

# Charity & Community Insurance

Professional and Financial Risk

**Policy wording**



**MARKEL**



# Welcome

Welcome and thank you for choosing to buy your policy from Markel.

This document, the schedule and any endorsement(s) attached form your policy. Please read them carefully and keep them in a safe place as they set out the conditions of the insurance between **you** and **us**.

## **The insurance contract**

In return for payment of the premium shown in the schedule, **we** agree to insure **you** as described in each section of this document, subject to the terms and conditions contained in or endorsed on this policy.

## **The cover provided**

The cover provided depends on which sections of cover **you** have chosen. These are denoted as operative sections of cover on your policy schedule.

It is important that:

- **you** check that the sections you have requested are included in the schedule
- **you** check that the information **you** have given **us** is accurate – see 'our reliance on the information provided to us' in the 'important information' section
- **you** notify **us** as soon as practicable of any inaccuracies in the information **you** have given **us**
- **you** comply with **your** duties under each section of cover and under this policy as a whole.

## **Exclusions**

**Your** policy is subject to exclusions which are found under the heading 'what is not covered'.

## **The meaning of highlighted words**

Some of the words in this policy have a special meaning, **we** have highlighted these words in bold print.

Some of these words have the same meaning throughout this policy, these will be found under the section 'words with special meaning that apply throughout this policy (general definitions)'.

Other words only have a special meaning that is used in a specific section of cover or the meaning may vary from one section to another. The meaning of these words is found in the list of 'words with special meaning (definitions)' in each section of cover.

# Important information

## How to make a claim

If **you** want to make a claim under this policy, contact **us** by

- writing to **our** claims team at Markel (UK) Limited, City Square House, 11 Wellington Street, Leeds, LS1 4DL, or
- emailing **our** claims team – [claimsuk@markel.com](mailto:claimsuk@markel.com)

quoting **your** policy number and the name of the policyholder shown in the policy schedule.

If you wish to discuss a claim under the policy please phone our claims team on 0345 355 2227.

## Telephone helplines

### Legal helpline (including employment matters)

This provides access to a dedicated team of specialist employment law solicitors for guidance and support on legal matters relating to your activities, including health and safety, legal structures, client contracts and more.

#### Employment matters

The legal helpline is also available in the event of any situation relating to a wide range of employment law disputes, such as:

- disciplinary and grievance procedures
- recruitment and dismissals
- unlawful discrimination, including disputes concerning equality of terms
- redundancy
- **TUPE (it is a condition of the legal representation and employment disputes section of the policy that the employer helpline must be used whenever TUPE issues occur)**

#### How to access the employer helpline

**Telephone:** 0333 2342 046 (available 24 hours a day, seven days a week)

#### Information required:

- policyholder name
- policy number
- contact details
- brief details as to the nature of the problem or the advice being sought.

This helpline is available to all customers.

### Public relations response service

In the event of a claim under the following sections of cover

- **professional indemnity**
- **trustees liability**
- **legal representation and employment disputes**
- **cyber and data risks**

This provides access to the specialist public relations organisation, The Counsel House, to help manage certain situations where there is a risk to your organisation as a consequence of adverse press, publicity or media attention.

#### How to access the public relations response service

Please contact our claims team for details of how to access this service

**Telephone:** 0345 355 2227 (available Monday – Friday, 9.00am – 5.00pm)

**Email:** [claimsuk@markelintl.com](mailto:claimsuk@markelintl.com)

## Cyber response helpline

This service provides access to specialist solicitors at Markel Law and information security experts who will give expert legal and technical IT security guidance on issues arising from cyber and data protection risks.

### How to access the cyber response service

Telephone: 0333 234 2471 (available Monday – Friday, 9.00am – 5.30pm)

#### Information required:

- policyholder name
- policy number
- contact details
- brief details as to the nature of the problem or the advice being sought

This helpline is available to all customers who have purchased the cyber and data risks section of cover.

#### Important

Any information provided to the above helplines and details of the guidance given may be provided to Markel. Please note that the above helplines are not an insurance claims service and do not replace policyholder obligations to notify Markel under the policy of insurance. Claims or circumstances that could give rise to a claim cannot be notified via these helplines and instead policyholders should contact us using the details under the heading 'How to make a claim' above.

## Things you must do

**You** must comply with the claims conditions. These can be found under 'claims conditions that apply to this policy as a whole'.

All claims are required to be notified in writing in order for **us** to consider them under the insurance policy.

If **you** fail to comply with these conditions **we** may not pay **your** claim or any payment could be reduced.

## Fraudulent claim

If **you** make a fraudulent claim under this policy:

- **we** are not liable to pay the claim, and
- **we** may recover from **you** any sums **we** have paid to **you** in respect of the claim, and
- **we** may write telling **you** that **we** are treating the contract as having been terminated with effect from the fraudulent act.

If **we** do write to **you** telling **you** that **we** are treating this policy as having been terminated:

- **we** will not be liable to **you** in respect of any 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 a loss, the making of a claim, or the notification of a potential claim), and
- **we** need not return any of the premium paid.

If this policy provides cover for any person who is not a party to the contract of insurance ('a covered person', for example a **officer** or an **insured person**), and a fraudulent claim is made under this policy by or on behalf of a covered person, **we** may exercise the same rights as above as if there was an individual contract of insurance between the covered person and **us**. However, the exercise of any of these rights shall not effect the cover provided under this policy for any other person.

In respect of any fraudulent claim under the trustees liability section of cover (if purchased), **we** will not exercise **our** right to treat this policy as having been terminated.

## Our reliance on the information provided to us

In deciding to accept this policy and in setting the terms and premium **we** have relied on the information **you** have given **us**. **You** must take care when answering any questions **we** ask by ensuring that all information provided is accurate and complete.

If **you** become aware that information **you** have given **us** is inaccurate **you** must inform **us** as soon as practicable.

The information **you** have provided us constitutes **your** fair presentation of risk.

A 'fair presentation of the risk' is one

- which discloses to **us** every material circumstance which **you** know of or ought to know of, or
- gives **us** sufficient information to put **us** on notice that we will need to make further enquiries for the purpose of revealing those material circumstances, and
- which makes that disclosure in a manner which is reasonably clear and accessible to us

and

- in which every material representation as to a matter of fact is substantially correct and every material representation as to a matter of expectation or belief is made in good faith.

A 'material circumstance' is one that would influence **our** decision as to whether or not to agree to insure **you** and, if so, the terms of that insurance. If **you** are in any doubt as to whether a circumstance is material **you** should disclose it to **us**.

If **you** fail to make a fair presentation of risk there are a number of remedies available to **us** which are set out in general condition 7 (breach of the duty of fair presentation) in the section 'conditions that apply to this policy as a whole (general conditions)'.

**We** will write to **you** if **we** intend to take one of these remedies.

## How to cancel this policy

You can cancel this insurance (other than the trustees liability section of cover) at any time by writing to **us**.

**We** can cancel this insurance (other than the trustees liability section of cover) by giving **you** 30 days written notice. **We** will only do this for a valid reason, examples of valid reasons are:

- a change in risk occurring which means **we** can no longer provide **you** with insurance cover
- non-cooperation or failure to supply any information or documentation **we** request.

## Cooling-off period

This policy has a cooling-off period of 14 days from either:

- the date **you** receive this insurance policy, or
- the start of the period of insurance shown in the policy schedule

whichever is the later.

## Refund of premium

If **we** pay (or have agreed to pay) any claim, in whole or in part, then no refund of premium will be allowed.

If **we** haven't paid (or agreed to pay) any claim, in whole or in part, then:

- if **we** cancel this policy **you** will be entitled to a refund of any premium paid, subject to a deduction for any time for which **you** have been covered. This will be calculated on a proportional basis. For example, if **you** have been covered for 6 months and the period of insurance shown in the policy schedule is for 12 months, the deduction for the time **you** have been covered will be half the annual premium.
- if **you** cancel this policy within the cooling-off period **we** will return to **you** all of the premium paid without any deduction.

- if **you** cancel this policy outside the cooling-off period **you** will be entitled to a refund of any premium paid, subject to a deduction for any time for which **you** have been covered. This will be calculated on a proportional basis.

If the premium is paid by instalments the way **we** calculate the return premium may differ, please refer to general condition 2 (premium payment).

## How to make a complaint

**Our** aim is to ensure that all aspects of **your** insurance are dealt with promptly, efficiently and fairly. At all times **we** are committed to providing **you** with the highest standard of service.

If **you** have any questions or concerns about **your** policy or the handling of a claim **you** should, in the first instance, contact **us**.

In the event that **you** remain dissatisfied and wish to make a complaint **you** can do so at any time by writing to the Financial Ombudsman Service.

Complaints that cannot be resolved in this way may be referred to the Financial Ombudsman Service.

Making a complaint does not affect **your** right to take legal action.

### The Financial Ombudsman Service (FOS)

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find out more information on the FOS at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

The contact details for the FOS are:

The Financial Ombudsman Service

Exchange Tower

London E14 9SR

Telephone: 0800 023 4567 (calls to this number are free from 'fixed lines' in the UK), or  
0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile tariffs in the UK)

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Complaints that cannot be resolved by us may be referred to the Financial Ombudsman Service. The following are the Customers who can currently complain to FOS:

- Consumer
- Micro-enterprise; employs fewer than 10 persons; and has a turnover or annual balance sheet that does not exceed £1 million.
- Charity which has an annual income of less than £1 million at the time the Complainant refers the complaint to the respondent
- Trustee of a Trust which has a net asset value of less than £1 million at the time the Complainant refers the complaint to the respondent
- Small Businesses; employs fewer than 50 persons; or has a balance sheet total of less than £5 million

If **you** are unsure whether **you** are able to refer **your** complaint, please contact the Financial Ombudsman Service.

## Details of the Financial Services Compensation Scheme

Under the Financial Services & Markets Act 2000 **you** may be able to claim from the Financial Services Compensation Scheme. The level of compensation is different depending on the type of cover **you** hold:

- compulsory insurance, such as employer's liability, is covered for 100% of the claim
- for other insurances 90% of the claim is covered with no upper limit
- further information can be obtained by visiting the Financial Services Compensation Scheme website on [www.fscs.org.uk](http://www.fscs.org.uk) or by telephoning 0800 678 1100 or 020 7741 4100

## Language

This policy and all correspondence between **you** and **us** in relation to this policy (including any correspondence in relation to a claim) shall be in English.

## Regulatory authorities

**We** are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services number 202570) and registered in England with company number 966670 with a registered office at 20 Fenchurch Street, London EC3M 3AZ.

## Data protection

**Your** insurance cover includes cover for individuals who are either insureds or beneficiaries under the policy (individual insureds). **We** collect and use relevant information about individual insureds to provide **you** with **your** insurance cover and to meet **our** legal obligations.

This information includes individual insureds' details such as their name and address [and may include more sensitive details such as information about their health and criminal convictions].

**We** will process individual insureds' details, as well as any other personal information **you** provide to **us** in respect of **your** insurance cover, in accordance with **our** full Markel privacy notice, a copy of which is available online at <https://www.markeluk.com/privacy-statement> or on request.

## Information notices

To enable **us** to use individual insureds' details in accordance with current data protection laws, **we** need **you** to provide those individuals with certain information about how **we** will use their details in connection with **your** insurance cover.

**You** agree to provide to each individual insured **our** short form information notice set out in **our** What you told us document on or before the date that the individual becomes an individual insured under **your** insurance cover or, if earlier, the date that you first provide information about the individual to **us**.

## Minimisation and notification

**We** are committed to using only the personal information **we** need to provide **you** with **your** insurance cover. To help **us** achieve this, **you** should only provide to **us** information about individual insureds that **we** ask for from time to time.

**You** must promptly notify **us** if an individual insured contacts **you** about how **we** use their personal details in relation to **your** insurance cover so that **we** can deal with their queries.

## Rights of third parties

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

## **Sanctions limitation**

**We** will not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanction, laws or regulations of the European Union, United Kingdom or United States of America.

## **Brexit**

**We** will not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where the regulatory risk location is within the European Economic Area (EEA).

## **Choice of law**

The law of England and Wales will apply to this contract unless at the commencement of the period of insurance shown in the policy schedule **you** are a resident of (or, in the case of a business, the registered office or principal place of business is situated in) Scotland, in which case (in the absence of agreement to the contrary) the law of Scotland will apply.

Any legal proceedings between **you** and **us** in connection with this policy will take place in the courts of the part of the **United Kingdom** in which **you** live or have **your** registered office.

# Words with special meanings that apply throughout this policy (general definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this policy. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

**Activities** means **your** activities, profession or occupation that **you** have told **us** about and which **we** have confirmed are acceptable to **us** for the purpose of this insurance.

**Computer equipment** means any:

- computer
- electronic data processing device, equipment or system

and includes any:

- hardware
- software programme instruction
- data
- component

utilised or intended to be utilised in or by the computer or electronic data processing device, equipment or system.

**Computer virus** means any corrupting, harmful or unauthorised instructions or code that spreads itself through a computer system or network including malware, 'Trojan horses', 'worms' or 'time or logic bombs'.

**Contamination** means the

- contamination
- poisoning
- prevention or limitation of use

of objects due to the effects of chemical or biological substances.

**Costs and expenses** means legal costs and expenses incurred

- by us, or
- by **you** (provided **we** have agreed with **you** in writing that **you** may incur these costs and expenses)

but does not include

- damages and costs awarded against **you**
- any kind of payment for work or service due to **you**.

**Cyber incident** means any

- incident, or
- series of incidents, or
- threat, or
- hoax

involving

- the use or operation of any **computer equipment**, or

- the access to, processing, transmission, storage or use of any **electronic data**.

**Discovery period** means the period immediately following the expiry of the period of insurance shown in the policy schedule during which

- a claim, or
- circumstance for which cover is provided under the appropriate section of cover

can be reported to **us**.

**Infectious or contagious disease** means any disease capable of being transmitted from an infected person, animal or species to another person, animal or species by any means

**Insured, you, your, yours.** The meaning of these words can vary depending upon which section of cover they appear in. Their meaning is given under 'words with special meanings' under each section of cover. When these words appear in either

- conditions that apply to this policy as a whole', or
- 'exclusions that apply to this policy as a whole'

then they will have the meaning which is given in the relevant section of cover.

**Mould** means any permanent or impermanent fungus (including mould or mildew but not including dry rot) or any of the spores, scents or by-products produced by a fungus regardless of whether or not they are proved to have caused any disease, injury or damage.

**Mould event** means any actual, alleged or threat of:

- contact with
- exposure to
- inhalation of
- absorption of
- discharge of
- dispersal of
- seepage of
- migration of
- release of
- escape of
- presence of
- growth of

**mould.**

**Our, us, or we** means Markel International Insurance Company Limited.

**Pollution** means the:

- discharge
- dispersal

- release, or
- escape

of any irritant or contaminant.

**Proposal** means all the information supplied to **us** (whether by written, electronic or any other means) for the purpose of affecting this policy.

**Terrorism** means any act of terrorism (including the use or threat of violence) of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for:

- political
- religious
- ideological
- or similar purposes including the intention to influence or overthrow any government (whether by right or not) and/or
- putting the public or any section of the public in fear.

**United Kingdom** means England, Scotland, Wales, Northern Ireland, the Isle of Man and the Channel Islands.

**Unlawful association** means any unlawful organisation which is engaged in **terrorism** including any organisation which at any relevant time is a proscribed organisation within the meaning of the Terrorism Act 2000 or any amendment or re-enactment of that act.

**War** means:

- war
- invasion
- act of foreign enemies
- hostilities or warlike operations (whether or not war is declared)
- civil war
- rebellion
- revolution
- insurrection
- civil commotion assuming the proportions of or amounting to an uprising mutiny or usurped power.

# Claims conditions that apply to this policy as a whole (claims conditions)

If **you** breach any of the following conditions this may result in **your** claim not being covered or a reduction in the amount payable.

Some of these claims conditions only apply to specific sections of cover and are only relevant when **you** have purchased the appropriate section of cover.

## 1 Notification of claims

**You** must notify **us** in writing

- within 7 days in respect of riot **damage**
- in respect of the following sections of cover (only where the appropriate cover has been purchased), **your** notification to **us** must be within the period of insurance shown in the policy schedule

- professional indemnity
- trustees liability
- cyber and data risks (subsection b (data liability) and subsection e (cyber liability) only)
- legal representations and employment disputes)

and provided **you** comply with the above then any subsequent

- claim made
- **disqualification proceedings, investigation, environmental proceedings or tax investigation** instigated, or
- request for payment

will be regarded as having been made, instigated or requested during the period of insurance shown in the policy schedule.

- as soon as possible in respect of all other claims or requests for payment.

**You** should therefore tell **us** about the following

- any claim made against **you**
- the receipt of any communication of an intention to make a claim against **you**
- the discovery of any act of fraud or dishonesty by any **employee** or any reasonable cause for suspicion of fraud or dishonesty by an **employee**
- any circumstance of which **you** shall become aware which is likely to give rise to
  - a claim against **you**, or
  - **you** seeking payment under this policy

and **you** must give **us**

- **your** reasons for **your** anticipation of a claim or **request for payment**
- full details of dates and persons involved

and in respect of the trustees liability section of cover, **you** or the **officer** should tell **us** about the following

- any claim made against **you** or an **officer**
- the receipt of any communication of an intention to make a claim against **you** or an **officer**
- any circumstance of which **you** or a shall become aware which is likely to give rise to

- a claim against **you** or an **officer**
- the instigation of disqualification proceedings, investigation, environmental proceedings or **tax investigation**, or
- **you** or an **officer** seeking payment under this policy

and **you** must give **us**

- **your** reason for **your** anticipation of a claim, **disqualification proceedings, investigation, environmental proceedings or tax investigation**, or **request for payment**
- full details of dates and persons involved.

## 2 General claims handling

**You** must

- give **us** the information and co-operation that **we** may reasonably request
- not do anything which might prejudice **us**
- take all reasonable steps to prevent any further claim or request for payment under this policy
- not admit liability or settle any claim or incur any **costs and expenses** without **our** written consent
- tell the police as soon as possible of any **damage** or loss involving theft or attempted theft, malicious damage or vandalism or any loss of **money**

and,

- in respect of the following
  - subsection c (public relations management) of the public/products liability section of cover
  - subsection b (public relations management) of the professional indemnity section of cover
  - subsection j (public relations management) of the trustees liability section of cover
  - subsection a (public relations management) of the legal representation and employment disputes section of cover
  - subsection h (public relations management) of the cyber and data risks section of cover

**you** must

- comply with **our** recommendations or the recommendations of **our** public relations specialist and/or **our** IT security specialist as directed
- take all reasonable and practicable measures to avoid or reduce costs relating to the **crisis** or **data breach**.
- in respect of the legal representation and employment disputes section of cover, **you** will consult and follow the advice of the **Markel employer helpline** in any matter to which the terms of the
  - Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), or
  - any legislation amending or re-enacting the above
 apply

## 3 Business interruption

**You** will, at **your** expense,

- give **us** in writing the details of **your** request for payment within one month (or within any other further time that **we** agree to) of the expiry of the **cover period**
- give **us** **your** books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that **we** request together with (if **we** ask) a statutory declaration of the truth of the claim and anything connected with it.

#### 4 Loss involving fraud or dishonesty

Where **you** make a claim arising from any act of fraud or dishonesty **you** will, at your own expense, give is

- full written details of **your** loss, and
- proof of the correctness of **your** claim

within three months (or whatever other period **we** may agree in writing) of

- the discovery of any act of fraud or dishonesty by an **employee**, or
- any reasonable cause for suspicion of fraud or dishonesty by an **employee**.

#### 5 Medical examinations

Under the money and personal assault section of cover and the personal accident section of cover

- the **insured person** agrees to any medical examination which **we** may require at **our** expense.
- in the event of **death** **we** are allowed, at **our** expense, to arrange a post mortem examination.

#### 6 Defence of claims

- **we** are entitled to take over the defence or settlement of any claim in **your** name
- under the professional indemnity section of cover and the legal representation and employment disputes section of cover (only where the relevant sections of cover have been purchased), **you** will not be required to contest any legal proceedings unless a mutually agreed counsel advises that the proceedings should be contested.
- **you** are entitled at **your** own risk to contest any claim or legal proceedings which in **our** opinion should be compromised or settled but, if **you** choose to do this, **we** will not be liable for any loss incurred as a result of **your** refusal to compromise or settle the claim or legal proceedings.
- in respect of the trustees liability section of cover
  - **you** or the **officer** have a duty to defend any claim, **disqualification proceedings, investigation or environmental proceedings**.
  - **we** have the right, but not the obligation, to actively associate with **you** or the **officer** in the settlement or handling of any claim, **disqualification proceedings, investigation or environmental proceedings**.
  - **you** have the right, subject to **our** written consent, to appoint any appropriately qualified legal representative to deal with any claim notified to **us** in accordance with claims condition 1 (notification of claims).

#### 7 Salvage

**We** may enter any **building** in which **damage** has occurred and deal with the salvage, however, no property may be abandoned to **us**.

#### 8 Payment of indemnity limit

In respect of the following sections of cover (only where the appropriate cover has been purchased)

- public/products liability
- employers liability
- professional indemnity

- trustees liability
- legal representation & employment disputes
- cyber and data risks, and
- fidelity

**we** are entitled at any time to pay **you** or the **officer**:

- the **limit** (or as much of it as remains available), or
- any lesser sum for which any claim can be settled.

If **we** do this **we** will not be under any further liability to **you** or the **officer** in respect of the claim.

## 9 Electronic data processing media valuation

Despite any provision relating to the basis of settlement of any request for payment under this policy, if electronic data processing media insured by this policy suffers physical **damage** that is insured by this policy then the basis of valuation will be the cost of the blank media plus the cost of copying the electronic data from back-up or from originals of a previous generation.

If the media is not repaired, replaced or restored the basis of valuation will be the cost of the blank media.

The costs will not include

- research and engineering or any costs of recreating, gathering or assembling the electronic data.
- any amount relating to the value of the electronic data to **you** or any other party even if the electronic data cannot be recreated, gathered or assembled.

# Other conditions that apply to this policy as a whole (general conditions)

## 1 Subrogation

**We** will be entitled to take over and undertake in **your** name, or in the name of the **officer**, all **your** rights of recovery against anyone before or after any payment under this policy.

**You** or the **officer** will give **us** all the assistance **we** may require to exercise those rights of recovery.

(a) In respect of the following sections of cover (when purchased)

- professional indemnity and
- cyber and data risks

**we** agree not to exercise those rights against any director, officer or member of **yours** or any employee unless the claim is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the director, officer, member or employee.

(b) In respect of the following sections of cover (when purchased)

- legal representation and employment disputes (other than subsection i (employment disputes))
- property damage
- business interruption
- portable equipment
- money and personal assault
- cyber and data risks
- fidelity, and
- occupational personal accident

**we** agree not to exercise those rights against any company that is a subsidiary or parent company of **yours** (subsidiary or parent company being defined by current legislation).

## 2 Premium payment

Despite any other conditions relating to cancellation, if payment of the premium has been arranged on a deferred basis with a premium finance company which has entered into a contractual agreement with Markel (UK) Limited to provide premium credit facilities, then it is agreed that

- if payment of any instalment to the premium finance company is overdue, Markel (UK) Limited may, in accordance with the authority granted to the premium finance company by **you** under the terms of the Credit Agreement, accept cancellation instructions from the premium finance company and will allow a return pro-rata premium to the premium finance company provided there have been no claims or circumstances known or reported to **us** during the period of insurance shown in the policy schedule
- all premiums due or returned will be processed by the premium finance company in accordance with the Credit Agreement.

## 3 Notice

Any notice under this policy will be regarded as given

- to **us** if sent by first class prepaid post to Markel (UK) Limited, City Square House, 11 Wellington Street, Leeds, LS1 4DL
- to **you** or the **officer** if sent by post to **your** last known address.

## 4 Multiple insureds

**Our** liability under each section of cover is as shown in the section of cover. **Our** liability shall not be varied or regarded as varied because of the number or type of **insureds** or claims under the section of cover.

## 5 Non-aggregation

If payment is available under more than one section of cover the total amount payable under any one section of cover will be reduced by any amount payable under any other section of cover.

## 6 Breach of terms not relevant to the actual loss

If **you** or the **officer** fail to comply with a term (express or implied) of this policy (other than a term that defines the risk as a whole) and compliance with the term would tend to reduce the risk of a loss, either

- of a particular kind, and/or
- at a particular location, and/or
- at a particular time

**we** cannot rely on the breach of the term to exclude, limit or discharge **our** liability under this policy if **you** or the **officer** show that the failure to comply with the term could not have increased the risk of loss which actually occurred in the circumstances in which it occurred.

## 7 Breach of the duty of fair presentation

### (a) breach of duty prior to entering into the contract of insurance

If **you** or the **officer** breach the duty of fair presentation prior to entering into this insurance contract, the remedies available to **us** are:

- if the breach of the duty of fair presentation is deliberate or reckless:
  - **we** may avoid this policy and refuse all requests for payment, and
  - **we** need not return any of the premium paid
- if the breach of the duty of fair presentation is not deliberate or reckless, **our** remedy will depend upon what **we** would have done if **you** or the **officer** had complied with the duty of fair presentation
  - if **we** would not have entered into the contract of insurance at all **we** may avoid this policy and refuse all requests for payment and will return the premium paid
  - if **we** would have entered into the contract of insurance but on different terms (other than terms relating to the premium), this policy will be treated as if it had been entered into on those different terms from the outset
  - in addition, if **we** would have entered into the contract but would have charged a higher premium **we** may proportionately reduce the amount to be paid under this policy and, if applicable, any amount already paid in the same proportion as the premium we would have charged bears to the premium actually charged

### (b) breach of duty prior to entering into a variation of this contract of insurance

If **you** or the **officer** breach the duty of fair presentation prior to entering into a variation of this insurance contract, the remedies available to **us** are:

- if the breach of the duty of fair presentation is deliberate or reckless:
  - **we** may treat this policy as having been terminated from the time when the variation was concluded, and
  - **we** need not return any of the premium paid
- if the breach of the duty of fair presentation is not deliberate or reckless, **our** remedy will depend upon what **we** would have done if **you** or the **officer** had complied with the duty of fair presentation

- if **we** would not have agreed to the variation at all **we** may treat the contract as if the variation was never made and will return any extra premium paid
- if **we** would have agreed to the variation but on different terms (other than terms relating to the premium), the variation will be treated as if it had been entered into on those different terms from the outset

in addition, if either

- **we** would have increased the premium by more than **we** did or at all, or
- **we** would not have reduced the premium as much as **we** did or at all, then

**we** may proportionally reduce the amount to be paid under this policy arising out of events after the variation.

# Professional indemnity

## What is covered

### a Civil liability

We will pay **your** legal liability for damages and costs awarded against **you** arising from any claim first made against **you** and reported to **us** during the period of insurance shown in the policy schedule which arises from any actual or alleged

- negligence
- breach of confidentiality or privacy
- unintentional infringement of intellectual property
- libel, slander or defamation
- any other actual or alleged act, error or omission that results in a civil liability in carrying out of **your professional services**.

In addition **we** will pay

- your costs and expenses** resulting from the claim
- your** solicitor's fees that **we** agree in writing for
  - your** defence in any court of summary jurisdiction of any proceedings brought against **you** for the breach of any statutory duty resulting in **injury**
  - your** representation at a coroner's court or fatal injury inquiry

provided that the breach, **injury** or death may result in a claim against **you**.

How much we will pay

The most **we** will pay in the period of insurance shown in the policy schedule for all claims in total plus all **costs and expenses** is the **limit**.

We will not pay the **excess**. This must be paid by **you**. The **excess** applies to **your** legal liability for damages and **costs and expenses** in respect of each claim or series of claims arising from the same original cause.

### b Public relations management

In the event of a claim under subsection of cover a (civil liability), following

- any actual or alleged incident of abuse, maltreatment or molestation
- the death or injury
- the disappearance, misplacing or abduction

of any person in **your** care, we will pay, at **your** request and subject to **our** prior agreement

- costs incurred by **you** in utilising the **public relations response service**
- other related and reasonable costs agreed by **us**

where, as a consequence of adverse press, publicity or media attention there is, in **our** opinion, a risk to **your activities**.

However,

- you** shall immediately notify **us** of any event or circumstance which might result in **you** seeking payment under the subsection of cover and comply with **our** recommendations or the recommendations of **our** public relations specialist as directed
- you** shall take all reasonable and practical measures to avoid or mitigate public relations costs.



## How much we will pay

The most **we** will pay in the period of insurance shown in the policy schedule is £25,000, which is in addition to the **limit**.

### c Compensation for court attendance

If at **our** request

- any director or partner of **yours**, or
- any **employee**

attends a court as a witness in connection with a claim **we** will pay **you** the following amounts:

- for any director or partner £500 per day
- for any **employee** £250 per day

for each day on which attendance is required.

### d Discovery period

If **we** refuse to renew this section of cover (professional indemnity) for reasons other than

- non-payment of premium; or
- failure to comply with or observe the terms, provisions and conditions of this policy,

or if **you** decline to accept **our** renewal terms, then **you** will automatically be entitled to a 30 day **discovery period**.

The **discovery period** shall only apply to any actual or alleged

- negligence
- breach of confidentiality or privacy
- unintentional infringement of intellectual property
- libel, slander or defamation
- any other actual or alleged act, error or omission that results in a civil liability

first committed or allegedly committed during the period of insurance shown in the policy schedule.

**You** will not be entitled to any **discovery period** if other insurance has been bought with the intention of providing equivalent cover for any part of the **discovery period**.

## What is not covered (exclusions)

### 1 Fines, penalties and liquidated damages

**We** will not pay a claim for any

- fine or penalty
- non-compensatory damages
- liquidated damages arising from any agreement entered into by **you** where **your** legal liability is increased beyond that applicable in the absence of the agreement

## 2 Radioactive contaminations and sonic bangs etc

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only
- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

## 3 War risks and terrorism

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- **war** and/or **terrorism**
- any action taken in controlling, preventing or suppressing **war** and/or **terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

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

- **contamination** due to **terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you**.

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

## 4 Mould

**We** will not pay a claim if the loss is caused by or arises in any way from **mould** or a **mould event**.

## 5 Other insurance

**We** will not pay for a loss where **you** have a right to payment under any other insurance.

However, if **you** have a right to payment under any other insurance **we** will contribute in excess of the payment provided by that insurance. If the other insurance is also provided by **us** then the amount that **we** will pay under this insurance will be reduced by the amount that **we** pay under the other insurance.

## 6 Legal action

**We** will not pay for a loss

- where the claim is brought in a court of law outside the jurisdiction of the applicable courts shown in the policy schedule of cover, and/or
- where action for damages is brought in a court within that jurisdiction to enforce a foreign judgement.

## 7 Employers liability

**We** will not pay a claim where **your** legal liability arises in any way from

- **injury** to any **employee** that results from their employment by **you**, or
- a breach of your responsibility as an employer to any **employee** or prospective **employee**.

## 8 Property

**We** will not pay **you** where **your** legal liability arises in any way from the ownership, possession or use by **you** or on **your** behalf of any

- land
- buildings
- aircraft
- watercraft, or
- mechanically propelled vehicle.

## 9 Dishonest and malicious acts

**We** will not pay a claim where **your** legal liability results from any

- dishonest
- fraudulent
- criminal, or
- malicious

act or omission committed by any person after the discovery of reasonable cause for suspicion of that person.

In addition:

- no one will be entitled to payment in respect of any legal liability and/or **costs and expenses** resulting from their dishonest, fraudulent, criminal or malicious act or omission or from condoning that act or omission.
- **we** will deduct from any amount payable by **us**:
  - any amounts due from **you** to the person committing or condoning the dishonest, fraudulent, criminal or malicious act or omission
  - any amounts held by **you** and owed to the person committing or condoning the dishonest, fraudulent, criminal or malicious act or omission
  - any amount recovered following action in accordance with general condition 1 (subrogation) of this policy.

## 10 Joint ventures

If **you** are part of a joint venture or consortium **we** will only cover **you** for **your** legal liability arising from **your** own acts or omissions; **we** will not pay **you** where **your** legal liability arises from the acts or omissions of other members of the joint venture or consortium.

## 11 Circumstances known at inception

If **you** knew or ought to have known of any circumstances that existed prior to the date that this section of cover started then **we** will not pay a claim for any legal liability that arises from such circumstances.

## 12 Retroactive date

**We** will not pay a claim where **your** legal liability arises from the carrying out of **your professional services** prior to the **retroactive date**.

## 13 Pollution

**We** will not pay a claim where **your** legal liability arises from or in any way involves **pollution**.

## 14 Products

**We** will not pay a claim where **your** legal liability arises from or in any way involves any **product**.

## 15 Trading losses and insolvency etc

**We** will not pay a claim where **your** legal liability arises from

- any trading losses, or
- any trading liabilities, or
- any debts incurred

by any business managed by or carried on by **you**, or

- **your** insolvency or bankruptcy.

## 16 Financial interest

**We** will not pay a claim made against **you** by

- any parent company, ultimate holding company or subsidiary company, or
- any person or entity having a financial, executive or controlling interest in **your** operation, or
- any company or entity in which **you** or any director, member or partner of **yours** has a financial, executive or controlling interest.

However, **we** will the claim if it is for payment or contribution in respect of a claim made by an independent third party against the company, person or entity making the claim against **you**.

## 17 Funding exclusion

**We** will not a claim where **your** legal liability and costs awarded against **you** and/or **costs and expenses** arise in any way from any dispute between **you** and the following providers of finance or funds in relation to **your** legal entitlement to, or obtaining of, the finance or funds

The providers of finance to which this exclusion applies are:

- a non enterprise, or government business enterprise, or a government agency; or
- a local authority or local authority agency; or
- a European Union funding agency.

## 18 Healthcare professional

**We** will not pay a claim where **your** legal liability arises from **you** acting in **your** professional capacity as a doctor, surgeon, physician, midwife, prescribing nurse (except when acting in a nursing capacity only), dentist, or anaesthetist.

## 19 Asbestos

**We** will not pay a claim where **your** legal liability arises in any way from or involves the

- manufacture
- mining
- processing
- distribution
- testing
- remediation

- removal
- storage
- disposal
- sale
- use

or exposure to asbestos or materials or products containing asbestos.

## **18 Intellectual property rights**

**We** will not pay a claim where **your** legal liability arises from

- the infringement, use or disclosure of any patent, or the use, disclosure or misappropriation of a trade secret by **you**, or
- the deliberate breach of confidentiality, or the deliberate breach of another parties intellectual property rights by **you**

In addition, **we** will not pay a claim for amounts owed to licensors under the terms of their licence agreement.

## **19 Directors and officers**

**We** will not pay a claim where **your** legal liability arises from or involves the performance or non-performance by

- **you**, or
- any director, trustee or member of **yours**, or
- any **employee**

of any duties as a director, officer or trustee of any organisation or company.

## **21 Cyber liability**

**We** will not pay **you** for any actual or alleged loss or legal liability arising in any way from any actual or alleged

- **cyber incident**
- the transmission of a **computer virus**
- recovering or reconstituting data

## **22 Coronavirus**

**We** will not pay **you** for any loss that is caused by or arises in any way from

- Coronavirus (COVID-19)
- severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
- a mutation or variation of SARS-CoV-2
- a threat, fear or likelihood of infection with any of the above

# Conditions that apply to this section of cover

## 1 Medical malpractice

**You** will ensure that any doctor, surgeon, physician, midwife, prescribing nurse, (other than when acting in a nursing capacity only), dentist or anaesthetist who is employed by **you** or contracted to provide services for **you** will:

- be a current member of their recognised UK governing professional body or association; and
- have in place their own insurance or arrangements of a similar kind to insure against their professional errors, omissions, negligence or malpractice.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 2 Calibration procedures and maintenance

**You** must ensure that all equipment utilised for the purpose of **your professional services** is calibrated and/or maintained in accordance with the manufacturer's recommendations.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 3 Maintenance of rights and remedies

**You** must maintain all **your** rights and remedies against all service providers, designers, consultants or contractors that **you** engage.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

**Employee** means any person (other than a director of **yours**) who is (or was or who may be in the future):

- under a contract of service or apprenticeship with **you**, or
- under any work experience or similar scheme, or
- supplied to or hired in or borrowed by **you**, or
- self-employed persons
- a volunteer

and who are working for **you**

- under **your** direct control in connection with **your activities**, and
- they are normally resident in the **United Kingdom**.

**Excess** means the first amount of any claim for which **you** are responsible. The amount in respect of this section of cover is shown in the policy schedule.

**Injury** means

- bodily injury



- mental injury
- emotional distress
- shock
- sickness
- disease, or
- death.

**Insured, you, your, yours** means

- the person or persons, and/or
- the firm and all partners and former partners in the firm, and/or
- the limited liability partnership, and/or
- the trust, and/or
- the company

named as the policyholder in the policy schedule.

In the event of the death, incompetency, incapacity, bankruptcy or insolvency of any natural person named as this policyholder or partner or former partner of this policyholder then it also means

- the estate, and/or
- the heirs, and/or
- the legal representatives (including anyone to whom their rights or liabilities have been legally transferred or anyone appointed to act for them)

of the person or partner concerned.

In addition, if **you** request us to, **we** will pay the following persons in the same way that **we** would pay **you** provided that they observe, fulfil and are subject to the terms, conditions and exclusions of this policy as **you** are:

- any governor, director, council member, member, officer or trustee of **yours**, or
- any **employee**

**Limit** means the maximum amount **we** will pay. The amount in respect of this section of cover is shown in the policy schedule.

**Product** means any goods or services, including

- their containers
- labelling and instructions provided for the goods or services

which are

- sold
- supplied
- processed
- installed
- serviced
- repaired
- altered
- treated, or
- renovated

by **you** or on **your** behalf.

**Professional services** means

- those services performed by **you** or on **your** behalf in connection with **your activities** that **you** have told **us** about and which **we** have confirmed are acceptable for the purpose of this insurance.
- Advertising, publicity or promotional material for the purpose of **your activities**.

**Public relations response service** means public relations specialist services that **we** provide

**Retroactive date** means either

- the date when this section of cover was first inception, or
- where equivalent cover to that provided under this section of cover has been continuously maintained immediately prior to the inception of this section of cover, then it means the date that applied to that equivalent cover.

**Public relations response service**

This is available to all policyholders who have purchased this section of cover. In the event of a claim, this provides access to a specialist public relations organisation, The Counsel House, to help manage situations where there is a risk of adverse press, publicity or media attention, following a claim under subsection of cover a (civil liability).

**How to access the public relations response service**

Please contact our claims team for details of how to access this service.

**Telephone:** 0345 355 2227 (available Monday – Friday, 9.00am – 5.00pm)

**Email:** [claimsuk@markelintl.com](mailto:claimsuk@markelintl.com)

# Public/products liability

## What is covered

### a Public liability

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** for

- **injury** to any person
- loss or damage to material property
- libel, slander or defamation
- wrongful arrest, imprisonment or eviction of any person
- wrongful accusation of shoplifting
- trespass, nuisance or any interference with right of way, by foot, air or water

occurring during the period of insurance shown in the policy schedule within the **United Kingdom** and happening in connection with **your activities**.

**We** will not pay a claim under this subsection of cover (public liability) which arises from a **product**.

How much we will pay

The most **we** will pay for any claim or series of claims arising from the same original cause is the **limit**.

In addition

- **we** will pay **your costs and expenses** resulting from the claim, however, if **your** legal liability is more than the **limit** then the amount **we** will pay in respect of **costs and expenses** will be proportionally reduced.
- **we** will pay **your** solicitor's fees that **we** agree to in writing for
  - **your** defence in any court of summary jurisdiction of any proceedings brought against **you** for the breach or alleged breach of any statutory duty resulting in **injury**
  - **your** representation at a coroner's court or fatal accident inquiry

provided that **we** believe that the breach, **injury** or death may result in a claim against **you**.

**We** will not pay the **excess** for any legal liability arising from loss or damage to material property. This must be paid by **you**. The **excess** applies to **your** legal liability for damages and **costs and expenses** in respect of each claim or series of claims arising from the same original cause.

### b Products liability

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** for

- **injury** to any person
- loss or damage to material property,

occurring anywhere in the world during the period of insurance shown in the policy schedule caused by the nature or condition of any **product** initially sold or supplied by **you** from within the **United Kingdom**.

How much we will pay

The most **we** will pay for all claims in total in the period of insurance shown in the policy schedule will not exceed the **limit**.

In addition:

- **we** will pay **your costs and expenses** resulting from the claim, however, if **your** legal liability is greater than the **limit** then the amount **we** will pay in respect of **cost and expenses** will be proportionally reduced..

- **we** will pay **your** solicitor's fees that **we** agree to in writing for:
  - **your** defence in any court of summary jurisdiction of any proceedings brought against **you** for the breach or alleged breach of any statutory duty resulting in **injury**
  - **your** representation at a coroner's court or fatal accident inquiryprovided that the breach, **injury** or death results in a claim against **you**.

## **c Public relations management**

**We** will pay costs incurred by **you**, with **our** prior agreement, of utilising the **public relations response service** following

- any actual or alleged incident of abuse
- the death or injury
- the disappearance, misplacing or abduction

of any person in **your** care, first occurring and reported to **us** during the period of insurance shown in the policy schedule, which could result in a claim under subsection of cover a (public liability) of this section of cover, and where, in **our** opinion, there is a risk to **your activities** as a consequence of adverse press, publicity or media attention.

In addition **we** will pay any other related costs agreed with **us**.

How much we will pay

The most **we** will pay in the period of insurance shown in the policy schedule for costs resulting from the use of the **public relations response service** is £25,000, which is in addition to the **limit**.

## **d Compensation for court attendance**

If at **our** request:

- any director or partner of **yours**; or
- any **employee**,

attends a court as a witness in connection with a claim **we** will pay you the following amounts:

- for any director or partner £500 per day
- for any **employee** £250 per day

for each day on which attendance is required.

## **e Health and safety at work.**

**We** will pay **your costs and expenses** in **your** defence of any criminal proceedings (including a charge of manslaughter) brought against **you** for a breach of

- the Health and Safety at Work Act 1974, or
- the Health and Safety at Work (Northern Ireland) Order 1978, or
- any legislation amending or re-enacting the above,

committed or alleged to have been committed in the course of **your activities** during the period of insurance shown in the policy schedule.

**We** will also pay **your costs and expenses** in an appeal against conviction and/or prosecution costs awarded against **you** arising from the above criminal proceedings.

How much we will pay

The most **we** will pay for all **costs and expenses** in total in the period of insurance shown in the policy schedule is £500,000. This amount is inclusive of and not additional to the amount **we** will pay under section of cover

- a public liability; and
- b products liability.

**We** will not pay **you** if the proceedings relate to the health, safety and welfare of an **employee**.

## **f Extensions to the public liability cover**

The public liability section of this policy is extended to include the following:

### 1 Indemnity to principal

**We** will at **your** request pay any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions.

However, **we** will only pay the principal if

- **you** would have been entitled to payment under this section of cover (public liability) had the claim been made against **you**
- the principal observes, fulfils and is subject to the terms, conditions and exclusions of this policy in the same way as **you** are.

### 2 Damage to hired or rented premises

Despite exclusion 10 (property damage) of this section of cover, **we** will pay **you** for **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from loss or damage to premises and/or the premises' fixtures and fittings where the premises are hired or rented by **you** for the purpose of **your activities**.

**We** will not pay the first £250 of the damages and costs or **costs and expenses** unless the loss or damage results from fire or explosion. This must be paid by **you**.

**We** will not pay for **your** legal liability arising from a tenancy agreement or any other agreement, other than for any legal liability **you** would have had, had **you** not entered into the agreement.

### 3 Defective premises act

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from a breach of

- section 3 of the Defective Premises Act 1972, or
- section 5 of the Defective Premises (Northern Ireland) Order 1975, or
- any legislation amending or re-enacting the above,

in connection with premises which **you** have disposed of.

**We** will not pay **you** for the cost of rectifying any damage or defect in the premises.

### 4 Use of motor vehicles that do not belong to you (motor contingent liability)

Despite exclusion 11 (motor vehicles or vessels) of this section of cover, **we** will pay **you** for **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from the use of any motor vehicle being used for the purpose of **your activities** and which is

- not **your** property, and/or
- not provided by **you**.

**We** will not pay **you** for

- any damage to the vehicle or any property on or in the vehicle,
- any liability resulting from the vehicle being driven by anyone other than an **employee**,
- where the vehicle is being used outside of the **United Kingdom**.

## 5 Overseas liability

The cover provided by this section of cover (public liability) is extended to include non-manual work undertaken anywhere in the world.

The cover provided by this section of cover (public liability) is also extended to include **you** in a personal capacity whilst **you** are outside of the **United Kingdom** in connection with **your activities** but only in respect of **injury** and/or loss or damage to material property.

Despite exclusion 8 (legal action) of this section of cover, if an action for damages is brought in a court of law within the jurisdiction of the United States of America or Canada then the most **we will pay you** in respect of

- **your** legal liability for damages and costs awarded against **you**, plus
- **costs and expenses**

is the **limit**.

**We** will not pay **you** where **your** legal liability arises from the ownership of any land or buildings

## 6 Where there is more than one insured (cross liabilities)

If the **insured** comprises more than one person or entity then the cover provided by this section of cover (public liability) shall be interpreted as if a separate policy had been issued to each person or entity.

However, irrespective of the number of **insureds**, the total amount payable by **us** in respect of all **insureds** shall not exceed the **limit**.

## 7 Member to member liability

If any member of **your**

- canteen, social, sports or welfare organisations, or
- fire, ambulance, first aid, medical or security services,

brings an action for damages against any other member then **we will pay the member against whom the action is brought in the same way that **we** would pay **you** if the action had been brought against **you**.**

However, **we** will only pay the member if they observe, fulfil and are subject to the terms, conditions and exclusions of this policy as **you** are.

**We** will not pay the member if they are entitled to payment under any other insurance.

For the purpose of this extension **we** will regard any guest or voluntary helper as members.

## 8 Data Protection Act 1998

Provided that **you** do not provide computer services to others as part of **your activities** **we will pay you** for **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from

- section 13 of the Data Protection Act 1998, or
- any legislation amending or re-enacting the Act, or
- any legislation enacted into **United Kingdom** law for the transfer, storage, control or processing of information or data, for example General Data Protection Regulation

in connection with your activities during the period of insurance shown in the policy schedule.

**We** will not pay

- where **your** liability results from **your** deliberate act or omission, the result of which could reasonably have been anticipated
- where **your** liability results from any act of fraud or dishonesty

- where **your** liability arises from the recording, processing or provision of data for reward or to determine the financial status of any person.
- where **your** liability results from data processed outside of the European Union
- if **you** do not have a data protection accountability statement which is reviewed at least annually.

## **g Extensions to the products liability cover**

The products liability section of this policy is extended to include the following:

### 9 Consumer protection and food safety

**We** will pay for **costs and expenses** arising from the defence of any claim made against **you** which arises from a breach of

- part II of the Consumer Protection Act 1987, or
- sections 7, 8, 14 and/or 15 of the Food Safety Act 1990, or
- any legislation amending or re-enacting the above

committed or allegedly committed in the course of **your activities** during the period of insurance shown in the policy schedule including **costs and expenses** in an appeal against conviction.

**We** will not pay **you** where **your** legal liability arises from **your**, wilful, reckless or intentional disregard of **your** duties under these Acts.

### 10 Product to product liability

Despite exclusion 17 (products) of this section of cover, **we** will pay **you** for **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from loss or damage to a **product** after it has left **your** charge or control

- caused by another **product** supplied, installed or fitted by **you** or on **your** behalf under a separate contract; or
- when **you** are engaged in any operation not connected with the supply, installation or fitting of the original **product**.

# What is not covered (exclusions)

## **1 Fines and penalties**

**We** will not pay **you** or any

- fine or penalty
- non-compensatory damages.

## **2 Radioactive contaminations and sonic bangs etc**

**We** will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only

- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

### 3 War risks and terrorism

**We** will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- **war** and/or **terrorism**
- any action taken in controlling, preventing or suppressing **war** and/or **terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

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

- **Contamination** due to **terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you**.

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

### 4 Confiscation etc

**We** will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from confiscation, requisition, nationalisation, seizure, detention or destruction by any government, public, local or customs authority.

### 5 Electronic data

**We** will not pay **you** against loss, destruction, damage, distortion, erasure, corruption or alteration of **electronic data** from any cause (including **computer virus**) or any resulting loss of use, reduction in functionality, cost, or expense, of whatever nature, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, destruction, damage, distortion, erasure, corruption or alteration.

This exclusion does not exclude physical loss, destruction, damage, distortion, erasure, corruption or alteration directly caused by fire or explosion.

### 6 Mould

**We** will not pay **you** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from **mould** or a **mould event**.

### 7 Other insurance

**We** will not pay **you** where **you** have a right to payment under any other insurance.

However, if **you** have a right to payment under any other insurance **we** will contribute in excess of the payment provided by that insurance. If the other insurance is also provided by **us** then the amount that **we** will pay under this insurance will be reduced by the amount that **we** pay under the other insurance.

### 8 Legal action

**We** will not pay **you**

- where the claim is brought in a court of law outside the jurisdiction shown in the policy schedule for this section of cover, and/or
- where action for damages is brought in a court within that jurisdiction to enforce a foreign judgement.

## 9 Employers liability

We will not pay **you** where **your** legal liability arises in any way from

- **injury** to any **employee** that results from their employment by **you**, or
- a breach of any obligation **you** owe as an employer to any **employee** or prospective **employee**.

## 10 Property damage

We will not pay **you** where **your** legal liability arises in any way from loss or damage to

- property that belongs to **you**, or
- property or that part of any property on which **you** or anyone acting on **your** behalf are or have been working where the loss or damage is a direct result of the work, or
- property that is in **your** charge, custody or control or in the charge, custody or control of an **employee**, other than
  - the personal property of **your** directors, partners, visitors or **employees**, or
  - premises (including fixtures, fittings and contents) that are not owned, hired or rented by **you** but are temporarily occupied by **you** for the purpose of **your activities**.

## 11 Motor vehicles or vessels

We will not pay **you** where **your** legal liability arises in any way from the ownership, possession or use by **you** or on **your** behalf of

- any mechanically propelled vehicle for which insurance or security is required under road traffic legislation, however, this exclusion will not apply
  - when the vehicle is being used as a tool of trade (other than if compulsory insurance is required under road traffic legislation)
  - to the loading or unloading of the vehicle or the delivery or collection of goods to or from the vehicle
  - if the vehicle does not belong to **you** and is moved because it is interfering with the performance of **your activities** (unless it is more specifically insured by another insurance policy when this exclusion will apply)
- anything that is made or intended to travel through water or air, however, this exclusion will not apply to hand propelled watercraft of up to 8 metres in length when used on inland waterways.

## 12 Professional services

We will not pay **you** where **your** legal liability arises in any way from

- the provision of, or the failure to provide, **professional services**
- any breach of a professional duty owed

## 13 Clause 21.2.1 insurance (JCT standard form of building contract)

We will not pay **you** for damage to property if **you** are required to arrange insurance under the terms of

- clause 21.2.1 of the 1980 edition of the Joint Contract Tribunal conditions of contract, or
- any later version or substitution of the above, or
- any other contract that requires **you** to obtain similar insurance.

## 14 Pollution

We will not pay **you** where **your** legal liability arises in any way from

- **pollution**, and/or
- the cost of removing, treating or cleaning up the **pollution**.

However, **we** will pay **you** if the **pollution** occurs anywhere other than the United States of America and/or Canada (including any dependency or trust territory) and provided:

- the **pollution** is caused by a sudden identifiable unintended and unexpected incident.
- the incident takes place in its entirety at a specific time and place during the period of insurance shown in the policy schedule.
- all **pollution** arising from the incident will be regarded as having taken place at the time of the incident.
- all **pollution** arising from the incident will be regarded as one incident irrespective of the number of **periods of insurance** over which the **pollution** occurs.

The most **we** will pay for damages arising out of all **pollution** regarded as having occurred during any one period of insurance shown in the policy schedule will not exceed the **limit**.

## 15 Asbestos

**We** will not pay **you** where **your** legal liability arises in any way from the

- manufacture,
- mining,
- processing,
- distribution,
- testing,
- remediation,
- removal,
- storage,
- disposal,
- sale,
- use of, or
- exposure to

asbestos or materials or products containing asbestos.

## 16 Joint ventures

If **you** are part of a joint venture or consortium **we** will only cover **you** for **your** legal liability arising from **your** own acts or omissions; **we** will not pay **you** where **your** legal liability arises from the acts or omissions of other members of the joint venture or consortium.

## 17 Products

**We** will not pay **you**:

- for the cost repair, alteration, removal, recall or replacement of a **product** or for the cost of its reduction in contract value.
- where **you** know that the **product** will be used in any aircraft or aerial device.
- where **you** know the **product** will be used in the petrochemical industry.
- where **you** know the **product** is exported to Canada or the United States of America or any dependency or trust territory.

- where **your** legal liability arises in any way from the sale, supply, processing, installation, servicing, repairing, altering, treating or renovation of second hand
  - electrical goods or products
  - gas appliances
  - appliances containing or using flammable liquids.

## 18 Contractual liability (public liability)

**We** will not pay **you** under the public liability section of cover for any legal liability that results from an agreement that **you** have entered into if **your** liability is increased beyond that applicable in the absence of the agreement.

However, this exclusion will not apply if **we** are given the management and control of the claim.

## 19 Contractual liability (products liability)

**We** will not pay **you** under the products liability section of cover for any legal liability that results from an agreement that **you** have entered into if **your** liability is increased beyond that applicable in the absence of the agreement.

However, this exclusion will not apply where the liability arises out of a condition of warranty of goods implied by law.

## 20 Excluded activities

**We** will not pay **you** where **your** legal liability arises in any way from an **excluded activity**.

## 21 Play inflatables

**We** will not pay **you** where **your** legal liability arises in any way from the use of any play inflatable, or any inflatable of a similar kind, owned, operated or hired by **you**.

- However, this exclusion shall not apply if the play inflatable has a current PIPA test certificate and issued in accordance with the manufacturer's recommendations, and
- supervised by a responsible adult when in use.

## 22 Fairground rides and amusements

**We** will not pay **you** where **your** legal liability arises in any way from the use of mechanical fairground amusements and/or rides owned, operated or hired by **you**.

However, this exclusion will not apply to any fairground equipment and/or rides which are owned and operated by any person who is a current member of the Showman's Guild.

## 23 Cyber liability

Despite extension 8 (Date Protection Act 1988) applicable to the public liability section of cover, **we** will not pay **you** for any loss or legal liability caused by or arising in any way from any actual or alleged unauthorized acts (including malicious acts) which result in access to, disruption of, or any failure of any **computer equipment** or other equipment or component or system or item which processes, stores or receives electronic data

## 24 Coronavirus

**We** will not pay **you** for any loss that is caused by or arises in any way from

- Coronavirus (COVID-19)
- severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
- a mutation or variation of SARS-CoV-2
- a threat, fear or likelihood of infection with any of the above



# Conditions that apply to this section of cover

## 1 Continuous, repeated or intermittent abuse

In respect of any claim under this section of cover that involves in any way **continuous abuse**

- the **continuous abuse** will be regarded as one originating cause
- subject to the clauses headed 'what we will pay', **our** liability under this section of cover in any one period of insurance for any claim or relating to any person who has suffered **continuous abuse** will be that proportion of the total claim which the period of insurance bears to the total period of the **continuous abuse**.

## 2 Specified activities

When **specified activities** are carried out,

- **you** will ensure that those **specified activities** are carried out:
  - under the supervision and control of a suitably qualified instructor authorised by and registered with a **regulatory body**
  - under the control of a club which is an authorised member of the **regulatory body**
  - in accordance with any code of practice or recommendations issued by the **regulatory body**
- **you** maintain all **your** rights and remedies against those instructors and/or clubs.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 3 Trampolines and similar equipment

**You** will ensure that when trampolines and similar equipment are used

- only one person is on the trampoline at any one time and is supervised on a one to one basis by a responsible adult;
- where the trampoline or similar equipment is owned, operated or hired by **you**
  - the trampoline is erected, maintained and used in accordance with manufacturer's recommendations
  - the trampoline is put away after use or made inaccessible.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 4 Ball pools

**You** will ensure that any ball pools owned, operated or hired by **you** are

- used, erected, maintained and cleaned in accordance with manufacturer's recommendations
- supervised by a responsible adult when in use
- only persons of similar age, weight or build use the ball pool at any one time
- checked daily to remove foreign items from the ball pool
- if soiled, evacuated and the affected balls removed and cleaned
- only used by persons who have removed all items of jewellery, keys, coins and similar items prior to entering the ball pool.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 5 Playground equipment

**You** will ensure that all fixed playground equipment owned by and/or operated by **you** are



- inspected by **you** at least once a month and maintained in good condition; and
- will be inspected:
  - annually, and
  - in respect of new equipment, a post installation inspection is carried out by a member of the Register of Play Inspectors International Ltd (RPII) and all subsequent recommendations are implemented.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 6 Fundraising events

**You** will ensure that, in respect of any fund raising event

- attendance at the event does not exceed 500 people at any one time
- alcohol or any other intoxicating substance is neither sold nor provided by **you**
- where approval for the event is required from the police and/or a competent authority it has been granted

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

## 7 Calibration procedures and maintenance

**You** must ensure that all equipment utilised for the purpose of **your activities** is calibrated and/or maintained in accordance with the manufacturer's recommendations.

If **you** fail to do this **your** claim may not be covered or the amount **we** pay **you** may be reduced.

# Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

**Activities.** In addition to the meaning given under 'words with special meanings throughout this policy (general definitions)' **activities** also means

- **your** ownership, occupation and maintenance of land or buildings
- the provision and management of canteen, social, sports and welfare organisations for the benefit of **employees**
- the provision and management of ambulance, first aid and medical services for the benefit of **employees**
- the provision and management of fire and security services for the protection of premises owned or occupied by **you**
- private duties undertaken by an **employee** for **you** or, with **your** consent, for any director or partner of **yours** or any **employee**
- fundraising events that are organised by **you** or on **your** behalf.

**Continuous abuse** means continuous, repeated or intermittent abuse, maltreatment, molestation or harassment which does not arise from a sudden identifiable and unexpected event that occurs in its entirety at a specific time and place.

**Employee** means any person (other than a director of **yours**) who is or was, or who may become at some time in the future

- under a contract of service or apprenticeship with **you**, or

- under a work experience or similar scheme, or
- supplied to **you**, or
- hired in or borrowed by **you**, or
- a self-employed person, or
- a volunteer

and who are working for **you**

- under **your** direct control in connection with **your activities**, and
- they are normally resident in the **United Kingdom**.

**Excess** means the first amount of any claim for which **you** are responsible. The amount in respect of this section of cover is shown in the policy schedule.

**Excluded activity** means:

- adventure activities or outward bound courses other than those undertaken at activity centres registered with and licensed by The Adventure Activities Licensing Authority
- aerial activities of any kind, including air displays, flying (other than as a fair paying passenger in a commercial aircraft), ballooning, parachuting, "B.A.S.E." jumping, gliding, hang gliding and operation of drones
- climbing of any kind (other than indoor climbing). gorge walking, abseiling and activities requiring the use of cables, wires, elastic ropes (including bungee) and ropes (other than tug of war)
- commercial gambling
- cycling (other than road or designated cycle route use)
- firework displays or bonfires
- gymnastics, barfly jumping and fire walking
- horse, pony or donkey riding of any kind and/or the handling, grooming or showing of dogs (other than guide dogs)
- the use of mechanically propelled vehicles, including driving and working with or on such vehicles (other than loading or unloading or the static display of vehicles), karting, motor rallies and motor sports.
- professional or semi-professional sports of any kind, including racing and time trials (other than on foot)
- Skating and boarding of any kind, including roller blading, roller skating, skate boarding, land boarding, and ice skating (other than visits to a supervised rink)
- **specified contact sports**
- underground activities of any kind, including caving and pot holing
- swimming, water polo or diving (other than at a sports or leisure centre whilst undertaken under the supervision of a suitably qualified lifeguard)
- water activities of any kind (other than sailing or canoeing), including jet skiing, water skiing, sub aqua diving, raft racing and white water rafting
- shooting (other than archery and/or clay pigeon shooting)
- winter sports of any kind (other than curling and/or dry slope skiing)

**Injury** means

- bodily injury
- mental injury
- emotional distress

- shock
- sickness
- disease, or
- death.

**Insured, you, your, yours** means

- the person or persons, and/or
- the firm and all partners and former partners in the firm, and/or
- the limited liability partnership, and/or
- the trust, and/or
- the company

named as this policyholder in the policy schedule, and/or

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

In addition, if **you** request **us** to, **we** will pay the following persons in the same way that **we** would pay **you** provided that they observe, fulfil and are subject to the terms, conditions and exclusions of this policy as **you** are:

- any governor, director, council member, member, officer or trustee of **yours**, or
- any **employee**, and
- any officer or member of **your** canteen, social, sports or welfare organisations, fire, ambulance, first aid, medical or security services (but only whilst they are acting in their capacity as an officer or member of the above organisations or services).

**Limit** means the maximum amount **we** will pay. The amount in respect of this section of cover is shown in the policy schedule.

**Product** means

- any goods or products
- the containers, labelling and instructions provided in connection with the goods or products

that are:

- sold
- supplied
- processed
- installed
- serviced
- repaired
- altered
- treated, or
- renovated

by **you** or on **your** behalf.

**Professional services** means the following services performed by **you** or on **your** behalf in connection with **your** activities



- advocacy
- assessments
- consultancy work
- counselling
- design and implementation of care programmes
- diagnosis
- education, teaching and training
- investigations
- publishing
- remedial treatment
- research

**Public relations response service** means public relations specialist services that **we** provide

**Regulatory body** means any of the following that are appropriate to the **specified activity**

- the Adventure Activities Licensing Authority;
- the British Association of Snowsport Instructors;
- the British Canoe Union;
- the Clay Pigeon Shooting Association;
- the Grand National Archery Society;
- the Maritime and Coastguard Agency;
- Mountain Training;
- the Royal Yachting Association; and
- Snowsport England.

**Specified activity** means:

- adventure activities or outward bound courses undertaken at activity centres registered with and licensed by the Adventure Activities Licensing Authority
- archery
- clay-pigeon shooting
- dry slope skiing and snow boarding
- indoor climbing
- sailing or canoeing

**Specified contact sports** means

- rugby
- American/Canadian football
- Australian rules football
- Gaelic football
- boxing

- martial arts (other than tai-chi)
- kick boxing
- ice hockey

# Trustees liability

## What is covered

### a Officer's liability

**We** will pay any **officer** for their legal liability for damages and costs awarded against them arising from any claim first made against them and reported to **us** during the period of insurance shown in the policy schedule which arises from any actual or alleged **wrongful act** committed or attempted by an **officer** during the performance of their duties as an **officer of yours**.

In addition **we** will pay

- the **officer's costs and expenses** resulting from the claim.
- punitive or exemplary damages awarded against the **officer** where the payment is lawfully allowed under this policy.
- the premium paid by the **officer** for insurance or bonds which, in certain jurisdictions, are required to begin an appeal.

If claims are made against both **you** and the **officer** and those claims arise from the same **wrongful act**, **we** will pay the **officer's costs and expenses** in full even if those **costs and expenses** incidentally benefit **you**. However, this does not apply if the **wrongful act** is an **employment wrongful act**.

However, if **you** are legally allowed to pay the **officer** under **your** Memorandum or Articles of Association, trust deed, constitution or charter for their legal liability and **we** reimburse **you** or make that payment on **your** behalf under subsection of cover h (reimbursement) below, then **we** will not make any payment under this subsection of cover a (officers liability).

### b Outside board cover

**We** will pay any **officer** for their legal liability for damages and costs awarded against them arising from any claim first made against them and reported to **us** during the period of insurance shown in the policy schedule which arises from any actual or alleged **wrongful act** committed or attempted by an **officer** during the performance of their duties as an **officer of the outside company** when they hold the position of **officer at your** written request.

In addition **we** will pay

- the **officer's costs and expenses** resulting from the claim.
- punitive or exemplary damages awarded against the **officer** where the payment is lawfully allowed under this policy.
- the premium paid by the **officer** for insurance or bonds which, in certain jurisdictions, are required to begin an appeal.

### c Disqualification proceedings

**We** will pay any **officer** for **costs and expenses** arising from **disqualification proceedings** which are first ordered or commissioned and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay any amount which the **officer** recovers from the **organisation** and where **we** pay the **organisation** under subsection of cover 'h' (reimbursement).

### d Investigation costs

**We** will pay any **officer** for **costs and expenses** arising from an **investigation** which is first ordered or commissioned and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay any amount which the **officer** recovers from **you** and where **we** pay **you** under

subsection of cover 'h' (reimbursement).

#### e Environmental proceedings

**We** will pay any **officer** for **costs and expenses** arising from **environmental proceedings** which are first ordered or commissioned and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay any amount which the **officer** recovers from **you** and where **we** pay **you** under subsection of cover 'h' (reimbursement).

#### f Extradition proceedings

**We** will pay any **officer** for **costs and expenses** arising from **extradition proceedings** which are first ordered or commissioned and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay any amount which the **officer** recovers from **you** and where **we** pay **you** under subsection of cover 'h' (reimbursement).

#### g Manslaughter claims cover

**We** will pay any **officer** for **costs and expenses** arising from proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007 (or any legislation amending or re-enacting the Act) which are first ordered or commissioned and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay any amount which the **officer** recovers from **you** and where **we** pay **you** under subsection of cover 'h' (reimbursement).

#### h Reimbursement

If **you** are legally allowed to pay on behalf of an **officer** any amount which the **officer** would otherwise be entitled to payment by **us** under the following subsections of cover

- a (officers liability)
- c (disqualification proceedings)
- d (investigation costs)
- e (environmental proceedings)
- f (extradition proceedings)
- g (manslaughter claims cover)

then **we** will reimburse **you** for that payment.

#### i Discovery period

If **we** refuse to renew this section of cover for reasons other than

- non-payment of premium, or
- failure to comply with or observe the terms, provisions and conditions of this policy,

or if any **officer** or **you** declines to accept **our** renewal terms, then the **officer** or **you** shall automatically be entitled to a six month **discovery period**.

The **discovery period** shall only apply to:

- **wrongful acts**
- **disqualification proceedings**
- **investigations**
- **environmental proceedings**

- **extradition proceedings**
- proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007

first committed or allegedly committed, ordered or commissioned during the period of insurance shown in the policy schedule.

The **officer** or **you** shall not be entitled to any **discovery period** if other insurance has been bought with the intention of providing equivalent cover for any part of the **discovery period**.

## **j Public relations management**

**We** will pay any **officer** for costs resulting from the use, with **our** prior agreement, of the **public relations response service** following a **crisis**.

In addition **we** will pay any other related costs agreed with **us**.

## **k Compensation for court attendance**

If at **our** request

- any **officer of yours**, or
- any **employee**

attends a court as a witness in connection with a claim **we** will pay you the following amounts:

- for any **officer** £500 per day
- for any **employee** £250 per day

for each day on which attendance is required.

How much we will pay

The most **we** will pay in the period of insurance shown in the policy schedule for

- all claims in total, plus
- all **costs and expenses**, plus
- all punitive or exemplary damages, plus
- all premiums for insurance or bonds required to begin an appeal,

is the **limit**.

The most **we** will pay in the period of insurance shown in the policy schedule for costs resulting from the use of the **public relations response service** is £25,000. This amount is in addition to the **limit**.

The most **we** will pay in the period of insurance shown in the policy schedule for **costs and expenses** arising from **environmental proceedings** is £250,000. This amount is not in addition to the **limit**.

# What is not covered (exclusions)

## **1 Fines and penalties**

**We** will not pay **you** or an **officer** for any fine or penalty

## **2 Radioactive contaminations and sonic bangs etc**

**We** will not pay **you** or an **officer** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only
- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

### 3 War risks and terrorism

**We** will not pay **you** or an **officer** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- **war** and/or **terrorism**
- any action taken in controlling, preventing or suppressing **war** and/or **terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

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

- **contamination** due to **terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you** and/or the **officer**.

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

### 4 Mould

**We** will not pay **you** or an **officer** for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from **mould** or a **mould event**.

### 5 Other insurance

**We** will not pay an **officer** or **you** where they or **you** have a right to payment under any other insurance.

However, if they have a right to payment under any other insurance we will contribute in excess of the payment provided by that insurance. If the other insurance is also provided by **us** then the amount that **we** will pay under this insurance will be reduced by the amount that **we** pay under the other insurance

### 6 Legal action

**We** will not pay an **officer** or **you**

- where the claim is brought in a court of law outside the **United Kingdom**, and/or
- where action for damages is brought in a court within the **United Kingdom** to enforce a foreign judgement.
- where **disqualification proceedings, investigation, environmental proceedings or extradition proceedings** are ordered or commissioned outside the **United Kingdom**.

### 7 Employment disputes

If

- **you** are an unincorporated body, or
- the legal representation and employment disputes cover has been chosen



then **we** will not pay an **officer** or **you** for

- an **employment wrongful act**
- an **investigation** in respect of employment discrimination or health and safety.

## 8 Dishonest and malicious acts

**We** will not pay an **officer** or **you** if the **officer** admits to dishonest, fraudulent or malicious conduct or if this is established in a judgement or final ruling.

This exclusion does not apply to any **shareholder action** where the loss in value of the share capital is a result of the dishonest, fraudulent or malicious conduct of the **officer**.

## 9 Remuneration

**We** will not pay an **officer** or **you** to the extent of any remuneration of any kind that is due to any **officer** or **employee**.

## 10 Prior and pending litigation

**We** will not cover any claim made against any **officer** or **you** or pay any **costs and expenses** arising from

- a **wrongful act**
- **disqualification proceedings**
- an **investigation**
- **environmental proceedings**
- **extradition proceedings**
- any proceedings brought under the Corporate Manslaughter and Corporate Homicide Act

arising in any way from any previous or known litigation or proceedings (including allegations from the same or essentially the same facts) involving an **officer**, **you** or an **outside company** that was first started prior to the date that this section of cover came into force.

**We** will not cover any claim, proceedings or circumstances which have been reported or notified under any contract of insurance which this section of cover renews or replaces.

## 11 Pollution

**We** will not pay an **officer** or **you** in respect of any claim or proceedings arising from or in any way involving **pollution**.

This exclusion does not apply to subsection of cover e (environmental proceedings).

This exclusion does not apply to any **shareholder action** where the loss in value of the share capital is a result of **pollution**.

## 12 Injury or property damage

**We** will not cover any claim for

- **injury** to any person
- loss, damage, destruction or loss of use of property.

This exclusion does not apply to emotional distress arising from

- libel, slander or defamation
- **employment wrongful act**

This exclusion does not apply to the criminal prosecution of any **officer** for manslaughter in relation to **your** activities,

This exclusion does not apply to any **shareholder action** where the loss in value of the share capital is a result of **injury** or loss, damage, destruction or loss of use of property.

### 13 Pension funds

**We** will not pay an **officer** or **you** in respect of any claim or proceedings arising from the **officer** acting in the capacity of trustee or administrator of any pension, retirement or superannuation scheme or programme created for the benefit of an **officer** or **employee**.

### 14 Takeover or merger

**We** will not cover any actual or alleged **wrongful act** committed or attempted after the effective date of **your** takeover or merger by or with any person or entity.

**We** will not cover any **disqualification proceedings, investigations, environmental proceedings** or **extradition proceedings** instigated after the effective date of **your** takeover or merger by or with any person or entity.

### 15 Professional duties to third parties

**We** will not cover any claim made by a third party for any breach of any professional duty owed to that party.

This exclusion does not apply to any **shareholder action** where the loss in value of the share capital is a result of breach of professional duty owed.

### 16 Claims made by any outside company

**We** will not cover any claim made by or on behalf of any **outside company** and/or any director, officer or trustee of the **outside company**.

This exclusion does not apply to

- any claim in respect of any **employment wrongful act** concerning the employment of the director or officer of the **outside company**
- any claim brought by any shareholder or bondholder of the **outside company** (which is made without any solicitation by, or assistance or participation of, any director, officer or trustee) due solely to any actual or alleged loss in value of the share capital of the **outside company**
- **costs and expenses** in the defence of any claim made by or on behalf of any **outside company** and/or any director, officer or trustee of the **outside company**
- any claim for contribution brought by any director, officer or trustee of the **outside company** if the claim directly results from any other claim or payment under this section of cover
- any claim brought by any person who is no longer a director, officer or trustee of the **outside company**
- any claim brought by a liquidator, receiver or administrative receiver due to the insolvency of the **outside company**.

**We** will not cover any claim made by or on behalf of any person who controls more than 15% of the issued share capital of any **outside company**.

### 17 Punitive and exemplary damages (employment)

**We** will not cover the cost of any punitive or exemplary damages awarded in relation to any claim arising from or in any way involving an **employment wrongful act**.

This exclusion shall not apply to exemplary damages in respect of employment related libel, slander or defamation.

## 18 Charities

If **you** and/or the **outside company** are a registered charity then **we** will not pay an **officer** or **you**

- in respect of any claim or proceedings arising from a **wrongful act** which the **officer** knew to be a breach of duty or which was committed by the **officer** in reckless disregard of whether it was a breach of trust or duty or not
- for the unsuccessful defence to a criminal prosecution brought against the **officer** in their capacity as an **officer** or **yours** or an **officer** of the **outside company**.

## 19 Funding exclusion

**We** will not pay an **officer** or **you** where the **officer's** and/or **your** legal liability and/or **costs and expenses** arise from any dispute between **the officer** or **you** and the following providers of finance or funds in relation to **your** legal entitlement to, or obtaining of, the finance or funds

The providers of finance to which this exclusion applies are:

- a non enterprise, or government business enterprise, or a government agency; or
- a local authority or local authority agency; or
- a European Union funding agency.

## 20 Cyber liability

**We** will not pay **you** or an **officer** for any actual or alleged loss or legal liability arising in any way from any actual or alleged

- **cyber incident**
- the transmission of a **computer virus**
- recovering or reconstituting data

This exclusion does not apply to any **shareholder action** where the loss in value of the share capital is a result of **your** response to, or management of the incident.

## 21 Coronavirus

**We** will not pay **you** or an **officer** for any loss that is caused by or arises in any way from

- Coronavirus (COVID-19)
- severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
- a mutation or variation of SARS-CoV-2
- a threat, fear or likelihood of infection with any of the above

# Conditions that apply to this section of cover

## 1 Unintentional non-disclosure

**You** or the **officer** must have provided the **proposal** with reasonable skill and care and after having made all reasonable and appropriate enquiries.

Despite general condition 7 (breach of the duty of fair presentation):

- If **you** or the **officer** have made any misrepresentation or non-disclosure of any material facts or circumstances then **we** will not avoid this section of cover
  - unless either:
    - **we** reasonably believe the misrepresentation or non-disclosure was deliberate or reckless; or
    - **we** would not have underwritten this section of cover on any terms if the facts or circumstances had been disclosed or not misrepresented
  - and provided that
    - where **you** or the **officer** should have notified **us** during a preceding period of insurance to that shown in the policy schedule of a claim or the instigation of **disqualification proceedings, investigation, environmental proceedings or extradition proceedings** and the cover to which **you** or the **officer** would have been entitled was in any way more restrictive than that provided at the date of notification **we** will only be liable to the extent available during that preceding period of insurance.
    - where **you** or the **officer** have prejudiced the handling or settlement of any claim, **disqualification proceedings, investigation, environmental proceedings or extradition proceedings**, the amount **we** will pay **you** will be reduced to the amount which, in **our** opinion, would have been payable in the absence of the prejudice.
- Subject to the above, if **you** or the **officer** make any misrepresentation or non-disclosure of any material facts and **we** would still have underwritten this section of cover but on different terms had the facts been disclosed or not misrepresented, then **we** may instead:
  - reduce proportionately the amount paid or payable on any claim by reference to the ratio which the premium actually charged bears to the premium which **we** would have charged had **you** or the **officer** told **us** about a material fact or circumstance. The same reduction will be applied to any claims which have already been paid and any overpayment of claims by **us** will be repaid by **you** or the **officer**; and/or
  - treat this section of cover as if it had included such additional terms (other than terms relating to premium) as **we** would have imposed had **you** or the **officer** told **us** about a material fact of circumstance. These additional terms will apply equally to existing, past and future claims.
- **We** will not deny payment on the grounds of the breach of claims conditions 1 or 2 of this policy subject to the above.

## 2 Cancellation

Neither an **officer** nor **you** has a right to cancel this section of cover or to reduce the cover provided.

**We** will only consider a request for cancellation or a reduction in cover if **we** are reasonably satisfied that the request has been sanctioned by all of the **officers** whose rights under this section of cover are or may be affected.

Whether or not **we** agree to a request for cancellation or reduction in cover is at **our** complete discretion.

## 3 Offering

If **you** decide to make a public or private offering of **your** shares or other equity interest during the period of insurance shown in the policy schedule then



- **you** shall provide **us** with
  - any prospectus, and/or
  - any offering statement, and/or
  - any other information **we** may require
- **we** may at our discretion
  - amend the terms, limitations, exclusions and/or conditions of this section of cover, and/or
  - charge an additional premium.

#### 4 Severability

Nothing in the **proposal** or otherwise known or done by any **officer** shall be attributed to any other person in determining any right or obligation of the **officer** under this section of cover.

In no case shall an **officer** be prevented from pursuing any point in his or her defence only because it is obstructive or harmful to the interests of any other **officer**.

## Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

### **Crisis** means

- the allegation of a **wrongful act** committed by the **officer** during the period of insurance shown in the policy schedule
- the successful defence of an allegation of a **wrongful act** originally alleged to have been committed by the **officer** during the period of insurance shown in the policy schedule

where, in **our** opinion, there is a risk to the livelihood of the **officer** as a consequence of adverse press, publicity or media attention.

**Public relations response service** means the public relations specialist services that **we** provide.

**Disqualification proceedings** means legal action taken against the **officer** following which they are liable to be disqualified from continuing to be an **officer** of **yours**.

**Employee** means any person (other than an independent agent, consultant, sub-contractor or professional advisor) who is (or was or who may be in the future):

- under a contract of service or apprenticeship with **you**, or
- under a work experience or similar scheme, or
- supplied to or hired in or borrowed by **you**, or
- volunteers

and who are working for and under **your** direct control in connection with **your activities**.

**Employment wrongful act** means any actual or alleged



- act or omission that results in a dispute in connection with the employment of an **employee** or prospective **employee**, or
- **retaliatory treatment** committed or allegedly committed by **you**.

**Environmental proceedings** means any

- prosecution
- official investigation
- examination
- inquiry, or
- other proceedings

by any official body or institution that has the authority or power to investigate **your** affairs and/or the affairs of the **outside company**, arising from **pollution** or alleged **pollution**.

**Extradition proceedings** means proceedings brought against the **officer** under

- the Extradition Act 2003, or
- any legislation amending or re-enacting the Act

including any appeal relating to those proceedings.

**Injury** shall mean

- bodily injury
- mental injury
- emotional distress
- shock
- sickness
- disease, or
- death.

**Investigation** means any

- official investigation
- examination
- inquiry, or
- other proceedings

(other than when arising from **pollution** or alleged **pollution**) by any official body or institution that has the authority or power to investigate **your** affairs and/or the affairs of the **outside company**, arising from **pollution** or alleged **pollution**.

**Limit** means the maximum amount **we** will pay. The amount in respect of this section of cover is shown in the policy schedule.

**Officer** means

- any person who was, is, or during the period of insurance shown in the policy schedule becomes a governor, director, council member, officer or trustee of **yours**.
- Any natural person acting in the capacity as a director of **yours** (not including any administrator, liquidator, receiver or auditor).
- Any shadow director as defined under United Kingdom law or similar legislation in any other country.
- Any **employee** of **yours**.
- The lawful husband, wife or civil partner of any of the above, only because of their relationship, following a claim against the above.
- The estates, heirs or legal representatives of any of the above who has died or become incapacitated, insolvent or bankrupt but only in relation to a claim against the above.

**Outside company** means

- any company that is not a **subsidiary company**
- any registered charity
- any trade, research, promotional, training or similar organisation existing for non-profit making purposes (whether incorporated or not)
- any profit-sharing or share option committee, sports, social or similar association or organisation (whether incorporated or not) that is established or conducted for the **officers** and their family's or dependent's benefit or the benefit of and **employee** and their families and dependents.

but this does not include any company, charity or non-profit making organisation that is domiciled, registered or incorporated in the United States of America.

**Retaliatory treatment** means action taken against an **employee** on account of the **employee** exercising or attempting to exercise their rights under law.

**Shareholder action** means a claim brought by any shareholder or bondholder of the **organisation** (which is made without any solicitation by, or assistance or participation of, any **officer**) due solely to any actual or alleged loss in value of the share capital of the **company**.

**Subsidiary company** means any company where **you**

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

If a company ceases to be a **subsidiary company** cover will continue but only for

- **wrongful acts**
- **disqualification proceedings**
- **investigations**
- **environmental proceedings**
- **extradition proceedings**
- proceedings brought under the Corporate Manslaughter and Corporate Homicide Act 2007

first committed or allegedly committed, ordered or commissioned before it stopped being a subsidiary.

But, **subsidiary company** shall not include any company acquired or created on or after the inception date of this policy which is domiciled, registered or incorporated in the United States of America unless agreed by **us** in writing.

**Wrongful act** means any actual or alleged wrongful act, error or omission committed or attempted by a **officer** during the performance of their duties as an **officer** of **yours** including

- breach of any duty including fiduciary or statutory duty
- breach of trust
- negligence, negligent statement, misleading statement or negligent misrepresentation
- libel, slander or defamation
- wrongful trading as defined under United Kingdom law
- breach of warranty or authority
- or any other act, error or omission committed by them in their capacity of a **officer** of **yours**
- and, in respect of subsection of cover b (outside board cover) any other act or omission committed by them in their capacity of an **officer** of the **outside company**.

Related, continuous or repeated wrongful acts, or wrongful acts that are connected by the same cause, shall constitute a single wrongful act.

**You/your/yours** shall mean

- the limited liability partnership or company named as the policyholder in the policy schedule, and
- the **subsidiary company**.

#### **Public relations response service**

This is available to all policyholders who have purchased this section of cover. If there is a risk to the livelihood of any **officer** as a consequence of adverse press, publicity or media attention, this provides access to the specialist public relations organisation, The Counsel House, to help manage certain situations such as:

- allegations of fraud
- serious injury to employees or members of the public
- dismissal or resignations of members of your board of directors
- official investigations into your affairs as it is likely that this could attract unwanted media attention.

#### **How to access the public relations response service**

Please contact our claims team for details of how to access this service.

**Telephone:** 0345 355 2227 (available Monday – Friday, 9.00am – 5.00pm)

**Email:** [claimsuk@markelintl.com](mailto:claimsuk@markelintl.com)

# Employers liability

*The cover provided by this section is considered to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the United Kingdom.*

## What is covered

### a Employers liability

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim made against **you** which arises from **injury** sustained by any **employee** whilst employed in or temporarily outside the **United Kingdom**.

Provided always that

- the **injury** is caused during the period of insurance shown in the policy schedule.
- the **injury** arises out of and is in the course of the **employee's** employment by **you** in connection with **your activities**.
- the action for damages is brought against **you** under the jurisdiction of a court within the **United Kingdom**.

**We** will also pay

- **your costs and expenses** resulting from the claim.
- **your** solicitor's fees that **we** agree to in writing for
  - **your** defence in any court of summary jurisdiction of any proceedings brought against **you** for the breach or alleged breach of any statutory duty resulting in **injury**
  - **your** representation at a coroner's court or fatal accident inquiry

provided that the breach or death may result in a claim against **you**.

What we will pay

The most **we** will pay for any claim or series of claims plus all **costs and expenses** arising from the same original cause is the **limit**.

### b Compensation for court attendance

If at **our** request

- any director, partner and/or trustee of **yours**, or
- any **employee**

attends a court as a witness in connection with a claim **we** will pay you the following amounts:

- for any director or partner £500 per day
- for any **employee** £250 per day

for each day on which attendance is required.

### c Health and safety at work

**We** will pay **your costs and expenses** in **your** defence of any criminal proceedings (including a charge of manslaughter) brought against **you** for a breach of

- the Health and Safety at Work Act 1974, or
- the Health and Safety at Work (Northern Ireland) Order 1978, or

- any legislation amending or re-enacting the above

committed or alleged to have been committed in the course of **your activities** during the period of insurance shown in the policy schedule.

**We** will also pay **your costs and expenses** in an appeal against conviction and/or prosecution costs awarded against **you** arising from the above criminal proceedings.

How much we will pay

The most **we** will pay for all **costs and expenses** in total in the period of insurance shown in the policy schedule is £500,000. This amount is inclusive of and not additional to the amount **we** will pay under subsection of cover a employers liability

**We** will not pay **you** if the proceedings relate to the health, safety and welfare of anyone other than an **employee**.

#### **d Unsatisfied court judgments**

**We** will at **your** request pay an **employee** or their personal representative the amount of any award following a judgement which has been obtained for **injury** against any company, partnership or person operating from premises within the **United Kingdom** and which remains unpaid six months after the date of the judgement.

Provided always that

- there is no appeal outstanding
- the **injury** was sustained during the period of insurance shown in the policy schedule by the **employee** whilst working in connection with **your activities**
- the judgement was obtained in a court within the jurisdiction of the **United Kingdom**
- the **employee** or their personal representative assigns the judgement to **us**

How much we will pay

**We** will only pay the amount of the award that remains outstanding.

#### **e Indemnity to principal**

**We** will at **your** request pay any principal for whom **you** are completing a contract for the performance of work, to the extent required by the contract conditions.

However, **we** will only pay the principal if

- **you** would have been entitled to payment under this section of cover had the claim been made against **you**
- the principal observes, fulfils and is subject to the terms, conditions and exclusions of this policy in the same way as **you** are.

## What is not covered (exclusions)

### **1 Fines and penalties**

**We** will not pay a claim for any

- fine or penalty
- non-compensatory damages.

### **2 Radioactive contaminations and sonic bangs etc**

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from



- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only
- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

### 3 War risks and terrorism

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from

- **war and/or terrorism**
- any action taken in controlling, preventing or suppressing **war and/or terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

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

- **Contamination due to terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you**.

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

### 4 Confiscation etc

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from confiscation, requisition, nationalisation, seizure, detention or destruction by any government, public, local or customs authority.

### 5 Electronic data

**We** will not pay a claim against loss, destruction, damage, distortion, erasure, corruption or alteration of **electronic data** from any cause (including **computer virus**) or any resulting loss of use, reduction in functionality, cost, or expense, of whatever nature, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, destruction, damage, distortion, erasure, corruption or alteration.

This exclusion does not exclude physical loss, destruction, damage, distortion, erasure, corruption or alteration directly caused by fire or explosion.

### 6 Mould

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises in any way from **mould** or a **mould event**.

### 7 Other insurance

**We** will not pay for a loss where **you** have a right to payment under any other insurance.

However, if **you** have a right to payment under any other insurance we will contribute in excess of the payment provided by that insurance. If the other insurance is also provided by **us** then the amount that **we** will pay under this insurance will be reduced by the amount that **we** pay under the other insurance.

## 8 Offshore

We will not pay a claim for your legal liability for **injury** to any **employee** whilst on or working from, or travelling by sea or air, to, from or between an offshore rig, platform or similar offshore installation.

# Conditions that apply to this section of cover

## 1 Certificate of employers liability

If the cover provided by this section of cover is cancelled then any certificate of Employers Liability Insurance issued under this policy is similarly cancelled from the same date.

# Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

**Insured, you, your, yours** means

- the person or persons, and/or
- the firm and all partners and former partners in the firm, and/or
- the limited liability partnership, and/or
- the trust, and/or
- the company

named as the policyholder in the policy schedule, and/or

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

In addition, if **you** request us to, **we** will pay the following persons in the same way that **we** would pay **you** provided that they observe, fulfil and are subject to the terms, conditions and exclusions of this policy as **you** are:

- any governor, director, council member, member, officer or trustee of **yours**
- any **employee**
- any officer or member of **your** canteen, social, sports or welfare organisations, fire, ambulance, first aid, medical or security services (but only whilst they are acting in their capacity as an officer or member of the above organisations or services).

**Activities.** In addition to the meaning given under section 3 'words with special meanings throughout this policy' **activities** also means

- **your** ownership, occupation and maintenance of land and buildings
- the provision and management of canteen, social, sports and welfare organisations for the benefit of **employees**
- the provision and management of ambulance, first aid and medical services for the benefit of **employees**
- the provision and management of fire and security services for the protection of premises owned or occupied by **you**

- private duties undertaken by an **employee** for **you** or, with **your** consent, for any director or partner of **yours** or any **employee**.

**Employee** means any person who is or was, or who may become at some time in the future

- under a contract of service or apprenticeship with **you**, or
- under a work experience or similar scheme, or
- supplied to **you**, or
- hired in or borrowed by **you**, or
- a self-employed person
- a volunteer

and who is working for **you**

- under **your** direct control in connection with **your activities**, and
- they are normally resident in the **United Kingdom**.

**Injury** means

- bodily injury,
- mental injury,
- emotional distress,
- shock,
- sickness,
- disease, or
- death.

**Limit** means the maximum amount **we** will pay. The amount in respect of this section of cover is shown in the policy schedule.

# Cyber and data risks

## What is covered

### a Data loss

If **you** suffer a **data breach** in connection with **your activities**, during the period of insurance shown in the policy schedule, for 90 days immediately following **your** first discovery, **we** will pay **your** costs, reasonably incurred with **our** written consent, of

- using the services of the **cyber response service** to
  - contain, recover and assess the **data breach**
  - comply with **United Kingdom** legal requirements to establish a credit monitoring, identity theft and/or similar mitigation service
- complying with **United Kingdom** legal requirements to notify third parties and/or **employees** of an actual or suspected **data breach**
- notifying third parties and/or **employees** of an actual or suspected **data breach** where there are no legal requirements to do so but where notification will effectively reduce or avoid a loss which otherwise **you** would have been entitled to payment under subsection of cover b (data liability).

### b Data liability

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim first made against **you** and reported to **us** during the period of insurance shown in the policy schedule which arises from a **data breach** in connection with **your activities**.

In addition **we** will pay **your costs and expenses** resulting from the claim.

### c Cyber loss

**We** will pay **your** costs, incurred with **our** written consent,

- in restoring, replacing, rebuilding, replicating or reinstating **your computer equipment** that has been subjected to a **cyber attack**
- to contain, reduce and/or pay a ransom demand resulting from **data extortion**

first discovered by **you** and reported to **us** in the period of insurance shown in the policy schedule.

### d Cyber crime

**We** will pay **you**

- the theft of your money or funds, and/or
- the cost of unintended or unauthorised call or bandwidth charges to **your** telephone systems directly resulting from a **cyber attack** on **your computer equipment**.

However, **we** will not pay **you** where the theft of your money or funds

- arises from the fraudulent representation of **you** by one of **your** clients or customers
- is the result of a **cyber attack** against **your** customers or suppliers.

### e Cyber liability

**We** will pay **your** legal liability for damages and costs awarded against **you** arising from any claim first made

against **you** and reported to **us** during the period of insurance shown in the policy schedule which arises from

- **your** negligent transmission of a **computer virus** that has originated from or passed through **your computer equipment**
- a **cyber attack**
- an **e-media incident**

in connection with **your activities**.

In addition **we** will pay **your costs and expenses** resulting from the claim.

#### **f Network interruption**

If **your computer equipment** is subject to a **cyber attack**, first discovered and reported to **us** during the period of insurance shown in the policy schedule, and as a result **your activities** is interrupted or interfered with then **we** will pay **you** the subsequent reduction in **your** net profit (before taxes) and/or increase in cost of working.

The amount **we** will pay in respect of the reduction in **your** net profit will be determined by taking into account

- **your** net profit in the months preceding the **cyber attack**
- **your** probable net profit during the **cover period** had the **cyber attack** not occurred
- seasonal variations and influences
- changes in market and/or economic conditions

However, the amount **we** will pay will not include any increase in net profit **you** would likely have attained as a result of an increase in volume of business due to favourable business conditions caused by the impact of a similar event on other businesses.

The amount **we** will pay in respect of increase in cost of working shall be the additional amount of money, necessarily and reasonably spent, in order to avoid or reduce the reduction in **your** net profit which would have occurred during the **cover period** as a result of the **cyber attack** had that money not been spent.

If any of the charges or expenses of **your activities** cease or are reduced as a result of the **cyber attack** the amount of those savings during the **cover period** shall be deducted from the amount **we** pay **you**.

**We** will not pay **you** where the interruption or interference to **your business** arises from or involves in any way a self-replicating or non-targeted **computer virus** or **hacking incident**.

#### **g Compensation for court attendance**

If at **our** request

- any director or partner of **yours**, or
- any **employee**

attends a court as a witness in connection with a claim **we** will pay you the following amounts:

- for any director or partner £500 per day
- for any **employee** £250 per day

for each day on which attendance is required.

#### **h Public relations management**

**We** will pay **you** for costs resulting from the use, with **our** prior agreement, of the **public relations response service** following a **crisis**.

In addition **we** will pay any other related costs agreed with **us**.

However, **you** must:

- immediately notify **us** of any event or circumstances which might result in **you** seeking payment under this section of cover and comply with **our** recommendations or the recommendations of the **public relations response service**
- take all reasonable and practical measures to avoid or reduce the costs of the **crisis**.

### i **Regulatory investigations/fines**

Despite exclusions 1 (fines and penalties) and 10 (contractual liability) of this section of cover, **we** will pay **you**

- the cost of legal representation, that **we** agree to in writing, at any investigation or proceedings brought about by the United Kingdom Information Commissioner's Office in connection with any matter for which **you** might receive payment from **us** under this section of cover. Examples of investigations or proceedings are those brought under the Data Protection Act 1988 and/or the General Data Protection Regulations (GDPR).
- any **PCI fines**, penalty, fine or award made against **you** provided that it is legally permissible to insure against the payment of the penalty, fine or award.

How much we will pay

The most **we** will pay in total in the period of insurance shown in the policy schedule for

- all costs in total, plus
- all claims in total, plus
- all **costs and expenses** in total, plus
- the reduction in **your** net profit and/or increase in cost of working in total

is the **limit**, however, the most **we** will pay in total in the period of insurance shown in the policy schedule

- under subsection of cover c (cyber loss) in respect of containing, reducing and/or paying a ransom demand resulting from **data extortion** is £25,000.
- under subsection of cover d (cyber crime) is £25,000.
- under subsection of cover f (network interruption) is £50,000.
- under subsection of cover h (public relations management) is £25,000.
- under subsection of cover i (regulatory investigations/fines) is £100,000.

these amounts are included within and are not in addition to the **limit**

**We** will not pay the **excess**. This must be paid by **you**. The **excess** applies to every separate claim, **data breach** and/or **data extortion** under subsections of cover a (data loss), b (data liability), c (cyber loss), d (cyber crime) and e (cyber liability).

Under subsection of cover f (network interruption) **we** will not pay for any reduction in **your** net profit occurring during the **time retention**. This must be paid by **you**.

## What is not covered (exclusions)

### 1 **Fines and penalties**

**We** will not pay a claim for any

- fine or penalty
- non-compensatory damages.

This exclusion does not apply to subsection of cover i (regulatory investigations/fines).

## 2 Radioactive contaminations and sonic bangs etc

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises from

- ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component
- pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds and in Northern Ireland and the Republic of Ireland only
- riot, civil commotion, strikers, labour or political disturbances, vandals or malicious persons.

## 3 War risks and terrorism

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises from

- **war** and/or **terrorism**
- any action taken in controlling, preventing or suppressing **war** and/or **terrorism**
- any unlawful or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any **unlawful association**

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

- **contamination** due to **terrorism**

If **we** allege that, because of this exclusion, any loss is not covered by this policy the burden of proving otherwise will be upon **you**.

If 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 in respect of a **hacking incident** or **computer virus** initiated for the sole purpose of exacting malice against **you** or obtaining commercial gain from **you**.

## 4 Confiscation etc

**We** will not pay a claim for a loss that is otherwise covered under this policy if the loss is caused by or arises from

- confiscation, requisition, nationalisation, seizure, detention or destruction by any government, public, local or customs authority, and
- access by any government, public, local or customs authority or any order by the authority to take down, deactivate or block access to **your computer equipment**.

## 5 Other insurance

**We** will not pay a claim where **you** have a right to payment under any other insurance.

However, if **you** have a right to payment under any other insurance **we** will contribute in excess of the payment provided by that insurance. If the other insurance is also provided by **us** then the amount that **we** will pay under this insurance will be reduced by the amount that **we** pay under the other insurance.

## 6 Legal action

**We** will not pay a claim under subsections of cover b (data liability) or e (cyber liability)

- where the claim is brought in a court of law outside the jurisdiction of the applicable courts shown in the policy schedule for this section of cover, and/or

- where action for damages is brought in a court within that jurisdiction to enforce a foreign judgment.

## 7 Geographical limits

**We** will not pay a claim for any legal liability or loss that **you** suffer that results from the conduct of **your activities** outside of the **United Kingdom** other than whilst a director of **yours** or an **employee** is temporarily outside the **United Kingdom** in connection with **your activities**.

## 8 Employers liability

**We** will not pay a claim where **your** legal liability arises from

- bodily injury, mental injury, emotional distress, shock, sickness, disease or death (other than emotional distress arising from a **data breach**) to any **employee** that results from their employment by **you**, or
- a breach of your responsibility as an employer to any **employee** or prospective **employee**.

## 9 Dishonest and malicious acts

**We** will not pay a claim where **your** legal liability or any loss that **you suffer** results from any

- dishonest
- fraudulent
- criminal
- malicious
- wilful, or
- reckless act or omission

of any

- board director
- trustee
- governor
- council member
- committee member
- partner, or member of **yours**
- in-house lawyers of **yours**
- risk managers
- chief operating officers
- chief technology officers
- chief information officers
- chief privacy officers
- self-employed persons working for **you**
- or any other person acting in a similar capacity

or any

- dishonest
- fraudulent
- criminal, or

- malicious

act or omission committed by any person after the discovery of reasonable cause for suspicion of that person.

In addition:

- no one will be entitled to payment in respect of any legal liability and/or **costs and expenses** resulting from their dishonest, fraudulent, criminal or malicious act or omission or from condoning such an act or omission.
- **we** will deduct from any amount payable by **us**:
  - any amounts due from **you** to the person committing or condoning the dishonest, fraudulent, criminal or malicious act or omission
  - any amounts held by **you** and owed to the person committing or condoning the dishonest, fraudulent, criminal or malicious act or omission
  - any amount recovered following action in accordance with general condition 1 (subrogation) of this policy.

## 10 Contractual liability

**We** will not pay a claim where **your** legal liability arises from any agreement **you** have entered into if **your** liability is increased beyond that applicable in the absence of the agreement.

## 11 Joint ventures

If **you** are part of a joint venture or consortium **we** will only cover **you** for **your** legal liability arising from **your** own acts or omissions; **we** will not pay a claim where **your** legal liability arises from the acts or omissions of other members of the joint venture or consortium.

## 12 Circumstances known at inception

If **you** knew or ought to have known of any circumstances that existed prior to the date that this section of cover started then **we** will not pay a claim for any legal liability or loss that you suffer that arises from those circumstances.

## 13 Retroactive date

**We** will not pay a claim where **your** legal liability arises from the carrying out of **your activities** prior to the **retroactive date**.

## 14 Injury/property damage

**We** will not pay a claim where **your** legal liability arises from

- bodily injury, mental injury, emotional distress, shock, sickness, disease or death sustained by any person (other than emotional distress arising from a **data breach**), or.
- any loss, damage or destruction of property including the loss of use of the property (other than in respect of **computer equipment**).

## 15 Insolvency/bankruptcy

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer results from **your** insolvency or bankruptcy, or the insolvency or bankruptcy of **your** suppliers, subcontractors or service providers.

## 16 Financial interest

**We** will not pay **you** for any claim made against **you** by



- any parent company, ultimate holding company or subsidiary company, or
- any person or entity having a financial, executive or controlling interest in **your** operation, or
- any company or entity in which **you** or any director, member or partner of **yours** has a financial, executive or controlling interest.

However, **we** will pay **you** if the claim is one for payment or contribution in respect of a claim made by an independent third party against the company, person or entity making the claim against **you**.

## 17 Trading losses

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from any

- trading losses, or
- trading liabilities, or
- any debts incurred

by any business managed by or carried on by **you**.

This exclusion shall not apply to subsection of cover f (network interruption).

## 18 Patents

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from any actual or alleged infringement of any patent.

## 19 Directors and officers

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from or is in connection with the performance or non-performance by **you**, any director or member of **yours**, or any **employee**, of any duties as a director or officer of any company.

## 20 Taxation, competition, restraint of trade and anti-trust

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from a breach of any regulation or legislation governing taxation, competition, restraint of trade or anti-trust provisions.

## 21 Electromagnetic or electrical disturbances

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from

- electromagnetic fields, electromagnetic radiation, electromagnetic pulses, electromagnetism, solar flares and storms, or any other type of radiation
- any alleged or actual electrical or mechanical failures and/or interruption including electrical disturbance, surge or spike.

## 22 Infrastructure failures

**We** will not pay a claim where **your** legal liability or any loss that **you** suffer arises from any failure of the provision of **your** infrastructure and utilities including the provision of gas, water, electricity, telecommunications or internet services.

## 23 Betterment

**We** will not pay **you** to the extent that **your computer equipment** or **your** financial position are in a better or improved position compared to their position in the absence giving rise to payment under this section of cover.

## 24 Data extortion

**We** will not pay a claim for any loss that **you** suffer arising from **data extortion** by an **employee** or a self-employed person working for **you** or anyone acting in collusion with them.

## 25 Fraudulent representation

**We** will not pay a claim under subsection of cover d (cyber crime) for any loss **you** suffer

- as a result of the fraudulent representation of **you** by one of **your** clients or customers
- arising from **your** clients or suppliers being subject to a **cyber attack**.

## 26 Coronavirus

**We** will not pay **you** for any loss that is caused by or arises in any way from

- Coronavirus (COVID-19)
- severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
- a mutation or variation of SARS-CoV-2
- a threat, fear or likelihood of infection with any of the above

# Conditions that apply to this section of cover

If **you** breach the following condition this may result in **your** claim not being covered or a reduction in the amount payable.

## 1 Data extortion

It is a condition under this section of cover that

- **you** will not disclose the existence of the cover provided in respect of **data extortion** to anyone.
- **you** will advise, or allow **us** to advise the police of the **data extortion**.

## Words with special meanings (definitions)

The following words or phrases have the same meaning wherever they are highlighted in bold in this section of cover. Plural forms of the words defined in this policy have the same meaning when used in the singular form.

**Cover period** means the period starting immediately following the expiry of the **time retention** and ending not later than 30 days afterwards.

**Crisis** means a **data breach** or any event which would result in a payment under this section of cover and where in **our** opinion there is a risk to **your activities** as a consequence of adverse press, publicity or media attention.

**Cyber attack** means either

- a **hacking incident**, or
- a **denial of service attack**.

**Cyber response service** means the IT security specialist services provided by **us** or on **our** behalf.

**Data breach** means

- when used under subsection of cover a (data loss), the
  - loss of, and/or
  - unlawful or unauthorised alteration of, and/or
  - inappropriate publication of, and/or
  - theft ofdata kept on **your computer equipment** or held by **you** in non-electronic format
- when used elsewhere in this section of cover, the
  - loss of, and/or
  - unlawful or unauthorised alteration of, and/or
  - inappropriate publication of, and/or
  - theft of



either electronic or non-electronic data.

**Data extortion** means a demand made against **you** by someone who threatens to introduce, start or continue a **data breach** which could result in **you** suffering a financial loss if the demand is not met.

**Denial of service attack** means an unlawful or unauthorised attempt by someone, that is specifically targeted at **you** alone and not at anyone else, to overload, hinder, interrupt or suspend service to **your computer equipment**, via the internet.

**E-media incident** means

- libel, slander or defamation, or
- unintentional infringement of intellectual property rights or any unintentional act of passing off solely occasioned through
- **your** website content,
- **your** social media presence (including comments made by others for which **you** may be held legally responsible), or
- **your** other online mediums.

**Employee** means anyone (other than a director of **yours**) who was, or is or may become

- under a contract of service or apprenticeship with **you**
- under a work experience or similar scheme with **you**
- supplied to **you** or hired in or borrowed by **you**

who work for **you** in connection with **your activities** and are under **your** direct control and who are normally resident in the **United Kingdom**.

**Excess** means the first amount of any claim or payment for which **you** are responsible. The amount in respect of this section of cover is shown in the policy schedule.

**Hacking incident** means an electronic attack of a malicious or unauthorised nature, by someone (including an **employee**) with the intention of damaging, destroying, altering, encrypting, overloading or interfering with **your** computer systems or records.

**Insured, you, your, yours** means

- the person or persons, and/or
- the firm and all partners and former partners in the firm, and/or
- the limited liability partnership, and/or
- the trust, and/or
- the company

named as the policyholder in the policy schedule.

In the event of the death, incompetency, incapacity, bankruptcy or insolvency of any natural person named as the policyholder or partner or former partner of the policyholder then it also means

- the estate, and/or
- the heirs, and/or

- the legal representatives (including anyone to whom their rights or liabilities have been legally transferred or anyone appointed to act for them)

of the person or partner concerned.

In addition, if **you** request us to, **we** will pay the following persons in the same way that **we** would pay **you** provided that they observe, fulfil and are subject to the terms, conditions and exclusions of this policy as **you** are:

- any director or member of **yours**, or
- any **employee**.

**Limit** means the maximum amount **we** will pay. The amount in respect of this section of cover is shown in the policy schedule.

**PCI fines** means those fines imposed against **you** due to a breach of the PCI Data Security Standard, but only as a result of a **data breach**.

**Public relations response service** means public relations specialist services provided by **us** or on **our** behalf.

**Retroactive date** means either

- the date when this section of cover was first incepted, or
- where equivalent cover to that provided under this section of cover has been continuously maintained immediately prior to the inception of this section of cover, then it means the date that applied to that equivalent cover.

**Time retention** means 24 hours starting from the time of **your** first discovery of a **cyber attack**.

### **Public relations response service**

This is available to all policyholders who have purchased this section of cover. In the event of a claim, this provides access to the specialist public relations organisation, The Counsel House, to help manage certain situations where there is a risk to **your activities** as a consequence of adverse press, publicity or media attention.

#### **How to access the public relations response service**

**Telephone:** 0345 355 2227

**Email:** [info@thecounselhouse.com](mailto:info@thecounselhouse.com)

Information required:

- policyholder name
- policy number
- contact details
- brief details as to the nature of the problem or the advice being sought.

### **Cyber response service**

This is available to all policyholders who have purchased this section of cover, and provides access to specialist solicitors at Markel Law and information security experts who will give expert legal and technical IT security guidance on issues arising from cyber and data protection risks.

## How to access the cyber response service

**Telephone:** 0333 234 2471 (available Monday – Friday, 9:00am – 5:30pm)

Information required:

- policyholder name
- policy number
- contact details
- brief details as to the nature of the problem or the advice being sought.

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