

Professional Office Package for Accountants

Significant Policy Features

This summary of insurance cover gives a brief overview of significant features, benefits, exclusions and limitations of the Angel Professional Office Package – ACCT2012ANG – Accountants, January 2012 Policy wording, underwritten by Catlin Insurance Company (UK) Ltd.

Whilst care has been taken to prepare this cover summary it does not represent a comprehensive account of the cover provided and for complete details of the insurance provided it is essential to refer to the Policy wording, Schedule and any amendatory endorsements. Amendatory endorsements are changes to the Policy that are applied by the Insurer in specific circumstances and, therefore, will not be shown below. Please read the Policy carefully and make sure that it meets your needs. You should contact your broker immediately if any corrections are necessary.

- **Introduction**

The Policy consists of the General Terms, Definitions, Exclusions and Conditions, the coverage Sections purchased, Schedules and endorsements, all of which are a single document and are to be read as one contract. The Proposal is the basis of the contract and must be understood as being incorporated into the Policy.

General Conditions and Exclusions

- **Data Protection Act**

Information provided will be processed in compliance with the provisions of the Data Protection Act 1998, which may necessitate providing such information to third parties.

- **Employers Liability Tracing Office Notice**

Information will be provided to the Employers Liability Tracing Office, (the ELTO) and added to the Employers Liability Database (ELD).

- **Avoidance**

The Policy shall be avoidable in the event of any misrepresentation or non-disclosure by or on behalf of the Insured.

- **Third Party Rights**

No party except the Insurer and the Insured shall have any rights under the Policy.

- **Complaints Procedure**

Catlin Insurance Company (UK) Ltd. is dedicated to providing a high quality service and we want to ensure that we maintain this at all times. If you feel that you have not been offered a first class service or if you have any questions or concerns about the Policy or the handling of a claim you should, in the first instance, contact your representative through whom the Policy was placed.

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

Compliance Officer Telephone Number: 020 7743 8487
 Catlin Insurance Company (UK) Ltd. Email: catlinukcomplaints@catlin.com
 20 Gracechurch Street
 London, EC3V 0BG

- **Cancellation**

Unless by reason of non payment of premium the Policy may be cancelled by the Insured or Insurer by giving 30 days notice. The Insurer will immediately notify the relevant Institute of the Professional Indemnity cancellation.

- **Changes in the Proposal Information**

Any changes in the information provided in the Proposal must be notified to the Insurer, until such has been agreed no liability will attach for such the altered risk.

- **Duty to Co-operate**

The Insurer must be provided full co-operation and all details concerning any claim and any circumstance. Failure to comply will entitle the Insurer to refuse to pay the claim.

- **Entitlement to Defend**

The Insurer shall be entitled to take over the defence or settlement of any claim.

- **Fraudulent Claims**

If any claim is fraudulent, the Policy shall become void and all benefit forfeited.

- **Law and Dispute Jurisdiction**

The Policy shall be governed by and construed in accordance with the laws of England and Wales. Any dispute shall be subject to the exclusive jurisdiction of the courts of England and Wales.

- **Misrepresentation and Non-Disclosure**

The insurance is provided on the basis of the information received by the Insurer in the Proposal. The person completing the Proposal must make full and proper enquiries ensuring that all the statements in the Proposal are accurate and that no information has been withheld or misrepresented.

- **No Admission of Liability**

The Insured or any person or entity who claim for indemnity under this Policy shall not, admit liability for or make any offer or payment in respect of any Claim.

- **Notification of Claims and Circumstances**

The Insurer will not make any payment under the Policy unless all of this condition has been complied with:

- Professional Indemnity and Directors and Officers Sections: As soon as practicable in writing to the Insurer within the period of insurance. No claim will be considered 30 days after the end of the period of insurance.
- Public and Employers Liability Sections: As soon as practicable in writing to the Insurer.
- Material Damage and Consequential Loss Section: As soon as practicable and at the latest within fourteen (14) days. Notify the police authority immediately it becomes evident that any Damage has been caused by malicious persons.

- **Precautions and Care**

The Insurer will not make any payment under the Policy unless reasonable precautions to prevent accidents and minimize property loss have been taken. Exercise care in the supervision and selection of employees and endeavour to comply with statutory obligations, regulations or bye-laws.

- **Premium Payment**

Unless Direct Debit instalments have been agreed premium must be paid to the Insurer within 30 days of the Policy beginning otherwise the Insurer shall have the right to cancel the Policy. If premium is to be collected by Direct Debit instalments and an instalment has not been received 15 days after it was due then the Insurer shall have the right to cancel the Policy with immediate effect. The Insurer will immediately notify the relevant Institute of the Professional Indemnity cancellation.

Except where specifically included the Insurer shall have no liability for:

- Asbestos – any exposure to asbestos or materials or products containing asbestos.
- Changes in or Failure to Provide Information –
 - any Claim against a Director
 - » arising from information contained in the Proposal that the Director knew or ought reasonably to have known, had been misrepresented or which was required by the Insurer prior to the beginning of the period of insurance but which was not disclosed; or
 - » arising from a material change to the information contained in the Proposal or in relation to the information required by the Insurer prior to the beginning of the period of insurance but which was not disclosed (unless such change has been agreed in writing by the Insurer) about which change the Director knew or ought reasonably to have known.
 - any Claim against the Insured or Company (to the extent that cover may be provided to the Company by this Policy)
 - » arising from information contained in the Proposal that has been misrepresented or which was required by the Insurer prior to the beginning of the period of insurance but which was not disclosed; or
 - » arising from a material change in circumstances from the information contained in the Proposal or in relation to the information required by the Insurer prior to the beginning of the period of insurance but which was not disclosed unless such change has been agreed in writing by the Insurer.

- Known Claim or Circumstance – Claims or circumstances known to the Insured or any person indemnified or which the Insured or person indemnified ought to have known prior to the beginning of the period of insurance.
- Punitive Damages – award of punitive or exemplary damages whether as fines, penalties, multiplication of compensatory awards or damages or in any other form whatsoever.
- Radioactive Contamination –
 - Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- Terrorism – act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- War – war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Professional Indemnity Section

- Type of Insurance: Professional Indemnity - cover for losses, defence costs and expenses arising from professional negligence and breach of duty arising out of the conduct of the business described on the Policy Schedule.
- Basis of Insurance: Claims made - meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance and arising from work undertaken after the Retroactive Date stated on the Policy Schedule.
- Limits of Indemnity: Up to £3,000,000 is available; limits purchased will be shown on the Policy Schedule.
- Limit basis: Any one claim with defence costs in addition
- Jurisdiction and Territorial Limits: Cover for legal proceedings first brought in the United Kingdom arising from the business and Territory stated in the Policy Schedule, except within the USA & Canada.
- Cover is provided for a negligent act, error, omission or breach of duty.
- Cover is provided for a loss arising from employee dishonesty.
- Cover is provided for an unintentional libel/slander.
- Cover is provided for an unintentional breach of confidentiality, right to privacy or loss of a document.
- Cover is provided for an unintentional infringement of copyright, design right trademark or patent.
- Cover is provided for an unintentional transmission of computer virus.
- Cover is provided for any other civil liability unless excluded.
- Cover is provided for amounts and costs incurred following the recommendation of the Ombudsman.
- Cover is provided for loss of documents or data up to the sub limit shown on the Policy Schedule.
- Cover is provided for defence costs and expenses in respect of offences alleged under the data protection regulations.
- Cover is provided for the payment of outstanding fees provided they arise out of a covered claim up to the sub limit shown on the Policy Schedule.
- Cover is provided for legal representation and witness attendance costs up to the sub limit shown on the Policy Schedule, provided they arise out of a covered claim.

Professional Indemnity Exclusions & Limitations

Any liability from....

- Computer Virus – any computer virus created or intentionally modified by the Insured.
- Contractual Liability –
 - any breach of contractual duty wider than implied by common law; or.
 - any contract where, before entering into or extending a contract, the Insured failed to take reasonable steps to ensure that it could fulfil all of its obligations.
- Death and Bodily Injury – bodily injury unless caused directly by an unintentional negligent act.
- Deliberate Acts –
 - any deliberate or reckless breach, act, omission or infringement committed, condoned or ignored by the Insured; or
 - any statement made which was known or ought reasonably to have to been known by the Insured to be libellous or slanderous at the time of publication/making.
- Director and Officer – any liability as a director, officer and/or trustee.
- Documents or Data – any repair, replacement or reconstitution cost of any documents or data resulting from wear or tear, the action of vermin, gradual deterioration or magnetic flux or loss of magnetism.
- Fines and Penalties – any fines or penalties from regulatory or disciplinary investigations.
- Fraud and Dishonesty – any dishonest or fraudulent act or omission in respect the person committing or condoning the act.
- Goods and Services – any contract for the provision of goods or services, or any goods or products sold by the Insured.
- Insured vs Insured – any claim made by one Insured against another except where involving dishonesty.
- Insolvency – the insolvency or bankruptcy of the Insured.
- Internet Service, Telecommunications or Other Utility Provider – any failure or loss of service provided by an internet service provider, telecommunications provider or other utility provider except where these services are provided by the Insured as part of the business described on the Policy Schedule.
- Joint Venture – any claim by a joint venture or association partner of the Insured.
- Jurisdiction and Territorial Limits –
 - any legal proceedings brought in a court of law outside the covered Jurisdiction stated in the Policy Schedule or brought in a court of law within the stated jurisdictions to enforce a judgement or order made in any court of law outside those jurisdictions; or
 - any business undertaken outside the Territorial Limits shown in the Policy Schedule.
- Market Fluctuation – any loss of investment arising from fluctuations in any financial markets.
- Pollution – any pollution.
- Property Damage – any damage to or destruction or loss of any property unless covered under Loss of Documents or Data Protection provisions.
- Retroactive Date – any claim arising out of the professional services or advice given by the Insured prior to the Retroactive Date shown on the Policy Schedule.
- Trading Losses – any trading losses or trading liabilities incurred.
- Warranties and Guarantees – any performance warranty, guarantee, penalty clause, liquidated damages clause wider than implied by common law.

Professional Indemnity Special Provisions

- Difference in Conditions – cover provided shall be no less favourable than the minimum approved by The Institute of Chartered Accountants in England and Wales, of Scotland, or in Ireland (as applicable) in force at the date of inception of this policy.
- Discharge of Liability – the Insurer may after deduction of claims already paid tender the remaining limit of indemnity available to the Insured of any in respect any claim.
- Disputes – any dispute between the Insured and Insurer shall be referred to arbitration before a sole arbitrator. Failing agreement in choosing an arbitrator one shall be chosen by the President of The Institute of Chartered Accountants in England and Wales, of Scotland, or in Ireland (as applicable) whose decision shall be final and binding on both parties.
- Duty to Cooperate- the Insured must promptly provide full details concerning any claim or circumstance.
- Institute Subrogation- if The Institute of Chartered Accountants in England and Wales, of Scotland, or in Ireland (as applicable) becomes subrogated to the Insured's rights by making a payment to a third party from the Institute Compensation Fund, it shall be deemed to rank as a preferential creditor.
- Protection of Computer Systems- the Insured shall take reasonable measures to maintain and upgrade software which protects against any unauthorised use or access and to take regular back-up copies of any data, file or programme.
- Special Conditions - the Insurer will not avoid this section or claim on the grounds of any alleged non-disclosure or misrepresentation of facts or untrue statements in the Proposal, provided always that the Insured shall establish to the Insurer reasonable satisfaction that such alleged non-disclosure, misrepresentation of fact or untrue statement was free of any fraudulent conduct or intent to deceive.

Should such non - disclosure or misrepresentation result in a claim where the Insured should have notified a previous policy ,cover will be given on the basis of this section of cover or the previous policy whichever is the more restrictive. Where the Insured should have notified a circumstance prior to obtaining an increase in limit or other change in terms cover shall be limited to that available prior to the change or increase.

The Insurer may additionally at its sole discretion charge an additional premium.

Liability Section

- Type of Insurance: Public and Products Liability - cover for legal liability in respect of accidental bodily injury and property damage arising out of the business described on the Policy Schedule.
- Basis of Insurance: Occurrence - meaning that the insurance responds to injury or damage occurring during the period of insurance stated on the Policy Schedule.
- Limits of Liability: Up to £5,000,000 is available; limits purchased will be shown on the Policy Schedule.
- Limit basis: Any one occurrence with defence costs in addition or aggregate with defence costs included for Products and Pollution Liability or as shown in the Policy Schedule.
- Jurisdiction and Territorial Limits: Cover for legal proceedings first brought in the United Kingdom and the covered jurisdictions stated in the Policy Schedule; except within the USA & Canada.
- Cover is provided to indemnify others for losses, provided the Insured would have been entitled to indemnity if a claim had been made directly.
- Cover is provided for cross liabilities; within Insurers total liability each Insured shall be separately indemnified.
- Cover is provided for liability arising from defective premises subsequent to their disposal.
- Cover is provided for witness attendance costs up to the sub limit shown on the Policy Schedule, provided they arise out of a claim on the Policy.
- Cover is provided for defence costs in respect of offences under the data protection regulations up to the sub limit shown on the Policy Schedule. The basis of insurance for this extension is claims made – meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance and arising from work undertaken after the Retroactive Date stated on the Policy Schedule.

Liability Exclusions & Limitations

Any liability from....

- The Housing Grants, Construction and Regeneration Act following a request for adjudication.
- Aircraft, watercraft or offshore work - arising from the ownership, use or visits of the Insured.
- Care, Custody or Control – any damage to property in the Insured's care, custody or control unless;
 - personal effects of persons employed or visitors,
 - premises temporarily occupied for work, but not the part actually being worked upon,
 - tenanted premises, but no liability for damage, perils required to be insured or where the Insured is required to be responsible; unless as a proven consequence of the Insured's own negligence.
- Deliberate Failure to Prevent Injury or Damage – the failure to take all reasonable steps to prevent injury or damage.
- Injury to Person Employed - any injury to persons employed.
- Large Events – any exhibitions or shows which exceed 5 days or the attendees exceed 250.
- Motor Vehicles – any motor vehicles unless:
 - caused by the use of any attached tool or plant
 - loading or unloading away from the road or thoroughfare
 - temporarily in the control of the Insured for parking.
- Professional Liability – any breach of duty, wrongful or inadequate advice.
- Road Traffic Act – any Road Traffic Act or similar legislation.
- Warranties or Guarantees – any warranty or guarantee unless liability would have existed in the absence of such warranty or guarantee.

Special Provisions Applicable to Products Liability

Additional Exclusions - any liability from....

- Contracts or Agreements – a contract or agreement other than a warranty of fitness of the Insured's products established by the Sale of Goods Act 1979 or equivalent.
- Recall – arising out of:
 - the recall of any product
 - the recall of any product which becomes an ingredient or component of a customer's product unless those individual units of the customers suffer accident damage themselves or cause accidental injury or damage to a third party.
- Repair or Replacement – costs incurred in the repair, reconditioning or replacement of any product.

Consumer Protection Act Extension

- Cover is provided in respect of the Insured's products for defence costs in respect of criminal proceedings under Part II of the Consumer Protection Act 1987 up to the sub limit shown on the Policy Schedule. The basis of insurance for this extension is claims made – meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance and arising from work undertaken after the Retroactive Date stated on the Policy Schedule.

Additional Exclusion for the Consumer Protection Act Extension

- Any proceedings following a deliberate act or omission by someone entitled to cover that could have reasonably been expected.
- Any proceedings which arise out of an activity excluded under the Liability section of the Policy.

Special Provisions Applicable to Pollution Liability

- Cover is provided for pollution liability which is the direct result of an identified sudden and unexpected event which occurs at a specific time and place. Any injury or damage must take place during the period of insurance. Cover shall only apply if the Insured has taken all reasonable steps to prevent any pollution.

Additional Exclusion - any liability from....

- Insured's Premises and Land – any damage to premises presently or previously owned or tenanted by the Insured or damage to land or water within the boundaries of premises presently or previously owned, tenanted or leased by the Insured.

Employers Liability Section

- **Type of Insurance:** Employers Liability - cover for UK statutory legal liability in respect of injury to persons employed arising out of the person's employment in the business described on the Policy Schedule.
- **Basis of Insurance:** Occurrence - meaning that the insurance responds to injury or damage occurring during the period of insurance stated on the Policy Schedule.
- **Limits of Liability:** Up to £10,000,000 is available; limits purchased will be shown on the Policy Schedule.
- **Limit basis:** Any one occurrence with defence costs in addition.
- **Jurisdiction and Territorial Limits:** Cover for legal proceedings first brought in the United Kingdom and the covered jurisdictions stated in the Policy Schedule; except within the USA & Canada.
- Cover is provided for an employee who is a UK resident and would otherwise be covered in the UK whilst temporarily engaged in non manual work overseas for up to 6 months. Provided the overseas territory is always within the covered jurisdiction stated in the Policy Schedule.
- Cover is provided for terrorism to the extent required by UK Employers Liability law.
- Cover is provided for unsatisfied court judgements obtained by a person employed.
- Cover is provided to indemnify principals for liability in a like manner to the Insured provided the Insured would have been entitled to indemnity if a claim had been made directly.

Employers Liability Exclusions & Limitations

Any liability from....

- Offshore – arising out of work or visits to any offshore rig or installation.
- Road Traffic Act – any Road Traffic Act or similar legislation.

Material Damage Section

- **Type of Insurance:** Material Damage - cover for damage to property occurring during the period of insurance as stated on the Policy Schedule belonging to or for which the Insured is responsible for.
- **Basis of Cover** All Risks; damage by any cause unless excluded.
- **Amount Payable:** Up to £150,000 is available; amount purchased and the excess applicable will be shown on the Policy Schedule.
- **Sums Insured:** First loss excess of the applicable Excess. There will be no reduction of Sums Insured in respect of subsequent events.

Special Provisions

- **Equipment Inspection** – any engineer undertaking statutory inspections of equipment must have insurance and a contract providing the required service.
- **Protection, Preservation and Security of Property** – it is condition precedent to this insurance, meaning there shall be no cover, unless the Insured takes all reasonable steps to protect, recover and save the property insured. Including minimizing any damage already sustained or likely to be sustained.

Basis of Valuation

- Property not Reinstated – cost of repair or replacement (as per reinstatement below) on property which is not repaired or replaced.
- Reinstatement – whichever the lesser of repairing or replacing to the same quality, except for:
 - property for sale shall be the sale price,
 - technical equipment which cannot be repaired shall be cost of similar new equipment,
 - raw materials and supplies shall be the lesser of the cost of repair or replacement,
 - personal effects shall be the cost of repair or replacement after deduction of wear and tear subject a maximum deduction of 50%,
 - valuable papers shall be the cost of restoration only, not the value to the Insured,
 - data media or electronic storage shall be the cost of replacement of the blank media.

Material Damage Exclusions & Limitations

All Risks cover does not include:

- Damage to property caused by (or consisting) of:
 - Its own spontaneous fermentation, heating or ignition,
 - undergoing any heating process or the application of heat,
 - bursting, overflowing, exploding or leaking,
 - mechanical, electrical or chemical breakdown,
 - being worked upon,
 - defective design or manufacture,
 - wearing out, corroding or gradually deteriorating.
- Damage by weather conditions to fences or gates or movable property in the open unless damage to the main building has occurred in excess of £1,000.
- Damage by bursting or leaking as a result of repair or testing not carried out by a qualified engineer or plumber or occurring at a vacant building.
- Damage by malicious persons to vacant buildings.
- Damage by subsidence, heave or landslide unless damage to the main building has occurred in excess of £1,000.
- Damage by subsidence, heave or landslide caused by the bedding down or settlement of structures or ground completed in the past 12 months. Or by coastal or river erosion. Or by demolition, construction or alteration of any property.
- Damage by an act of theft from an unsupervised vehicle outside the Insured's premises.
- Mysterious disappearance or inventory shortage.
- Damage caused or contributed by pollution unless a single isolated event within the period of insurance.
- Damage caused by confiscation, requisition or destruction order from the Government.
- Damage caused by the cessation or interruption of work.
- Voluntary parting with title or possession.
- Damage caused by fraud or dishonesty.
- Damage caused by any fungus or bacteria.

Property Specifications

Contents

- Cover is provided for Contents for the amount shown on the Policy Schedule whilst on the premises other than:
 - Money such as cheques, currency, postage, vouchers, VAT invoices and the like,
 - Anything part of a construction site,
 - Valuables such as fine art, antiques, rare books, curiosities, jewellery, furs and the like,
 - Stock and materials,
 - Motor vehicles ,
 - Machinery, plant and equipment,
 - Landlord's fixtures and fittings,
 - Tenant's improvements.

Money

- Cover is provided for Money such as cheques, currency, postage, vouchers, VAT invoices and the like for the amount shown on the Policy Schedule other than:
 - pre signed blank cheques,
 - money in any vehicle not under observation.

Cover only applies whilst Money is on the premises, in transit, deposited in a bank night safe or at the private residence of the Insured.

The amount payable is the value of the money at the time of loss.

- Cover is provided for the costs replacement keys and locks for the amount shown on the Policy Schedule following forcible entry or violence against a person on the premises.
- Cover is provided for the fraudulent use of credit cards provided to a person employed for use in connection with the business for the amount shown on the Policy Schedule.

Exclusions & Limitations

- Dishonoured or counterfeit money or cheques. Any depreciation in value.
- Precautions must be taken for the security of money and records, the control and custody of keys or codes and that random codes are changed at regular intervals.
- Any theft or assault must be reported immediately to the police by the Insured.

Business Machines

- Cover is provided for the Insured's equipment which is designed to be portable for the amount shown on the Policy Schedule whilst being personally carried by the Insured within the territorial limits shown on the Policy Schedule.

Consequential Loss Section

- Type of Insurance: Consequential Loss - cover for increased cost of working, wastage of metered services and auditors charges from the interruption with the Insured's business as a result of damage to property which gives rise to a claim under the Material Damage section of the Policy.
- Indemnity Period: The period beginning with the occurrence of damage and ending not later than the last day of the period of insurance.
- Amount Payable: Up to £50,000 is available; amount purchased will be shown on the Policy Schedule.

Exclusions & Limitations

- There is no cover for loss resulting from any damage to documents or computer system records.
- The Insured must make every effort to minimize any interruption with the business.
- Cover will automatically come to an end if the business winds up, goes into administration or is permanently discontinued.
- Wastage of metered service excludes wastage in respect of unoccupied buildings and outbuildings.

Consequential Loss Specifications

Stand Alone Increased Cost of Working

- Cover is provided for the increased cost of continuing the business during the indemnity period shown on the Policy Schedule over and above the costs that would have been incurred during the same period had no damage occurred. The amount payable shall not exceed:
 - 50% of the sum insured during the first 60 days; or
 - Pro-rata of the balance of the sum insured during each of the remaining months of the indemnity period.

Wastage of Metered Services

- Cover is provided for the wastage of metered services of water, gas or electricity from premises where appliances cannot be switched off because of damage or inaccessibility at the premises.

Auditors Charges

- Cover is provided for charges payable by the Insured to their auditors and accountants in clarifying any particulars contained in the Insured's books which are required by the Insurer in connection with a consequential loss claim under this section of the Policy.

Directors & Officers Liability Section

- Type of Insurance: Directors and Officers – legal liability for losses, defence costs and expenses arising from negligence and breach of duty committed by a Director in the conduct of the business described on the Policy Schedule.
Corporate Reimbursement – pay on behalf of the Company losses and criminal defence costs it is legally required or permitted to pay the Director as an advancement of indemnity.
- Basis of Insurance: Claims made - meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance stated on the Policy Schedule.
- Limits of Indemnity: Up to £5,000,000 is available; limits purchased will be shown on the Policy Schedule.
- Limit basis: Aggregate with defence costs inclusive.
- Jurisdiction and Territorial Limits: Cover for legal proceedings first brought anywhere in the world except within the USA & Canada.
- Cover is provided for defence and investigation costs.
- Cover is provided for Employment Practice claims against a Director (for example discrimination, harassment or defamation).
- Cover is provided for defence and investigation costs of an identity theft claim up to the sub limit shown on the Policy Schedule.
- Cover is provided for criminal defence and investigation costs.
- Cover is provided for pollution and contamination defence and investigation costs up to the sub limit shown on the Policy Schedule.
- Cover is provided for an extradition defence and investigation costs up to the sub limit shown on the Policy Schedule.
- Cover is provided for asset and liberty (for example a restriction in movement or deportation) proceedings defence and investigation costs up to the sub limit shown on the Policy Schedule.
- Cover is provided for public relations costs up to the sub limit shown on the Policy Schedule.
- Cover is provided for the Company for shareholders derivative costs (for example the costs and expenses incurred by a shareholder to the extent the Company is legally liable to pay by reason of a claim brought by a shareholder in the name of the Company).

Extensions

- Additional Limit – in the event all limits available to the Director become exhausted each Director will be provided an additional limit for any subsequent claim within the period of insurance up to the sub limit shown on the Policy Schedule.
- Automatic Acquisition – cover for Directors of newly created or acquired privately held subsidiaries, provided the negligent act takes place whilst a subsidiary and the total assets of the Company are not increased by more than 50%.
- Discovery – a discovery period of 12 or 24 months may be purchased provided this section of the Policy is not replaced or there has not been an insolvency, takeover or merger. Discovery is subject to the following conditions:
 - cover only applies to a negligent act or breach of duty occurring prior to expiry,
 - the limit of indemnity remains unaltered,
 - the payment of the additional premium shown on the Policy Schedule,
 - cover will lapse upon the purchase of another policy broadly the same.
- Emergency Defence Costs – emergency defence costs incurred may be reimbursed up to 14 days after the claim was first made up to the sub limit shown on the Policy Schedule.
- Outside Boards – cover is extended to cover a negligent act committed by a Director who has been formally appointed to the board of an outside company up to the sub limit shown on the Policy Schedule.
- Personal Appointments – cover is extended to cover a negligent act committed by a Director who has been formally appointed in a personal capacity as a governor or trustee of a school or charity up to the sub limit shown on the Policy Schedule.
- Retirement Run Off – a discovery period of 72 months from the time of retirement applies to a Director who has retired or voluntarily resigned during the period of insurance. This extension shall not apply to a Director who has been disqualified, left the as a result of a merger of acquisition or after the appointment of an insolvency practitioner as liquidator, administrator or receiver.
- Takeovers and Mergers Run Off – if the Company merges or consolidates with 50% or more of the issued share capital changing hands this section of the Policy will thereafter apply only to claims resulting from a negligent act or breach of duty occurring prior to the merger, consolidation or acquisition. The Company may cancel the remainder of the period of insurance or request a discovery run off period of up to 72 months. Such extension to be at the discretion of the Insurer.

Exclusions & Limitations

Any liability from....

- Bodily Injury – bodily injury except in respect of employment practices or criminal defence costs.
- Dishonest, Fraudulent or Criminal Acts – any dishonest, fraudulent or criminal act by the Director.
- Known Claim or Circumstance – any claims or circumstances known about or ought to have known prior to the beginning of the period of insurance.
- Other Insurance – any matter in respect of which there is cover under any other policy.
- Other Pension and Employee Benefit Schemes – any other pension, welfare or related regulations.
- Pollution – any pollution except for defence costs or by way of a shareholder derivative action.
- Professional Indemnity – except by way of a shareholder action for failure to supervise.
- Profit or Advantage – any unlawful personal profit, remuneration or advantage gained by the Director where there has been a final adjudication by a competent court or tribunal.
- Property Damage – any damage to or destruction or loss of any property including loss of use.
- Securities – any purchase, exchange or sale of securities by means of a prospectus or private placement on or after the commencement of the period of insurance.
- Shareholder Exclusion – any claim brought by or on behalf of any individual(s) or entity which owns or controls 50% or more of the issued and outstanding share capital of the Company where such individual(s) or entity or their representative has participated in or ratified the subject of a claim.
- United States of America and Canada – any claim brought in the United States of America or Canada.

Conditions

- Allocation – in the event of any loss being partially covered the Insurer shall use their best endeavours fairly and reasonably to agree such an allocation of loss as may be appropriate.
- Avoidance – if the Insurer is entitled to avoid this insurance, the Insurer may give notice that they regard this insurance as being in full force and effect, except that no cover will be given respect of any claim that arises from the ground(s) that entitled the Insurer to avoid.
- Consent to Settle – the Insurer shall not settle any Claim without the consent of the person insured.
- Fraudulent Claims – if any claim is shown in any respect to be fraudulent, this insurance shall become void ab initio and all benefit hereunder shall be forfeited.
- Proposal Operation – the Proposal shall operate severally in relation to each Director and no statement, information or knowledge on the part of any Director shall be imputed to any other Director for the purposes of determining whether cover is available to that other Director. This clause shall not apply to any Claim against a Director excluded under General Exclusions Changes in or Failure to Provide Information.
- Order of Payments – where there are multiple Claims for indemnities under this Section, the Insurer shall make payments in the order those Claims are presented to it. If it becomes apparent to the Insurer that the Limit of Indemnity will not be sufficient then the Insurer will make payments in the following order:
 - payments under the D&O – Operative Clause 1 (a) direct to the Directors; followed by
 - payments under the D&O – Operative Clause 1 (b) to the Company; followed by
 - any other payments to the Company.

Corporate Liability (Entity) – Extension

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

- Type of Insurance: Corporate Liability – legal liability for losses, defence costs and expenses arising from a negligent act committed by the Company in the conduct of the business described on the Policy Schedule.
- Basis of Insurance: Claims made - meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance stated on the Policy Schedule.
- Limits of Indemnity: Up to £5,000,000 is available; limits purchased will be shown on the Policy Schedule.
- Limit basis: Aggregate with defence costs inclusive.
- Jurisdiction and Territorial Limits: Cover for legal proceedings first brought anywhere in the world except within the USA & Canada.
- Cover is provided for corporate defence and investigation costs.
- Cover is provided for defence and investigation costs of an identity theft claim up to the sub limit shown on the Policy Schedule.
- Cover is provided for criminal defence and investigation costs incurred under the Corporate Manslaughter and Homicide Act 2007.
- Cover is provided for criminal defence and investigation costs incurred under the Bribery Act 2010.
- Cover is provided for pollution and contamination defence and investigation costs up to the sub limit shown on the Policy Schedule.
- Cover is provided for public relations costs up to the sub limit shown on the Policy Schedule.

Extensions

- Automatic Acquisition – cover for the Company of newly created or acquired privately held subsidiaries, provided the negligent act takes place whilst a subsidiary and the total assets of the Company are not increased by more than 50%.
- Breach of Contract – cover is provided for defence costs arising from a claim within the period of insurance for an alleged breach by the Company of a written contract or agreement, other than any Employment contract up to the sub limit shown on the Policy Schedule.
- Discovery – cover shall be provided to the Company where the discovery period is purchased in accordance with the requirements of Directors and Officers section of the insurance. Cover for the Company shall automatically lapse upon the appointment of an insolvency practitioner (or equivalent) as a liquidator, administrator or receiver.
- Emergency Defence Costs – emergency defence costs incurred may be reimbursed up to 14 days after the claim was first made up to the sub limit shown on the Policy Schedule .
- Fidelity – cover is provided for direct loss of money belonging to the Company first discovered and notified to the Insurer during the period of insurance arising from the dishonest, fraudulent, criminal or malicious act(s) of any employee up to the sub limit shown on the Policy Schedule.
- Pension and Employee Benefit Schemes – cover is provided claims arising from negligence committed by the Company in their capacity as administrators of any Pension/Employee Benefit Scheme up to the sub limit shown on the Policy Schedule.

Exclusions & Limitations

In addition to the General and the Directors and Officers Exclusions

Any liability from....

- Breach of Contract or Agreement – any breach of contract or agreement, either oral or written, except to the extent as provided for defence costs in the extension.
- Breach of Copyright – any plagiarism or breach of copyright or trademark, patents, database rights, registered design or design rights except to the extent as provided for defence costs in the extension.
- Death or Bodily Injury – death or bodily injury except in respect of criminal defence costs.
- Documents or Data – any repair, replacement or reconstitution cost of any document or data.
- Other Pension and Employee Benefit Schemes – any other pension, welfare or related regulations except to the extent as provided for defence costs in the extension.
- Employers Liability – any breach of any obligation owed by the Company to any employee.
- Employment Practices – any employment practices wrongful act, except where it has been purchased by the Company and appears in the Policy Schedule.
- Fidelity – arising from any accounting error or unexplained shortage or default or non-payment of any loan or other credit arrangement or for expenses incurred in establishing the amount of any loss of money or other property.
- Information Technology – any failure of any computer or other electronic processing device or the transmission or receipt of any virus, program or code that causes loss or damage to any computer system and/or prevents or impairs its proper function or performance.
- Insolvency – the insolvency or bankruptcy of the Company.
- Joint Venture – any association or joint venture conducted with any third party.
- Manufacture, Supply or Sale of Goods - arising out of the manufacture, supply, installation or maintenance of any products or goods.
- Pollution - any pollution except for defence costs.
- Price Fixing – any breach of law aimed at preventing monopolies, price fixing or other unfair trade practices.
- Related Companies -any claim brought by or on behalf of the Company having a controlling interest in the Company or by any entity controlled by the Company.
- Trading Losses - any trading losses incurred by the Company.

Employment Practices Liability (EPL) – Extension

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

The Exclusions, Limits of Indemnity and Conditions contained in this Employment Practices Liability Extension apply to this extension only.

- **Type of Insurance:** Employment Practice Liability – legal liability for losses, defence costs and expenses arising from an employment practices wrongful act committed by the Company in the conduct of the business described on the Policy Schedule.
- **Basis of Insurance:** Claims made - meaning that the insurance only responds to claims first made and notified to Insurers during the period of insurance stated on the Policy Schedule.
- **Limits of Indemnity:** limits purchased will be shown on the Policy Schedule and are a sub aggregate inclusive of defence costs within the Corporate Liability Extension.
- Cover is provided for defence and investigation costs.

Exclusions & Limitations

Any liability from....

- **Non Consulted Dismissal** - any claim arising from actual or threatened redundancy, dismissal or the suspension of any Employee where the Company did not consult and follow the advice of a properly qualified human resource person or employment solicitor prior to the actual or threatened redundancy, dismissal or suspension.
- **Trade Union** – any claim arising from the failure to act in accordance with any Trade Union agreement or collective bargaining agreement.
- **Minimum Wage** – any claim arising from the failure to act in accordance with any minimum wage legislation.