

# Legal expenses

## What is covered

### A Employment disputes

#### a.1. ACAS Early conciliation

**We** will pay **your costs and expenses** for **your** defence of an employment dispute between **you** and

- **your employee**
- an ex- **employee**
- an interviewee or applicant to become an **employee**
- a worker that alleges to be **your employee**

in connection with employment law or their contract of employment in taking part in an ACAS Early Conciliation process

#### a.2. Employment tribunal response (ET3)

**We** will pay **your costs and expenses** for **your** defence of an employment dispute between **you** and

- **your employee**
- an ex- **employee**
- an interviewee or applicant to become an **employee**
- a worker that alleges to be **your employee**

in connection with employment law or their contract of employment when providing **your** initial response to an ET1 against **you** at in Employment Tribunal

#### a.3. Pre-hearing review / employment status dispute

**We** will pay **your costs and expenses** for **your** representation at a pre-hearing review between **you** and a worker who alleges to be **your employee** to determine their employment status in connection with employment law,

#### a.4. Employment Tribunal Hearing

**We** will pay **your costs and expenses** for **your** representation hearing or negotiating a settlement between **you** and

- **your employee**
- an ex- **employee**
- an interviewee or applicant to become an **employee**

in connection with employment law or their contract of employment

#### a.5. County or High Court proceedings

**We** will pay **your costs and expenses** for **your** representation or negotiating a settlement in the County Court or High Court in a dispute between **you** and

- **your employee**
- an ex- **employee**
- an interviewee or applicant to become an **employee**

in connection with employment law or their contract of employment

## b Employment compensation awards

If **you** have a claim accepted under section of cover a4, legal expenses, employment disputes, (employment tribunal hearing) **we** will also pay

- **compensation you** are ordered to pay by an Employment Tribunal
- tribunal fees **you** are ordered to pay by the Tribunal. Or Tribunal fees as agreed in a settlement that **you** have entered into with **our** consent
- the amount **we** agree in settling a dispute

**We** will not pay **you** where the Employment Tribunal instructs **you** to reinstate an **employee** and **you** fail to do so

**We** will not pay any amount that **you** are obliged to pay in accordance with

- any law governing health and safety , workers' compensation, unemployment insurance, social security, disability benefits, redundancy, remuneration or any similar law, including regulations created under those laws.
- the contract of employment with **you**
- any **benefit scheme** or failure to contribute to, fund, reimburse or make payment in connection with a **benefit scheme**.

## c Property and landlord and tenant disputes

### c.1. Property disputes

**We** will pay **your costs and expenses** to obtain damages or other legal remedy for property disputes where:

- **your property** is trespassed upon
- **your property** is subject to nuisance by another party
- **you** defend someone's claim of right of way across **your property**
- **you** pursue a right over another's property which is described in the title documents of **your property**
- **you** pursue someone for material damage to **your property** and **you** are unable to recover this elsewhere

in connection with **your business** and this is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **you** to pursue **your** claim if the other party owns some or all of the **property** or they allege they do

**We** will not pay **you** to defend or pursue **your** claim if the dispute is a contractual dispute (other than title documents)

**We** will not pay **you** to defend or pursue **your** claim if there is a dispute over rights to or over another's property which is alleged to have arisen through **your** use or occupation over a period of time.

### c.2. Disputes with your landlord

**We** will pay **your costs and expenses** to obtain damages or other legal remedy for disputes with **your** landlord where:

- **your** landlord doesn't maintain or repair **your property** as required by the written terms of **your**

tenancy agreement

- **your** landlord alleges that **you** failed to maintain or repair the **property** as required by **your** lease or tenancy agreement
- **you** defend a demand for dilapidations at the expiry of **your** lease or tenancy
- **your** landlord seeks to end **your** lease or tenancy earlier than stated in **your** written tenancy agreement or they seek to remove **you** from the **property**

in connection with **your business** and this is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **you** if **you** have not paid money to **your** landlord as stated in **your** written tenancy agreement or **your** landlord alleges that **you** haven't paid this money. However, **we** will pay **you** if **you** have withheld payment required by **your** written tenancy agreement because **your** landlord has failed to maintain or repair **your property**

### c.3. Disputes with your tenant

**We** will pay **your costs and expenses** to obtain damages or another legal remedy for disputes with **your** tenant where:

- **your** tenant fails to maintain or repair **your property** as required by the written tenancy agreement or lease
- **your** tenant alleges that **you** failed to maintain or repair property as required by the written tenancy or lease
- **you** pursue **your** tenant for disputed dilapidations at the end of **your** lease or tenancy

in connection with **your business** and this is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will only pay **you** for dilapidations where **you** have served a notice of dilapidations upon **your** tenant and **you** have obtained at **your** own expense an independent expert valuation of the dilapidations.

### c4. Evictions

**We** will pay **your costs and expenses** to obtain damages or another legal remedy where **you** evict **your** tenant or **employee** or former **employee** following the expiry of their tenancy or licence which **you** have granted to use the **property** in connection with **your business** and this is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **you** if **you** have not issued an enforceable statutory or contractual notice which requires the tenant, **employee**, former **employee** or licensee to leave the **property**

## d Criminal defence

### d1. Interview under caution

**We** will pay **your costs and expenses** where **you** require representation at an interview under caution by the police or another prosecuting authority in connection with **your business** during the period of insurance shown in the policy schedule.

**We** will not pay **you** where **you** are required by the police to immediately attend an interview under caution at a police station.

### d2. Prosecution defence

**We** will pay **your costs and expenses** for **your** defence of a criminal prosecution accusing **you** of

a criminal offence when **you** receive a summons in connection with **your business** and report it to **us** during the period of insurance shown in the policy schedule,

**We** will not defend **you** where the allegations

- are concerning a motoring offence
- involve fraud, dishonesty or criminal damage
- are tax related or an application is made under the Proceeds of Crime Act
- involve assault or a sexual offence if **you** do not maintain a not guilty plea

**We** will not defend **you** if it is alleged that **you** are responsible for damage or loss caused by seepage, pollution or contamination of any kind

**We** will not cover **claims** for **your employee**, director or a partner of **your** business if **you** are charged under the Corporate Manslaughter or Corporate Homicide Act 2007.

### d3. Motor Offences

**We** will pay **your costs and expenses** for **your** defence of a criminal prosecution first made and reported to **us** during the period of insurance shown in the policy schedule where the conviction would result in the loss of a driving licence and the driving licence is required by **your** director or business partner of **your** business to carry out **your business**

**We** will pay **your costs and expenses** for **your** defence of a criminal prosecution for tachograph or weight offences

**We** will not pay **you** where there is an allegation of driving under the influence of drugs/alcohol or the use of handheld electronic equipment

## e Tax protection

### e1. Aspect enquiry

**We** will pay **your costs and expenses** in representing **you** before HM Revenue & Customs (HMRC) when HM Revenue & Customs issues a formal notice

- to **you**,
- to **your** director, or
- to **your** business partner

to carry out an aspect enquiry in connection with **your business** into a part or parts of **your** income or corporation tax self assessment return and this is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule

### e2. Full enquiry

**We** will pay **your costs and expenses** in representing **you** before HM Revenue & Customs (HMRC) when HM Revenue & Customs issues a formal notice

- to **you**,
- to **your** director, or
- to **your** business partner

to examine all of **your** financial records income or corporation tax in connection with **your business** which is first ordered or commissioned, first known to **you** and reported this to **us** during the period of insurance shown in the policy schedule

### e3. National insurance and PAYE disputes

**We** will pay **your costs and expenses** in representing **you** before HM Revenue & Customs (HMRC) when HM Revenue & Customs expresses dissatisfaction with **your**

- p11ds, or
- p9ds, or
- **your** pay as you earn PAYE, and/or
- national insurance contributions, NIC

following an employer compliance visit by HM Revenue and Customs and this is first known to **you** and reported this to **us** during the period of insurance shown in the policy schedule

### e4. Current tax year enquiry

**We** will pay **your costs and expenses** in representing **you** before HM Revenue & Customs (HMRC) when HM Revenue & Customs make a written request to inspect **your** business records, assets or premises under Schedule 36 of the Finance Act 2008. The request must be first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

### e5. VAT disputes

**We** will pay **your costs and expenses** in representing **you** before HM Revenue & Customs (HMRC) when HM Revenue & Customs allege that **you** have not paid value added tax (VAT). The allegations must be first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

## f Regulatory compliance

### f1. Health and safety executive enforcement notices

**We** will pay **your costs and expenses** in undertaking an appeal against an improvement or prohibition notice issued by the Health and Safety Executive (HSE) which is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

### f2. Abatement notice appeals

**We** will pay **your costs and expenses** in undertaking an appeal against an abatement notice for a statutory nuisance issued by a local authority in connection with **your business** and which is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

However, **we** will not pay **your costs and expenses** for more than one appeal in any one period of insurance as stated in the schedule of this policy.

**We** will not pay **your costs and expenses** for an appeal involving or arising from planning applications, decisions or disputes

### f3. Licence appeals

**We** will pay **your costs and expenses** for an appeal against a decision taken by a statutory body to suspend, revoke, alter or not renew an existing statutory licence **you** need to carry out **your business** which is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **your costs and expenses** for appeals arising from or connected to a change in the law or regulations

**We** will not pay **you** for complying with a notice or order

**We** will not pay **you** for appeals involving driving or property licences

**We** will not pay you where **you** have failed to comply with recommendations or warnings from **your** regulator or a statutory body

#### f4. Disciplinary hearings

**We** will pay **your costs and expenses** for representing **your** director or a business partner at a disciplinary hearing held by a professional or regulatory body where a loss of registration or accreditation would stop **you** carrying out **your business**. **Your** director or business partner must first know about the hearing and the claim must be reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **your costs and expenses** of representation for healthcare, medical or alternative therapy registrations or accreditations

#### f5. Data protection defence

**We** will pay **your costs and expenses** for **your** defence under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82), in connection with **your business** when the breach is first known to **you** and is reported to **us** during the period of insurance shown in the policy schedule.

#### f6. Data protection compensation

If **you** have a claim accepted under section of cover 'f,5' legal expenses, regulatory compliance, (data protection defence) **we** will also pay **your** legal liability to pay **compensation** as a result of

- holding, or
- losing, or
- unauthorised disclosing

data in connection with **your business** and which **you** are responsible for

**We** will only pay **compensation** which **you** are legally responsible for if the party **you** are in dispute with is alleging that they have suffered a specific financial loss

### g Court attendance costs

#### g1. Jury service

If

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

attends jury service at a court during the period of insurance shown in the policy schedule, **we** will reimburse **you** the amount of money **you** pay them per day.

However, **we** will subtract from any payment due to **you** the amount **you** recover, or are permitted to recover, from the court

#### g2. Witness attendance allowance

If **your representative** requests that

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

attends a court as a witness in connection with an accepted claim under this section of cover (legal expenses) **we** will pay their attendance costs.

**We** will not pay costs incurred when attending court as an expert witness,

**We** will not pay any remuneration of any kind which is due to the director, partner or employee

**We** will not pay any costs which it is possible to reclaim from a prosecuting authority

## h Employee extra protection

### h1. Pension trustee defence

**We** will pay **you** for **costs and expenses** in defending **your** directors or partners in **your business** where civil proceedings are brought against them resulting from their conduct as a trustee or administrator of a pension, retirement or superannuation scheme or programme created for the benefit of **your** director, partner or **employee** when the claim is first made and reported to **us** during the period of insurance shown in the policy schedule.

### h2. Wrongful arrest

If

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

is alleged to have detained a natural person against their will during the period of insurance shown in the policy schedule, **we** will pay their **costs and expenses** of defending the allegation.

**We** will not pay if the allegation is made by an **employee** or former **employee** of **yours**

### h3. Personal injury

**We** will pay **costs and expenses** for **your employee**, directors and/or partners to pursue a claim for damages for **injury** suffered by them during the period of insurance shown in the policy schedule when carrying out **your business** if the injury was caused by an actual or alleged act or omission of another party

**We** will not pay **costs and expenses** where the legal case is or may be against **you**

**We** will not pay **costs and expenses** when the injury takes place on **your property**

### h4. Discrimination defence

**We** will pay **costs and expenses** for **your employee**, directors and/or partners to defend an allegation of discrimination arising from **your employee's** conduct in carrying out **your business** when the claim is first made and reported to **us** during the period of insurance shown in the policy schedule.

**We** will not pay **you** where the discrimination involves a potential, former or current **employee**

## i Restrictive covenant cover

**We** agree to pay **your costs and expenses** to pursue **your employee** or ex-**employee** for their breach of a restrictive covenant which is causing or will cause **you** financial loss if the breach is first known to **you** and reported to **us** during the period of insurance shown in the policy schedule.

**We** will only pay **you** when the restrictive covenant is twelve calendar months or shorter

**We** will not pay **you** if the restrictive covenant does not form part of the **employee** or former **employee's** written contract of employment with **you**

## j Negotiation cover

If **you** notify a claim under section of cover (legal expenses ,c, property and landlord and tenant disputes) or section of cover (legal expenses, k, contract for goods and services disputes) and solely due to a lack of **reasonable prospects of success**

- **we** do not cover **your** claim, or
- **we** withdraw cover
- 

**we** will pay **your costs and expenses** in order to reach a settlement of **your** dispute

**We** will not pay **your costs and expenses** under this section of cover if the incident notified under section of cover (legal expenses ,c, property and landlord and tenant disputes) or section of cover (legal expenses, k, contract for goods and services disputes) first started prior to the date that these sections of cover came into force.

#### k Contract for goods and services disputes

**We** will pay **your costs and expenses** to defend or pursue a claim for alleged breach of any express written contract or agreement between **you** and **your** customer or supplier for the provision of the sale, hire or supply of goods and services in connection with **your business**.

The breach must be first known by **you** and reported to **us** during the period of insurance shown in the policy schedule

**We** will not pay **you** for defending a claim involving a **construction contract**

#### What we will pay

The most **we** will pay for any claim or series of claims arising from the same original cause in the period of insurance shown in the policy schedule is

£100,000 in respect of section of cover 'a' employment disputes. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'a' employment disputes if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£100,000 in respect of section of cover 'b' employment compensation awards. This amount is inclusive of and not in addition to the **limit**

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'b' employment compensation awards if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£100,000 in respect of section of cover 'c' property and landlord and tenant disputes. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'c' property and landlord and tenant disputes if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£100,000 in respect of section of cover 'd' criminal defence. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect



of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'd' criminal defence if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

However, the most **we** will pay under section of cover 'd1' interview under caution is £2,500

£100,000 in respect of section of cover 'e' tax protection. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'e' tax protection if **you** use **our** choice of **representative** is £1,000. However, the most we will pay under section of cover 'e4' ,current year tax enquiry, is £1,000.

£100,000 in respect of section of cover 'f' regulatory compliance. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** or **compensation** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'f' regulatory compliance if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£1,000 in respect of section of cover 'g' court attendance costs. This amount is inclusive of and not in addition to the **limit**.

£100,000 in respect of section of cover 'h' employee extra protection. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'h' employee extra protection if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£100,000 in respect of section of cover 'i' restrictive covenant. This amount is inclusive of and not in addition to the **limit**.

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'i' restrictive covenant if **you** exercise **your** freedom to choose **your representative** as described under Claims Condition: Legal expenses is £1,000.

£5,000 in respect of section of cover 'j' negotiation. This amount is inclusive of and not in addition to the **limit**.

£100,000 in respect of section of cover 'k' contract for goods and services disputes. This amount is inclusive of and not in addition to the **limit**

**We** will not pay the **excess** this must be paid by **you**. The **excess** applies to **your costs and expenses** in respect of each claim or series of claims arising from the same original cause. The amount in respect of section of cover 'k' contract for goods and services disputes is

- £2,000 if **you** exercise **your** freedom to choose **your** representative as described under Claims Condition: Legal expenses, or
- £500 if **you** use **our** choice of **representative**.

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

- all **costs and expenses**
- all **compensation**
- all reimbursement
- all attendance costs

is the **limit**

## What is not covered (exclusions)

## 1 Fines and penalties

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

- fine or penalty
- tax, duty, interest or penalty imposed by HM Revenue and Customs

## 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** 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** 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 **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.

## 6 Legal action

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

- where the claim is brought in a court of law outside England, Scotland, Wales or Northern Ireland,  
and/or
- where action for damages is brought in a court within England, Scotland, Wales or Northern Ireland,

to enforce a foreign judgment.

## 7 Deliberate acts

**We** will not pay **you** in respect of any claim that results from **your** willful, reckless or unintentional disregard for **your** actions and their consequences or **your** errors, omissions or intentional wrongdoing.

## 9 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 **you** any **costs and expenses** that arise from such circumstances

## 10 Injury, property damage, professional duty to third parties

**We** will not cover any claim involving the defence of

- injury to any person
- loss, damage, destruction or loss of use of property.
- any breach of any professional duty owed to a third party.

## 16 Financial interest

**We** will not pay **you** for any disputes or legal proceedings between

- 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
- **your representative**, any party involved in arranging this section of cover, or **us**

## 17 Legal aid

**We** will not cover any dispute or legal proceedings which, in the absence of this section of cover (legal expenses), **you** would be entitled to payment under a legal aid certificate or representation order

## 18 Intellectual property rights and Judicial Review

**We** will not pay **you** for any disputes or legal proceedings involving or arising out of

- breach of confidentiality (other than under section of cover 'legal expenses ,i, restrictive covenant')
- passing off
- defamation or malicious falsehood
- the ownership or existence of any kind of intellectual property rights (other than under section of cover 'legal expenses ,i, restrictive covenant')
- Judicial Review

## 19 Costs

**We** will not pay **you** any amount which **you** would have been obliged to pay in the absence of a dispute

## 20 Value Added Tax

**We** will not pay **you** the value added tax (VAT) proportion of **your** claim if **you** are VAT registered

## 21 Property and landlord and tenant disputes

Under section of cover (legal expenses, c, property and landlord and tenant disputes)

**We** will not pay **you** to defend or pursue **your** claim if there is a dispute over a contract which is not a tenancy, licence or leasehold agreement

**We** will not pay **you** to defend or pursue **your** claim if the dispute will not lead **you** to suffer a financial loss or the value of **your property** will not fall in value

**We** will not pay **you** to defend or pursue **your** claim if **you** haven't claimed under **your** buildings, contents or business interruption insurance policy covering the property if damage or nuisance has affected **your property**

**We** will not pay **you** to defend or pursue **your** claim if there is a dispute regarding planning, building regulations or decisions or compulsory purchase orders or any actual planned or proposed works by or under the order of any statutory body

**We** will not pay **you** to defend or pursue **your** claim if there is a dispute in connection with the negotiation or renewal of a tenancy or leasehold agreement or purchase or property

**We** will not pay **you** to defend or pursue **your** claim if **you** have failed to maintain buildings or contents insurance which is suitable for **your** needs

**We** will not pay **you** to defend or pursue **your** claim if it is alleged that **you** are responsible for damage caused by seepage, pollution or contamination of any kind

## 22 Tax protection

Under section of cover (legal expenses, e, tax protection)

**We** will not cover claims if **we** believe there is not a reasonable prospect of reducing the liabilities alleged by HM Revenue and Customs

**We** will not cover claims when tax returns are more than 90 days late

**We** will not cover claims where **you** have not notified chargeability to tax within the time limits

**We** will not cover claims involving tax returns where wholly provisional figures are used

**We** will not cover claims where there is an allegation of fraud or an investigation by

- HM Revenue and Customs's Fraud Investigation Service,
- HM Revenue and Customs's Counter Avoidance Office, or
- the defence of a criminal prosecution

**We** will not cover claims involving a dispute or enquiry relating to the National Minimum Wage or Living Wage

**We** will not cover claims involving an allegation of tax avoidance

## 23 Contract for goods and services disputes

Under section of cover (legal expenses, contract for goods and services disputes)

**We** will not pay **you** to defend or pursue a claim involving an amount of less than £1,000

**We** will not pay **you** to defend or pursue a claim involving an **employment** wrongful act

**We** will not pay **you** to defend or pursue a claim

- involving the ownership, occupation or use of any land or/or buildings or the sale of land and/or buildings
- relating to the tenancy or letting of property

**We** will not pay **you** to defend or pursue a claim involving the provision of

- hire purchase,
- credit agreements,
- insurance, or
- financial securities and/or grants of any kind, or
- franchise contracts

**We** will not pay **you** to defend or pursue a claim involving guarantees of any kind

**We** will not pay **you** to defend or pursue a claim involving a contract which has been assigned or novated to **you** by someone else or which **you** have entered into via an agent.

**We** will not pay **you** to defend or pursue a claim involving an undisputed debt. However, **we** will pay **you** where the debt is no fewer than 90 days overdue and **you** have requested full payment in writing no fewer than three times in the three consecutive calendar months since the debt first became due

## 24 Alteration

**We** will not make any payment under this policy, if after the start of the period of insurance shown in the policy schedule, there is any alteration which results in

- a change in ownership of **your business**
- **your business** is involved in a merger or acquires another business
- **your business** changes

unless **we** have been notified of and agree to the alteration

## Conditions that apply to this section of cover

### 1 Prospects of success

**We** will make **our** decision on whether to cover **your** claim based on a legal opinion from **your representative** (and any professional advice we regard necessary) on whether **your** claim has at least a 51% chance of:

- successfully pursuing **your** case and securing a legal and/or financial remedy
- not being found liable in a civil (rather than criminal) case against **you**
- being found not guilty in the defence of a criminal prosecution
- securing a significant reduction of **your** punishment or fine if pleading guilty in a criminal prosecution
- successfully appealing the decision of the relevant authority
- **your** not being suspended and of **your** retaining **your** registration or accreditation

If there is 50% or less chance of the above **we** will not provide cover.

### 2 Use of representatives

In all cases **your representative** will be appointed in **your** name and on **your** behalf.

In any **claim** where **we** may be liable to pay **compensation we** will choose a **representative** to act on **your** behalf. Also, **we** will choose a **representative** to act on **your** behalf unless at the point of an inquiry or legal proceedings where **you** will have freedom to choose **your representative** subject to **us** approving **your** choice.

**You** will also have freedom to choose **your representative** if there is a legal conflict of interest between **you** and **us** subject to **us** approving **your** choice.

When selecting **your representative**, **you** must have regard to **your** duty to minimise the cost of any **claim**.

The name and address of **your** chosen **representative** must be notified to **us** in writing. **We** will accept **your** choice if:

- **we** are satisfied that **your** chosen **representative** will co-operate with **us** and enable **you** to comply with the terms and conditions of **your** policy
- the **representative** has the necessary experience to deal with the dispute
- the **representative's** charging rates are fair and reasonable in regard to the dispute

A dispute arising from **your** choice of **representative** may be referred to arbitration in accordance with Important information – How to make a complaint.

**You** must not enter into any agreement with **your representative** as to the basis of calculation of **costs and expenses** without **our** written consent.

If in any **claim your representative** wishes to instruct counsel or an expert the following must be submitted to **us** for **our** approval:

- the expert's or counsel's name

- details of their expertise
- charging rates and estimated cost
- an explanation of the need for such instruction

### 3 Employment disputes

Under section of cover (legal expenses, a, employment disputes) **You** must either

- consult and follow the advice of the **Markel legal helpline**, or

in the following circumstances

- before disciplining, suspending, dismissing, starting a retirement or redundancy process or making or proposing to make unfavourable changes to the terms of an **employee's** contract of employment
- when **you** are notified of a grievance, a complaint of discrimination (such as sex, race, religion etc.) or an appeal from an **employee** against action **you** have taken against them
- when an **employee** resigns or walks out after expressing verbal or written dissatisfaction

Or

- comply with the ACAS (Advisory, Conciliation and Arbitration Service) code of Practice if applicable

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

### Liquidation

If **you** are placed in liquidation, receivership, administration or bankruptcy or enter into a voluntary arrangement or deed of arrangement or if any application is made to the Court or if a meeting for any of these reasons is held, this policy will automatically terminate. If this happens, cover under **your** policy for **costs and expenses** and/or **compensation** will be automatically withdrawn and any **costs and expenses** incurred or **compensation** awarded on or after the date of withdrawal will not be covered whether **we** previously agreed to them or not.

### Communications

All notices and communications from **us** to **you** regarding **your** policy shall be deemed to have been sent to **you** if sent to **your** insurance broker (if applicable) or, in relation to any matters arising out of any claim, if sent to **your representative**.

### 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.

**Benefit scheme** means any

- superannuation or pension scheme, programme or plan
- profit sharing, share option or share purchase scheme
- health and welfare or other **employee** benefit plan or trust

established or conducted for the benefit of any **employee** and their families and dependants

**Compensation** means

- in respect of section of cover 'b' employment compensation awards the basic and compensatory awards for unfair dismissal and unlawful discrimination
- in respect of section of cover 'e' data protection compensation the amount

**you** have been ordered to pay under the Data Protection Act 2018 (Articles 168 and 169) and the General Data Protection Regulation (Section 82)

**Construction Contract** means a contract as defined by Section 104 and 105 of the Housing Grants, Construction and Regeneration Act 1996. For the purposes of this section of cover (legal expenses) this is extended to include contracts with residential occupiers including

- painting or decorating surfaces of a building,
- construction,
- alteration,
- repair,
- maintenance of buildings,
- installation in a building of heating, lighting or electrical systems.

**Costs and expenses** means

- the legal or professional costs (including any disbursements such as counsel's or expert's fees) reasonably charged to **you** by **your representative** (provided that **we** have agreed with **you** in writing that you may incur these costs and expenses)
- the legal costs incurred in civil proceedings by the party **you** are in dispute with that a court or tribunal orders **you** to pay (provided that **we** have agreed with **you** in writing that you may incur these costs and expenses), or that **you**, agree to pay under the terms of a settlement.

but does not include any costs **you** are responsible for paying under the terms of a contract.

**Employee** means any person under a contract of service with **you** in connection with **your business**

**Employment wrongful act** means any actual or alleged act or omission that results in a dispute in connection with the employment of an **employee**, former **employee** or prospective **employee**, committed or allegedly committed by **you**.

**Excess** means the first amount of a claim for which **you** are responsible.

**Limit** means £1,000,000

**Markel legal helpline** means legal helpline specialist services provided by **us** or on **our** behalf

**Property** means the land (including walls) or buildings owned or occupied by **you** for which **you** are legally responsible

**Reasonable prospects of success** means **we** will make **our** decision on whether to cover **your claim** based on a legal opinion from **your representative** (and any professional advice **we** regard necessary) on whether **your claim** has at least a 51% chance of:



- successfully pursuing **your** case and securing a legal and/or financial remedy
- not being found liable in a civil case (i.e. not an enquiry, investigation or a criminal case) against **you**
- an acquittal in the defence of a criminal prosecution
- securing a significant reduction of **your** punishment or fine in a criminal prosecution
- successfully appealing the decision of the relevant authority under sections of cover (Legal expenses,f2,regulatory compliance - abatement notice appeals,f3, regulatory compliance - licence appeals or, j transport disputes)
- **you** not being suspended and of **you** retaining **your** registration or accreditation under section of cover (Legal expenses,f4, regulatory compliance – disciplinary hearings)

If there is 50% or less chance of the above **we** will not provide cover.

**Representative** means a

- solicitor,
- barrister,
- accountant, or
- other appropriately qualified person

appointed to act for **you** and who agrees to comply with the terms of this policy, but does not include a natural person who is employed by **you**.

**We/Our/Us** means Markel International Insurance Company Limited trading as Markel Legal Expenses Insurance, 20 Fenchurch Street, London EC3M 3AZ. Claims will be handled by Markel Protection Limited which is a separate legal entity to Markel International Insurance Company Limited.

**You/Your/Yours** means

- the person or persons, and/or
- the firm
- the limited liability partnership, and/or
- the trust, and/or
- the company

named as the policyholder in the policy schedule

In addition, if **you** request **us** to, **we** will pay under sections of cover (legal expenses ,d, criminal defence) or (legal expenses, h, employee extra protection) or (legal expenses,f3, licence appeals) **your employee**, or a director or a partner of **your business**.

However, under section of cover (legal expenses ,d, criminal defence) **we will** only pay **your employee** or a director or a partner of **your business** if the same **representative** acts for all parties.

### **Legal helpline (including employment matters)**

This provides access to a dedicated team of specialist solicitors for guidance and support on legal matters relating to **your** business activities, including health and safety, starting up a business, 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 expenses section of cover that the legal helpline must be used whenever TUPE issues occur**)

### **How to access the legal 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.