

Professional Indemnity

What is covered

a Civil liability

We will pay **you** 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 for 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 **your professional services**.

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 greater than the **limit** then the amount **we** will pay in respect of **cost and expenses** will be proportionally reduced.
- if **your** legal liability arises from **pollution** and it is not excluded under 'what is not covered' then the most **we** will pay for **your** legal liability plus **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 Loss of documents

We will pay **you** the amount of money spent by **you** in replacing or restoring any **document** which, during the period of insurance shown in the policy schedule, has been either

- physically destroyed or damaged, or
- lost or mislaid and which cannot be found after careful search

and which is reported to **us** during that same period of insurance.

How much we will pay

The total amount **we** will pay during the period of insurance shown in the policy schedule is £100,000

We will not pay **you** if:

- **you** have chosen the property damage section of cover
- the destruction, damage, loss or mislaying of the **document** arises from the
 - failure, or
 - failure to produce the desired or intended result

of any programme, instruction or data for use in any computer or other electronic data processing device, equipment or system occasioned other than through its physical destruction or damage

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** shall 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 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**.

e Mitigations costs

We will pay costs incurred by **you** which **you** establish to **our** satisfaction are necessary to mitigate **your** liability for damages and costs that would otherwise result in a claim being made against **you**.

However,

- **you** must obtain **our** prior written agreement before incurring costs
- if a subsequent claim is made against **you** under subsection of cover a (civil liability) the amount payable under that subsection of cover will be reduced by the amount **we** have paid for **your** mitigation costs.

f Outstanding fees

We will pay outstanding fees which **your** client refuses to pay **you** for **professional services** which **you** establish to **our** satisfaction would lead to a claim under subsection of cover a (civil liability) that is greater than the outstanding amount.

However, this subsection of cover only applies to **professional services** provided under a contract governed by the law of England and Wales or the law of Scotland and subject to the exclusive jurisdiction of such English and Welsh or Scottish courts.

You can contact the debt recovery helpline for help and advice in dealing with outstanding fees.

g Public relations management

In the event of a claim under subsection of cover a (civil liability), **we** will pay, at **your** request and subject to **our** prior agreement

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

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

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

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** 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 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.

4 Mould

We will not pay a claim if the loss is caused by or arises 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 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 Employers liability

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

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 involves **pollution**.

14 Products

We will not pay a claim where **your** legal liability arises from or 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 pay 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 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 or member of **yours**, or
- any **employee**

of any duties as a director or officer of any company.

18 Asbestos

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

- manufacture
- mining
- processing
- distribution
- testing
- remediation
- removal
- storage
- disposal
- use

or exposure to asbestos or materials or products containing asbestos.

19 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 license agreement.

20 Commercial disputes

We will not pay a claim arising from any commercial dispute between **you** and **your** business partners or business associates, including any reseller, distributor, original equipment manufacturer, third party sales agent, systems integrator or joint venture partner, but only to the extent that the claim is based upon

- commission or royalty, or any other term upon which such partner or associate is to be compensated in connection with doing business with **you**, or any compensation or remuneration promised or owed by **you** pursuant to those terms, or
- **your** decision to cease doing business with such a partner or associate.

21 Cyber and data risks

We will not pay for a loss insured under the cyber and data risks section of cover (if purchased) or which would be insured under that section of cover but for the operation of any **limit, excess, exclusion or condition**.

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.

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.

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. **We** have listed these in alphabetical order.

Document means

- all documents other than
 - stamps
 - currency
 - coins
 - bank notes and bullion
 - travellers cheques
 - cheques
 - postal orders
 - money orders
 - securities
 - negotiable instruments
 and documents of the same kind.
- separable program, instruction or data for physical incorporation into any computer system that belong to **you** or for which **you** are legally responsible and are in **your** custody or control (or someone else entrusted by **you**) in the course of **your professional services**.

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

and who are working for **you** under **your** direct control in connection with the **professional services**.

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 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.

Product means any goods or products, including

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

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 business** that **you** have told **us** about and which **we** have confirmed are acceptable to **us** for the purpose of this insurance,
- advertising, publicity or promotional material for the purpose of **your business**.

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 inceptioned, 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, and provides access to the 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

Telephone: 0345 355 2226

(24 hours, all year round)

Email: 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.

Debt recovery helpline

This is available to all policyholders and provides access to specialist solicitors Triton, who provide a free debt recovery helpline service. **You** can contact the helpline for legal guidance and support on debt recovery issues such as:

- the merits of **your** claim to pursue the debt
- the potential for a counterclaim to be brought if the recovery action is pursued and the implications that this could have for **your business**
- pre-action correspondence sent to the debtors on **your** behalf to seek recovery of the debt
- where necessary, advice on options to enforce any judgment obtained.

How to access the debt recovery helpline

Telephone: 0333 0103898

(available Monday – Friday, 9.00am – 5.30pm)

Email: debtrecovery@triton-global.com

Information required

- policyholder name
- policy number
- contact details