**

bodily injury, sickness, disease, emotional distress (other than emotional distress arising from any libel or slander), mental anguish, mental stress or the death of any person, except:

- (i) in respect of any **Employment Practices Wrongful Act**; or
- (ii) in respect of **Criminal Defence Costs and Expenses** in any criminal proceedings or investigation under health and safety/manslaughter or corporate manslaughter legislation for gross breach of duty of care that causes the death of another person or the equivalent in any jurisdiction;

(b) **Dishonest, Fraudulent or Criminal Acts**

any dishonest, fraudulent or criminal act or omission or any wilful breach of any statute, rule or law by the **Director**.

This exclusion shall only apply to the **Director** that is actually guilty of the above conduct, as established through a final adjudication by any court, tribunal or other similar body, or admission by the **Director**;

(c) **Known Claim or Circumstance**

any **Claims** made or circumstances:

- (i) known to the **Company or Director**; or
- (ii) about which the **Company or Director** ought to have known;

prior to the beginning of the **Period of Insurance**;

(d) **Other Insurance**

any matter in respect of which the **Company or Director** is (or but for the existence of this **Section** would be) entitled to cover under any other policy, except where such other insurance is written as specific excess insurance to provide a reimbursement in excess of the amount payable under this **Section**. This **Section** shall only apply in excess of such other policy to the extent of such part of the Limit of Liability or any applicable sub-limit exceeds the limit of the other policy;



(e) **Other Pension and Employee Benefit Schemes**

any retirement, pension, profit-sharing, health, welfare or any other employee benefit fund, trust scheme or plan or related legislation or regulations anywhere in the world including for example the US Employee Retirement Income Security Act 1974 and UK Pensions Act 1995 and/or subsequent amending or re-enacting legislation other than any Pension and Employee Benefit Schemes;

(f) **Pollution**

any **Pollution** and any regulatory, direction or request to test for, assess, monitor, remove, contain, treat, detoxify or neutralise any **Pollution**. However this Exclusion shall not apply to:

- (i) **Pollution and Contamination Defence Costs and Expenses** in relation to any **Wrongful Act** concerning such matters;
- (ii) a **Claim** against a **Director** for a **Wrongful Act** by way of a shareholder derivative action;

(g) **Professional Liability**

any **Claim** arising from or connected with the giving of professional advice or service whether or not for remuneration or any act, error or omission relating thereto.

This Exclusion shall not apply to a **Claim** brought by any shareholder of the **Company** including any shareholder derivative action arising out of the actual or alleged failure to supervise those who failed to give professional advice or service;

(h) **Profit or Advantage**

any unlawful personal profit, remuneration or advantage gained by the **Director** or a financial advantage to an entity in which the **Director** has a financial interest.

This Exclusion shall only apply to a **Director** who has admitted such conduct has occurred or against whom there has been a final adjudication by a competent court or tribunal that such conduct has occurred;

(i) **Property Damage**

any damage to or destruction or loss of any property including loss of use;

(j) **Securities**

any purchase, exchange or sale or offer to purchase, exchange or sell, securities of any description by means of a prospectus or private placement on or after the commencement of the **Period of Insurance**. Subject to the supply and review of all material information and documentation connected with any prospectus or private placement, the **Company** may request that this **Section** be extended to provide such cover. However, such extension will be at **Our** sole discretion and may be subject to additional and altered terms and conditions of this **Section** including the charging of an additional premium;



(k) **Shareholder Exclusion (Wrongful Act)**

any **Claim** brought by or on behalf of, whether directly or derivatively, any individual or group of individuals or entity which owns or controls 50% or more of the issued and outstanding share capital of the **Company** provided that this **Exclusion** shall only apply to **Claims** where such individual or entity or their representative has, directly or indirectly, participated in or ratified the alleged **Wrongful Act** being the subject of a **Claim**;

(l) **United States of America and/or Canada**

any **Claim**, allegation, proceeding or Investigation brought in the United States of America (USA) or Canada, including the enforcement outside the USA or Canada of any judgment, order, award or settlement made within the USA or Canada or which arises from or is connected with:

- (i) any event, occurrence or activity of any sort within the USA or Canada;
- (ii) the holding of or dealing in securities listed or traded on any US or Canadian Exchange or any other form of assets, tangible or intangible in the USA or Canada;
- (iii) activity in the USA or Canada of any parent, **Subsidiary**, associated company, joint venture or special purpose vehicle or company whether or not registered in the USA or Canada;

10.6 **Conditions**

(a) **Advanced Payment of Costs**

We shall pay **Defence Costs and Expenses** as they are incurred. However in the event and to the extent that it is finally determined that the **Company or Director** is not entitled to such payments under this **Section** the sums advanced must be repaid to **Us** upon demand.

(b) **Allocation**

In the event of any **Loss** being partially covered and/or any **Claim** against a **Director** being also made against the **Company** and/or one or more persons who is not a **Director**, **We** shall use their best efforts fairly and reasonably to agree such an allocation of **Loss** to the **Section** as may be appropriate and proportional to the aggregate of insured **Loss** and uninsured loss, damages and legal and other costs.

(c) **Consent to Settle**

We shall not settle any **Claim** without the written consent of the person or entity insured. If the person or entity insured refuses to consent to a settlement demand acceptable to the **Claimant** and recommended by **Us** and elects instead to contest the **Claim**, then **Our** total liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled plus any **Defence Costs and Expenses** incurred as of the date such **Claim** could have been settled and to which this **Section** would otherwise apply. In the event of a dispute between **Us** and the person or entity insured in relation to whether a **Claim** should be settled **We** may obtain an opinion from King's Counsel or a person who holds an equivalent position in any other jurisdiction and such opinion shall be binding on **Us** and the person or entity insured.



(d) **Order of Payments**

Where there are multiple **Claims** for reimbursements under this Section, **We** shall make payments in the order those **Claims** are presented to it.

If it becomes apparent to **Us** in **Our** absolute discretion that the Limit of Liability will not be sufficient to cover all expected payments under the **Section** then **We** will make payments in the following order:

- (i) payments under D&O Operative Clause 10.1(a) direct to the **Directors**; followed by
- (ii) payments under D&O Operative Clause 10.1(b), to the **Company**; followed by
- (iii) any other payments to the **Company**.



11 Directors and Officers (D&O) Liability Section

Corporate Liability (Entity) Extension

This extension only applies if it is shown in the **Schedule**.

This extension is subject to the General Terms, Definitions, Exclusions except where expressly overridden and the Definitions, Exclusions and Conditions of this **Section**. The Definitions, Exclusions, Limits of Liability and Conditions contained in this Corporate Liability (Entity) – Extension apply to this Extension only.

11.1 Operative Clauses

(a) Corporate Liability

We will pay on behalf of the **Company** all **Loss** that the **Company** is legally liable to pay;

Trigger:

for a **Corporate Claim** against the **Company** for a **Corporate Wrongful Act** provided that the **Corporate Claim** is first made against the **Company** during the **Period of Insurance** or discovery period if applicable.

(b) Defence and Investigation Costs

We will pay on **behalf** of the Company:

- (i) **Corporate Defence Costs and Expenses** in the defence, investigation or settlement of any **Corporate Claim** which falls to be dealt with under 11.1(a);
- (ii) **Corporate Defence Costs and Expenses** in the investigation of any circumstance(s) **Notified to Us** through **Angel** which is or are likely to give rise to a **Corporate Claim**;
- (iii) **Corporate Investigation Costs and Expenses**;
- (iv) **Corporate Defence Costs and Expenses** in the defence or investigation of an **Identity Theft Corporate Claim**;
- (v) **Corporate Criminal Defence Costs and Expenses** incurred in defending any criminal investigations or proceedings under the Corporate Manslaughter and Homicide Act 2007 or the equivalent in any other covered jurisdiction;
- (vi) **Corporate Defence Costs and Expenses** incurred in defending any criminal investigations or proceedings under the Bribery Act 2010. Or the equivalent in any other covered jurisdiction;
- (vii) **Pollution and Contamination Corporate Defence Costs and Expenses**;
- (viii) **Corporate Public Relations Costs**.

**Extensions****(a) Automatic Acquisition Cover**

This **Section** provides automatic cover for Loss arising out of a **Corporate Claim** against the **Company** for any **Subsidiary** newly **created** or acquired, including by merger, during the **Period of Insurance** provided:

- (i) the **Total Gross Assets** of the **Company** at the commencement of the **Period of Insurance** are not increased by the acquisition or creation of such **Subsidiary** or Subsidiaries by more than 50%; and
- (ii) any **Corporate Wrongful Act** occurs while the **Subsidiary** is a **Subsidiary** of the **Company**.

This extension shall not apply to any merger, acquisition or **Subsidiary** that:

- (1) has its securities listed or traded on any exchange; or
- (2) possesses any tangible or intangible asset located within the USA and /or Canada.

(b) Corporate Defence Costs and Expenses for Breach of Contract

We shall pay on behalf of the **Company**, **Corporate Defence Costs and Expenses** resulting from any **Corporate Claim** arising from an alleged breach by the **Company** of a written contract or agreement, other than any **Employment** contract, up to the aggregate amount stated in the **Schedule** and in excess of:

- (i) any other potentially applicable cover, whether or not it actually responds; and
- (ii) the **Excess** stated in the **Schedule**.

(c) Discovery

We agree cover shall be provided to the **Company** where the discovery period is purchased in accordance with the requirements of Extensions Clause 10.2(c).

The discovery period shall be subject to the following conditions:

- (i) **Our** overall aggregate Limit of Liability shall not exceed the Limit of Liability stated in the **Schedule** and the **Excess** stated in the **Schedule**; and
- (ii) cover for the **Company** shall automatically lapse upon the appointment of an insolvency practitioner (or equivalent) as a liquidator, administrator or receiver.

(d) Emergency Defence Costs

In the event the **Company** is unable to contact **Us** or **Our** representatives to obtain consent to authorise **Corporate Defence Costs and Expenses** following a **Corporate Claim**, then **We** agree to reimburse the **Company** for Emergency **Corporate Defence Costs and Expenses** incurred for a period of up to fourteen (14) days from the date the **Corporate Claim** was first made up to the amount stated in the **Schedule**.



(e) **Fidelity**

We shall reimburse the **Company** for any direct loss of money or other property belonging to the **Company** first discovered by the **Company** and **Notified** to **Us** through **Angel** during **the Period of Insurance** arising from the dishonest, fraudulent, criminal or malicious act(s) or omission(s) of any **Employee**. Such reimbursement shall only apply in respect of losses resulting solely and directly from such act(s) or omission(s) committed by any **Employee** with the manifest intent to cause loss to the **Company** or to make an improper financial gain for themselves or for an identified third party, provided that:

- (i) The **Company** will not be reimbursed for any loss of money or other property resulting from dishonest, fraudulent, criminal or malicious act(s) or omission(s) perpetrated after the **Company** could reasonably have discovered or suspected improper conduct on the part of the relevant **Employee**;
- (ii) any monies which but for such dishonest, fraudulent, criminal or malicious act(s) or omission(s) would be due to the **Company** or any monies of any person committing or colluding in any dishonest, fraudulent, criminal or malicious act(s) or omission(s) shall be deducted from any amount payable under this extension;
- (iii) **Our** aggregate Limit of Liability shall not exceed the Limit of Liability stated in the **Schedule** and be in excess of any other potentially applicable cover, whether or not it actually responds; and the **Excess** stated in the **Schedule**.

(f) **Pension and Employee Benefit Schemes**

We shall pay on behalf of the **Company**, **Loss** including **Corporate Defence Costs and Expenses** arising from a **Corporate Wrongful Act** committed by the **Company** in their capacity as administrators of any **Pension/Employee Benefit Scheme** and be in excess of:

- (i) any other potentially applicable cover, whether or not it actually responds; and
- (ii) the **Excess** stated in the **Schedule**

11.3 **Definitions**

- (a) **Corporate Criminal Defence Costs and Expenses** means legal costs and expenses incurred by the **Company** with **Our** prior written and continuing consent in defending any criminal investigations or proceedings brought against it by any government body for any gross breach of duty of care that causes the death of another person during the **Period of Insurance**.
- (b) **Corporate Claim** means a demand made for compensation or damages from, or allegation of a right against, the **Company** and which is communicated to the **Company**. All **Corporate Claims** related or connected in any way by reference to any common contributory factor or characteristic shall be treated as a single **Corporate Claim**, provided that all such **Corporate Claims** are **Notified** during the same **Period of Insurance** or the discovery period if applicable.
- (c) **Corporate Defence Costs and Expenses** means legal costs and expenses incurred by the **Company** with **Our** prior written and continuing consent in the investigation, defence or settlement of any **Corporate Claim**. It does not include the **Company's** own costs and expenses (including salaries) or any value attributable to the time spent by the **Company** or any **Director or Employee** in dealing with a **Corporate Claim**.



- (d) **Corporate Investigation** means a formal investigation, enquiry or request for information of or attendance by the **Company** initiated by a third party with a legal right other than the **Company** authorised so to compel the **Company** for the purpose of evaluating the conduct of the **Company**. **Investigation** does not include a risk management visit or equivalent by the regulator of the **Company**.
- (e) **Corporate Investigation Costs and Expenses** means legal costs and expenses incurred with **Our** prior written and continuing consent in the context of a Corporate **Investigation** provided that such **Investigation** is first commenced during the **Period of Insurance**.
- (f) **Identity Theft Corporate Claim** means a **Corporate Claim** made by a third party to enforce an agreement entered into with another person or entity fraudulently representing themselves as the **Company** in connection with the **Company** business **Notified to Us** through **Angel** during the **Period of Insurance**.
- (g) **Corporate Public Relations Costs** means fees, costs and expenses of the public relations consultants **incurred** by the **Company** with **Our** prior written consent to be given at their absolute discretion where it is satisfied that such fees, costs and expenses will mitigate or reduce the adverse effect on the **Company's** reputation from a **Corporate Claim** first made against the **Company** during the **Period of Insurance**.
- (h) **Corporate Wrongful Act** means an actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by the **Company**.
- (i) **Pollution and Contamination Corporate Defence Costs and Expenses** means legal costs and expenses incurred by the **Company** with **Our** prior written and continuing consent in defending any proceedings brought against them during the **Period of Insurance** in relation to any **Corporate Wrongful Act** involving **Pollution**.

11.4 **Limit of Liability**

- (a) The Corporate Aggregate Limit set out in the **Schedule** is the aggregate maximum amount payable by **Us** under this Extension and, if applicable, Employment Practices Liability (EPL) – Extension Clause 12, in respect of all **Claim(s)** and **Loss Notified to Us** through **Angel** during the **Period of Insurance** (including any discovery period) irrespective of the number of **Corporate Claims or Losses** and/or the number of **Claimants** and/or the number of Company(ies) or **Subsidiary(ies)** and shall include all **Corporate Defence Costs and Expenses, Corporate Investigation Costs and Expenses, Corporate Criminal Defence Costs and Expenses, Pollution and Contamination Corporate Defence Costs and Expenses and Corporate Public Relations Costs**. All inner or sub-limits in this Extension and, if applicable, Employment Practices Liability (EPL) – Extension Clause 12 form part of and, where paid, erode the Limit of Liability.
- (b) The Limit of Liability applicable to the cover provided by each part of this Extension shall be the amounts stated in the **Schedule**.
- (c) Any aggregate shown in the **Schedule** for this Extension shall apply as part of and where paid, in whole or in part, erode the Limit of Liability.



11.5 Exclusions

We shall not have any liability under this **Section** for, arising out of, or in any way connected with:

(a) **Breach of Contract or Agreement**

any actual or alleged breach of contract or agreement, either oral or written, except to the extent as provided in **Corporate Defence Costs and Expenses** for Breach of Contract Corporate Liability (Entity) – Extension Clause 11.2(b);

(b) **Breach of Copyright**

any actual or alleged plagiarism or breach of copyright or trademark, patents, database rights, registered design or design rights except to the extent as provided above in **Corporate Defence Costs and Expenses** for Breach of Contract Corporate Liability (Entity) – Extension Clause 11.2(b);

(c) **Death or Bodily Injury**

bodily injury, sickness, disease, emotional distress, mental anguish, mental stress or the death of any person, except in respect of **Criminal Defence Costs and Expenses**;

(d) **Documents or Data**

any repair, replacement or reconstitution cost of any **Document or Data**, directly or indirectly occasioned by any government or public or local authority action or order or resulting from wear or tear, the action of vermin, gradual deterioration or magnetic flux or loss of magnetism (except where caused by lightning);

(e) **Employee Benefit**

any retirement, pension, profit-sharing, health, welfare or any other employee benefit fund, trust scheme or plan or related legislation or regulations anywhere in the world including for example the US Employee Retirement Income Security Act 1974 and UK Pensions Act 1995 and/or subsequent amending or re-enacting legislation. Other than as described in Corporate Liability (Entity) – Extension Clause 11.2(f) Pension and Employee Benefit Schemes;

(f) **Employers Liability**

any breach of any obligation owed by the **Company** as an employer to any **Employee** or former **Employee** or applicant for employment;

(g) **Employment Practices**

an **Employment Practices Wrongful Act**.

This Exclusion shall not apply to an **Employment Practices Wrongful Act** covered under the Employment Practices Liability (EPL) – Extension Clause 12 where it has been purchased by the **Company** and appears in the **Schedule**;



(h) **Fidelity**

in respect of Corporate Liability (Entity) – Extension Clause 11.2(e):

- (i) arising from any accounting or arithmetical error or omission or unexplained shortage; or
- (ii) default or non-payment of any loan or other credit arrangement; or
- (iii) for expenses incurred in establishing the amount of any loss of money or other property; or
- (iv) for loss of interest; or
- (v) for loss of profit; or
- (vi) for any loss of money or property not belonging to the **Company**;

(i) **Information Technology**

any of the following:

- (i) the failure of any computer or other electronic processing device or of any program, instruction or data for use in any computer or other electronic processing device, equipment or system to function in the way expected or intended;
- (ii) the transmission or receipt of any virus, program or code that causes loss or damage to any computer system and/or prevents or impairs its proper function or performance;

(j) **Insolvency**

the insolvency or bankruptcy of the **Company**;

(k) **Joint Venture**

any association or joint venture conducted with any third party other than in respect of any **Corporate Claim** or circumstance arising from an **Employment Practices Wrongful Act**, provided that such **Corporate Claim** or circumstance emanates from a wholly independent third party;

(l) **Manufacture, Supply or Sale of Goods**

any **Corporate Claim** based upon or arising out of the manufacture, sale, supply, installation or maintenance of any products or goods;

(m) **Pollution**

Exclusion 10.5(f) shall not apply to **Pollution and Contamination Corporate Defence Costs and Expenses** in relation to any **Corporate Wrongful Act** concerning such matters;

(n) **Price Fixing**

any breach of regulatory, statutory or common law aimed at preventing monopolies, price discrimination, fixing of prices or other unfair trade practices;



(o) **Related Companies**

any **Corporate Claim** brought by or on behalf of the **Company**, or any parent or Subsidiary company having a controlling interest in the **Company** or by or on behalf of any entity controlled or managed by the **Company**;

(p) **Trading Losses**

any trading losses or trading liabilities incurred by the **Company** or any business managed by or carried on by or on behalf of the **Company**;

(q) **United States of America and/or Canada**

any **Corporate Claim**, allegation, proceeding or Corporate Investigation brought in the United States of America (USA) or Canada, including the enforcement outside the USA or Canada of any judgment, order, award or settlement made within the USA or Canada or which arises from or is connected with:

- (i) any event, occurrence or activity of any sort within the USA or Canada; or
- (ii) the holding of or dealing in securities listed or traded on any USA or Canadian Exchange or any other form of assets, tangible or intangible in the USA or Canada; or
- (iii) any activity in the USA or Canada of any parent, **Subsidiary**, associated company, joint venture or special purpose vehicle or company whether or not registered in the USA or Canada.



12 Directors and Officers (D&O) Liability Section

Employment Practices Liability (EPL) Extension

This extension only applies if it is shown in the **Schedule**.

This extension is subject to the General Terms, Definitions, Exclusions and Conditions except where expressly overridden, the Definitions, Exclusions and Conditions of this **Section** and the Corporate Liability (Entity) Extension. The Exclusions, Limits of Liability and Conditions contained in this Employment Practices Liability (EPL) – Extension apply to this extension only.

12.1 Operative Clause

(a) Employment Practice Liability

We will pay all **Loss** that the **Company** is legally liable to pay;

Trigger:

for a **Corporate Claim** against the **Company** for an **Employment Practices Wrongful Act** provided that the **Corporate Claim** is first made against the **Company** during the **Period of Insurance** or discovery period if applicable.

(b) Defence and Investigation Costs

We will pay on behalf of the **Company**:

- (i) **Corporate Defence Costs and Expenses** in the defence, investigation or settlement of any **Corporate Claim** which falls to be dealt with under Employment Practices Liability (EPL) – Operative Clause 12.1 (a);
- (ii) **Corporate Defence Costs and Expenses** in the investigation of any circumstance(s) **Notified to Us** through **Angel** which is or are likely to give rise to a **Corporate Claim** for an **Employment Practices Wrongful Act**;
- (iii) **Corporate Investigation Costs and Expenses** in relation to an **Employment Practices Wrongful Act**.

12.2 Limit of Liability

- (a) The Sub Aggregate Limit for Employment Practices Liability (EPL) – Extension Clause 12.1(a) and (b) set out in the **Schedule** is the aggregate maximum amount payable by **Us** under this Extension in respect of all **Claims** and **Loss Notified to Us** through **Angel** during the **Period of Insurance** (including any discovery period) irrespective of the number of **Corporate Claims** or **Losses** and/or the number of **Claimants** and/or the number of **Company(ies)** or **Subsidiary(ies)** and shall include all **Corporate Defence Costs and Expenses** and **Corporate Investigation Costs and Expenses**.
- (b) The Sub Aggregate Limit for Employment Practices Liability (EPL) – Extension Clause 12 forms part of, and where paid, shall erode the Corporate Aggregate Limit stated in the **Schedule**.



12.3

Exclusions

We shall not have any liability under this **Policy** for, anything connected with:

(a) **Non Consulted Dismissal**

any **Corporate Claim** arising from actual or threatened redundancy, dismissal or the suspension of any **Employee** where the **Company** did not consult and follow the advice of a properly qualified human resource person or employment solicitor prior to the actual or threatened redundancy, dismissal or suspension;

(b) **United States of America and/or Canada**

(i) any **Corporate Claim**, allegation, proceeding or Corporate Investigation brought in the United States of America (USA) or Canada, including the enforcement outside the USA or Canada of any judgment, order, award or settlement made within the USA or Canada or which arises from or is connected, directly or indirectly, with:

- (1) any event, occurrence or activity of any sort within the USA or Canada; or
- (2) the holding of or dealing in securities listed or traded on any USA or Canadian Exchange or any other form of assets, tangible or intangible in the USA or Canada; or
- (3) any activity in the USA or Canada of any parent, **Subsidiary**, associated company, joint venture or special purpose vehicle or company whether or not registered in the USA or Canada;

(ii) any **Corporate Claim** arising from the **Company's** failure to act in accordance with any Trade Union agreement or collective bargaining agreement.

(iii) Any **Corporate Claim** arising from the **Company's** failure to act in accordance with any minimum wage legislation.