

# PROFESSIONAL AND FINANCIAL RISKS INSURANCE





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## General Conditions Applicable to the undernoted Insurances

### Fidelity Insurance

### Personal Accident Insurance

### Loss of Liquor Licence Insurance

### Legal Expenses Insurance

#### 1 Policy Voidable

This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure of any material particular.

#### 2 Observance of the Terms

It is a requirement of this Policy that liability of the Company is conditional upon observance of the terms of this Policy relating to anything to be done or complied with by the Policyholder. This shall include any requirements described in this Policy or any clause attaching to and forming part of this Policy as condition precedents to any liability of the Company.

#### 3 Reasonable Precautions

The Policyholder at his own expense shall

- A) take all reasonable precautions to prevent or diminish loss, destruction or damage or any occurrence or cease any activity which may give rise to liability under this Policy and to maintain all buildings, furnishings, ways, works, machinery, plant, caravans and vehicles in sound condition;
- B) exercise care in the selection and supervision of employees;
- C) as soon as reasonably practical after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such reasonable additional precautions to be taken as the circumstances require.

#### 4 Avoidance

This Policy shall be voided if

- A) the Business be wound up or carried on by a liquidator or receiver or permanently discontinued or
- B) the Policyholder's interest cease otherwise than by death or
- C) any alteration be made either in the Business or in the Premises or property therein, the occupation of any Insured Person or any other circumstances whereby the risk is increased.

at any time after the commencement of this insurance unless its continuance be admitted by Memorandum signed by or on behalf of the Company.

#### 5 Policyholder's Interest

This Policy shall be voided if the Policyholder's interest ceases and nothing herein contained shall give any right against the Company to any person other than the Policyholder except to a transferee approved by the Company.

#### 6 Premium Adjustments

If any part of the Premium or Renewal Premium is based on estimates provided by the Policyholder, the Policyholder shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Policyholder shall, within one month after the expiry of each Period of Insurance, provide such information as the Company may require. The Premium shall then be adjusted and the difference paid by or allowed to the Policyholder.

#### 7 Cancellation

This Policy may be cancelled

- (A) by the Company giving 30 days notice in writing to the Policyholder at their last known address. Thereupon the Policyholder shall become entitled to a proportionate return of premium;
- (B) by the Policyholder giving 30 days notice in writing to the Company at the address shown in the Schedule, provided a Long Term Agreement is not applicable to the Policy. The Policyholder shall be entitled only to a return Premium in accordance with the Company's usual short period scale.

provided that no claim has been made in the then current Period of Insurance.

#### 8 Non Payment - Consumer Credit Termination Clause

The Company reserves the right to terminate the Policy in the event that there is a default in Instalment payments due under any linked loan agreement.

#### 9 Law Applicable

Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both parties may choose the law which applies to this contract, to the extent permitted by those laws. Unless the parties agree otherwise in writing, the Insurer has agreed with the Policyholder that the law which applies to this contract is the law which applies to the part of the United Kingdom in which the Policyholder is based or, if the Policyholder is based in the Channel Islands or the Isle of Man, the law of whichever of those two places in which the Policyholder is based.

The parties have agreed that any legal proceedings between them in connection with this contract will only take place in the courts of the part of the United Kingdom in which the Policyholder is based or, if the Policyholder is based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which the Policyholder is based.

## **10 Financial and Trade Sanctions**

The Company shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Policy if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation

If any such prohibition or restriction takes effect during the Policy period the Policyholder may cancel that part of this Policy which is prohibited or restricted with immediate effect by giving written notice to the other [at their last known registered address]

If the whole or any part of the Policy is cancelled the Company shall return a proportionate amount of the premium for the unexpired period subject to the Company's usual short period scale (if applicable) provided no claims have been paid or are outstanding

## Fidelity Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

### Definitions

**Acting in Collusion** shall mean all circumstances where two or more Employees are concerned or implicated together or materially assist each other in committing a Fraudulent Act

**Aggregate** shall mean the maximum aggregate amount (howsoever arising) for which the Company shall be liable in respect of insurance available under the Policy in relation to the applicable Period of Insurance

**Any One Claim** shall mean all loss or losses caused by any Fraudulent Act or Third Party Computer and Funds Transfer Fraud either resulting from a single act or any number of related acts committed throughout the continuation of this insurance (or any insurance issued in substitution thereof or for which this insurance is substituted) irrespective of whether such acts are committed or caused prior to the inception of the Policy or during the Period of Insurance stated in the Schedule or during any subsequent Period of Insurance

Nothing in this definition will make the Company liable for acts committed prior to the Commencement Date or after the termination date except to the extent that cover is provided under the Previous Insurance section

**Commencement Date** shall mean the date from which insurance in respect of any Employee commenced

**Discovery or Discovered** shall mean when a director partner departmental director senior manager trustee or officer of the Policyholder becomes aware of acts which would cause a reasonable person to assume that a loss covered by this Policy has been or will be incurred even though the exact amount or details of such loss may not then be known

**Employee** shall mean any person who is

- A) under a contract of service or apprenticeship with the Employer or being trained under a Government approved training scheme under the control of the Employer
- B) a director employed by the Employer under a contract of service and who controls no more than 5% of the issued share capital of the Employer
- C) retired from full time employment with the Employer who is working for the Employer as a consultant under the control and direction of the Employer

in connection with the Business of the Employer whilst in the service of the Employer

Whilst in the service of the Employer shall include the period of 30 days immediately following the termination of service

The term Employee shall include:

any person supplied by a staff employment agency who by arrangement with such agency is working for the Employer on a temporary or part-time basis in connection with the Business to perform the functions and duties of an employee under the control or direction of the Employer but not including persons employed as drivers or in connection with warehouse duties or with computer operations or computer programming unless specifically stated as insured herein

Provided that any Condition relating to the obtaining by the Employer of references shall not apply to the temporary agency staff described above

For these purposes the term Employer shall mean any party included within the definition of the Policyholder

**Policyholder's Contribution** shall mean the first part of Any One Claim borne by the Policyholder as specified in the Schedule at the time of the occurrence of the Fraudulent Act or Third Party Computer or Funds Transfer Fraud (or if a series of related acts the last act in the series) or as otherwise provided for by this Policy

**Fraudulent Act** shall mean any act of fraud or dishonesty committed by any Employee alone or Acting in Collusion with others committed with the clear intent of obtaining an improper personal financial gain (which shall not include salaries fees commission and other earnings in the normal course of employment) for themselves or for any other person or organisation intended by such Employee to receive such gain

**Minimum Standards of Control** shall mean the minimum standards of supervision accounting procedures and for checking the security of Property agreed between the Company and the Policyholder from time to time as set out in the latest Schedule

**Money** shall mean currency coins bank note and bullion

**Property** shall mean Money Securities or goods belonging to the Policyholder or for which they are legally responsible

**Securities** shall mean

- 1 share certificates allotment letters bonds or debentures
- 2 promissory notes except
  - A) those issued or purporting to have been issued for use as currency
  - B) those secured or purporting to be secured directly or indirectly by assigned accounts or what purports to be assigned accounts
- 3 deeds of trust mortgages upon real property and upon interests in real property and assignments of such mortgages
- 4 letters of credit

**Terrorism** shall mean an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

**Third Party Computer and Funds Transfer Fraud** shall mean any act of fraud or dishonesty committed by a Third Party with the intent of obtaining an improper personal financial gain involving

- A) the manipulation of the Policyholder's computer hardware or software programs or systems
- B) fraudulent electronic instructions which purport to have been transmitted by the Policyholder

**Third Party** shall mean any person other than an Employee partner or director of the Policyholder

**War Risks** shall mean war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

### Section A - Fidelity

The Company will indemnify the Policyholder up to the Limits of Indemnity in respect of

- 1 loss of Property as a direct result of a Fraudulent Act committed during the Period of Insurance
- 2 auditor's fees necessarily incurred with the Company's written consent to substantiate the amount of any loss covered by this Section
- 3 the reasonable cost of rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section

### Section B - Third Party Computer and Funds Transfer Fraud

The Company will indemnify the Policyholder up to the Limits of Indemnity in respect of

- 1 loss of Property as a direct result of Third Party Computer or Funds Transfer Fraud committed by a Third Party during the Period of Insurance
- 2 auditor's fees necessarily incurred with the Company's written consent to substantiate the amount of any loss covered by this Section
- 3 the reasonable cost of rewriting or amending the software programs or systems where such rewriting or amending is necessary to correct the programs or amend the security codes following the fraudulent use of computer hardware or software programs or computer systems the subject of a claim for which liability is admitted under this Section

### Exclusions

The Company shall not be liable for

- 1 loss of interest penalties fines or any other loss that arises directly or indirectly
- 2 the amount of the Policyholder's Contribution under this section of the Policy
- 3 any loss caused by any Fraudulent Act of any Employee committed prior to the Commencement Date applicable to that Employee
- 4 any loss Discovered more than 24 months after
  - A) the termination of the Policy or
  - B) such loss was caused or commenced to be caused or
  - C) the resignation dismissal retirement or death of any Employee whose Fraudulent Act gave rise to a claim
 whichever occurs first
- 5 any loss where proof of the existence of Property or the amount of the loss is dependant solely upon an inventory computation or a profit and loss computation
- 6 any loss where the Fraudulent Act is committed by an Employee not resident within the Geographical Limits stated in the Schedule

- 7 any further Fraudulent Act committed by an Employee subsequent to the date of Discovery of a Fraudulent Act for which cover is provided under this Policy
- 8 under Section B for any loss or losses caused by any Employee insured under Section A of this Policy
- 9 under Sections A and B for any loss or losses caused by the fraudulent use of the telephone or other telecommunication system operated by the Policyholder
- 10 any loss arising directly or indirectly out of War Risks or Terrorism
- 11 Electronic Risk
  - A) Damage to Data which shall include but shall not be limited to
    - 1) Damage to or corruption of Data whether in whole or in part
    - 2) unauthorised appropriation of use of access to or modification of Data
    - 3) unauthorised transmission of Data to any third parties
    - 4) Damage arising out of any misinterpretation use or misuse of Data
    - 5) Damage arising out of any operator error in respect of Data
  - B) Damage to the Property Insured arising directly or indirectly from
    - 1) the transmission or impact of any Virus
    - 2) unauthorised access to a System
    - 3) interruption of or interference with electronic means of communication used in the conduct of the Policyholder's Business including but not limited to any diminution in the performance of any website or electronic means of communication
    - 4) Failure of a System
    - 5) anything described in (A) above
 but in respect of B) 1) B) 2) B) 3) and B) 4) this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded provided that such Damage does not arise by reason of any malicious act or omission

### Definitions

**Data** shall mean information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

**Failure of a System** shall mean the complete or partial failure or inability whether in terms of availability functionality including performance or otherwise of a System whether or not owned by the Policyholder to operate at any time as desired as specified or as required in the circumstances of the Policyholder's business activities

**Microchip** shall mean a unit of packaged computer circuitry manufactured in small scale and made for programme logic including computer memory purposes and expressly includes integrated circuits and micro-controllers

**System** shall include computers other computing and electronic equipment linked to a computer hardware electronic data processing equipment Microchips and anything which relies on a Microchip for any part of its operation and includes for the avoidance of doubt any computer installation

**Virus** shall mean programming code designed to achieve an unexpected unauthorised including undesirable effect or operation when loaded onto a System transmitted between Systems by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMs or otherwise and whether involving self replication or not

## Special Conditions

### Application of the Limits of Indemnity

The Company's liability for loss resulting from a Fraudulent Act or Third Party Computer or Funds Transfer Fraud will not exceed the amounts stated in the Schedule in respect of

- 1 Any One Claim
- 2 The Aggregate for all claims under the Policy

The Limit of Indemnity in respect of Any One Claim shall be the amount stated in the Schedule at the time of the occurrence of the Fraudulent Act or Third Party Computer or Funds Transfer Fraud (or if a series of related acts then the last act in the series)

Where different Limits of Indemnity are stated in the Schedule to apply to different Employees the Limit of Indemnity Any One Claim where two or more Employees are Acting in Collusion shall be the higher or highest of the Limits of Indemnity applicable to those Employees as stated in the Schedule

Irrespective of the number of Premiums which shall be paid or payable and the number of years cover shall continue in force under this Policy (or any other insurance substituted by or issued in substitution for this Policy) the liability of the Company in respect of Any One Claim and in the Aggregate shall not be cumulative whether from one Period of Insurance to another Period of Insurance or otherwise

To the extent that the Aggregate Limit of Indemnity for any one Period of Insurance is not exhausted the unused element of the limit will not be available for any other Period of Insurance

### Previous Insurance

If this insurance immediately supersedes a Fidelity Insurance effected by the Policyholder (the "Superseded Insurance") the Company will indemnify the Policyholder in respect of any Fraudulent Act Discovered during the continuation of this insurance but committed during the continuation of the Superseded Insurance if the loss is not recoverable thereunder solely because the period allowed for Discovery has expired

Provided that

- 1 such insurance had been continuously in force from the time of the loss until inception of this insurance
- 2 the loss would have been insured by this insurance had it been in force at the time of the loss
- 3 the liability of the Company shall not exceed whichever is the lesser of

- A) the amount recoverable under the insurance in force at the time of the loss or
- B) the Limits of Indemnity under this insurance

In any event the total liability of the Company in respect of Any One Claim continuing through both the term of the Superseded Insurance and the continuation of this insurance shall not exceed the Limit of Indemnity for Any One Claim stated in the Schedule

### The Company's Liability

For all purposes including but not limited to the application of the Limits of Indemnity and consideration of when and how the Policy will respond all parties included in the definition of the Policyholder in the Schedule shall constitute one Policyholder and there shall be only one contract of insurance between that Policyholder and the Company during the Period of Insurance

### Conditions Precedent

It shall be a condition precedent of any liability of the Company under this Policy that the Policyholder shall ensure compliance in full with each of the following:

#### 1 Termination of Employment

Upon the termination of service of any Employee the Employer shall take all reasonable precautions to prevent a Fraudulent Act by that Employee

For these purposes the Employer shall mean any party included within the definition of the Policyholder

#### 2 References

The Policyholder shall ensure that satisfactory written or verbal references are obtained to confirm the honesty of each Employee who will be responsible for Property computer operations or computer programming engaged after commencement of this Policy

Such references shall be obtained directly from former employers for the three years immediately preceding engagement and before the Employee is entrusted without supervision

References need not be obtained in respect of Employees who have satisfactorily and continuously served the Policyholder for at least one year in another capacity before being entrusted with the duties referred to above

In respect of Employees joining directly from school or government sponsored youth training schemes one character reference shall be obtained

A written record of any verbal reference shall be made at the time it is obtained and the original copy of each written reference and the record of any verbal reference shall be retained by the Policyholder and shall be made available for inspection by the Company

#### 3 Minimum Standards of Control

The Policyholder shall ensure that the Minimum Standards of Control are operated or brought in to force and shall not make any change to the Minimum Standards of Control unless the Company are advised and their written approval obtained



The Minimum Standards of Control stated in the Schedule shall be maintained in full operation throughout the currency of this Policy unless the Company are advised and their written approval obtained

All Employees shall be instructed as to their duties or responsibilities in respect of the Minimum Standards of Control and be expected to comply

## Claims Conditions

### 1 Fraud

If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Policyholder or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Policyholder all benefit under this Policy shall be forfeited

### 2 Action by the Policyholder

On the discovery of any circumstance or event which may give rise to a claim under this Policy the Policyholder shall

- A) notify the Company in writing as soon as reasonably practical
- B) give immediate notice to the Police Authority in respect of loss destruction or damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy
- C) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
- D) as soon as reasonably possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
- E) within 30 days (7 days in the case of Damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Company may allow at their own expense deliver to the Company
  - 1) full information in writing of the claim
  - 2) details of any other insurance relating to the claim
  - 3) all such business books documents proofs information explanation and other evidence as may be reasonably required all of which information and details may be produced by the Policyholder's professional accountants or auditors who are regularly acting as such their report being prima facie evidence of such information and details
  - 4) if demanded a statutory declaration of the truth of the claim and of any matter connected with it

If the terms of this Condition have not been complied with

- 1) no claim under this Policy shall be payable
- 2) any payment on account of the claim already made shall be repaid to the Company immediately

### 3 Rights of Recovery

The Policyholder shall at the Company's request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss under this Policy whether such acts and things shall be or become necessary or required before or after the Company indemnifies the Policyholder

The Company shall not enforce any rights against any Company being Parent of or Subsidiary to the Policyholder or any Company which is a Subsidiary of a Parent Company of which the Policyholder are themselves a Subsidiary in each case within the meaning of Sections 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986

### 4 Reimbursement

The Company shall be entitled if they so wish to take over and conduct in the name of the Policyholder all claims and rights of action of the Policyholder in respect of any act giving rise to a claim under this Policy

The Policyholder shall give all assistance as the Company may require

### 5 Other Insurances

If at the time any claim arises under this Policy there be any other insurance fund indemnity or guarantee covering the same loss the Company shall not be liable except to the extent of any excess beyond the amount payable under such other insurance guarantee or indemnity had this Policy not been effected

### 6 Deduction from Loss

All monies belonging to or the entitlement of the Employee in respect of whom a claim is made in the hands of the Policyholder shall insofar as legally permissible be deducted from the amount of the loss before a claim is made under this Policy

### 7 Recoveries

Any recoveries made by either the Policyholder or the Company on account of such loss shall be applied in the following order

- A) to reimburse the Policyholder in full for that part (if any) of the loss which exceeds the Limits of Indemnity (disregarding the amount of any Policyholder's Contribution applicable)
- B) to reimburse the Company if payment has already been made or if not to reduce that part of the loss for which the Company is responsible under this insurance
- C) finally to reduce that part of the loss for which the Policyholder is responsible by virtue of any Policyholder's Contribution under this section of the Policy or for which other insurers under any other policy of insurance of which this Policy is in excess

**8 Arbitration**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force

Where any difference is by this Condition to be referred to arbitration the making of an award shall be a requirement to any right of action against the Company

**9 Valuation**

In the case of Securities the Company shall not be liable for more than the actual cash value of the Securities at the close of business on the business day immediately preceding the day on which the loss was Discovered or for more than the actual cost of replacing the Securities whichever is the less

# Personal Accident Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

## Interpretations

- 1 Accident shall mean a sudden unexpected unforeseen and identifiable Incident
- 2 Aircraft Accumulation  
The inner limits shown under Limits in respect of Aircraft Accumulation shall mean the maximum amount the Company will pay under this Policy and any other policy issued by the Company in the name of the Policyholder in respect of all Insured Persons travelling in the same aircraft
- 3 Annual salary shall mean the total annual remuneration as declared and upon which the premium is based excluding payments for overtime commission or bonus payable by the Policyholder to the Insured Person at the date bodily injury following an Accident is sustained
- 4 Benefits shall mean
  - 1 Death
  - 2 Loss of two or more Limbs or Loss of both Eyes or one of each
  - 3 Loss of one Limb or Loss of one Eye
  - 4 Permanent Total Disablement other than by Loss of Limb or Eye from gainful employment of any and every kind unless otherwise shown in the schedule
  - 5 Temporary Total Disablement from usual occupation
  - 6 Temporary Partial Disablement i.e. disablement from a substantial part of the usual occupation
  - 7 Medical Expenses necessarily incurred in the treatment of the Insured Person
- 5 Director shall mean any person holding the position of director with the Policyholder but excluding non-executive directors unless otherwise agreed in writing with the Company
- 6 Disablement shall mean Benefits 2 to 6
- 7 Excluded activities shall mean
 

Aqualung Diving

Flying other than

  - a) as a passenger or
  - b) as a member of the crew or
  - c) in order to carry out work in the aircraft

Football other than association football (soccer) as an Amateur (amateur shall mean a person who receives no financial gain from or payment for participation in that sport other than the reimbursement of reasonable travel and other out of pocket expenses)

Hang gliding

Hunting on horseback

Motor competitions

Motorcycling as a rider or passenger

Mountaineering or cliff or rock climbing

Parachuting

Pot holing

Racing other than on foot or in dinghies

Using power driven woodworking machinery in connection with business or occupation

Winter sports other than curling or skating
- 8 Hospital shall mean any institution which meets fully every one of the following criteria
  - 1 maintains permanent and full time facilities for the care of overnight resident patients and
  - 2 has diagnostic and therapeutic facilities for the surgical and medical diagnosis treatment and care of injured and sick persons by or under the supervision of a staff of Medical Practitioners and
  - 3 continuously provides a 24 hours a day nursing service supervised by state registered nurses or by persons with equivalent qualifications and
  - 4 is not other than incidentally an institution which provides full time facilities for
    - a) mentally ill or mentally handicapped persons
    - b) nursing or convalescing
    - c) aged persons of 70 years or more
    - d) drug addicts
    - e) alcoholics
- 9 Incident shall mean all individual losses arising out of and directly occasioned by one sudden unexpected unusual specific event occurring at an identifiable time and place  
The duration and radius of any one Incident shall be limited to
  - a) 72 consecutive hours
  - b) 100 miles

no loss which occurs outside this distance or period shall be included in that Incident
- 10 The Insured Person shown in the Schedule shall have the following meanings
 

Clerical and Administration staff	staff wholly engaged in clerical and/or administrative duties in the Business
Any other Employee of the Policyholder	staff NOT wholly engaged in clerical and/or administrative duties in the Business

- 11** Loss of Eye shall mean permanent and total loss of sight which will be considered as having occurred
- i) in both eyes if the Insured Persons name is added to the Register of Blind Persons on the authority of a fully qualified ophthalmic specialist
  - ii) in one eye if the degree of sight remaining after correction is 3/60 or less on the Snellen scale (meaning seeing at 3 feet what the Insured Person should see at 60 feet)

- 12** Loss of Limb shall mean
- i) in the case of a leg loss by permanent physical severance at or above the ankle or permanent and total loss of use of a complete foot or leg
  - ii) in the case of an arm loss by permanent physical severance of the four fingers at or above the meta carpo phalangeal joints (where the fingers join the palm of the hand) or permanent and total loss of use of a complete arm or hand

**13** Maximum Incident Limit shall mean the maximum amount the Company will pay in the aggregate under this Policy and any other policy of Personal Accident Insurance issued by the Company in the Policyholder's name in respect of all losses arising out of one and the same Incident

**14** Medical Expenses shall mean the cost of medical surgical or other remedial attention treatment or appliances given or prescribed by a Medical Practitioner and all Hospital nursing home and ambulance charges

**15** Medical Practitioner shall mean  
Any legally qualified medical practitioner other than

- i) an Insured Person
- ii) a member of the immediate family of an Insured Person
- iii) an Employee of the Policyholder

**16** The Operative Time shown in the Schedule shall have the following meanings

24 hour	At any time
Occupational Accidents Only	While engaged in all duties of the Insured Person's occupation in the Business including while travelling at the expense of the Policyholder excluding Commuting While travelling Insurance operates from the departure of the Insured Person from residence or place of Business (whichever occurs last) until arrival back at such residence or place of Business (whichever occurs first)
Occupational Accidents plus Commuting Risks	While engaged in all duties of the Insured Person's occupation in the Business including while travelling at the expense of the Policyholder and including daily travel directly between residence (normal or temporary) and place of Business

**17** Terrorism shall mean  
an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

**18** Units of Cover shall mean  
For Fixed Benefits Cover the following level of Benefits:

Benefits per unit	
Benefit 1	£10,000
Benefit 2	£10,000
Benefit 3	£10,000
Benefit 4	£10,000
Benefit 5	£50 per week
Benefit 6	£20 per week
Benefit 7	£ 2,500

Under Benefit 7 the maximum amount payable for each Insured Person shall be £2,500 irrespective of the number of Units of Cover

For Salary related Benefits Cover the following level of Benefits:

- Benefits 1 2 3 and 4 the multiple of Annual Salary stated in the Schedule
- Benefit 5 the percentage of weekly wage stated in the Schedule
- Benefit 6 the percentage stated in the Schedule of Benefit 5
- Benefit 7 the amount stated in the Schedule in total

**19** War shall mean war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

**Cover**

If during the Operative Time the Insured Person sustains bodily injury following an Accident which within two years is the sole and independent cause of Death Disablement or incurring of Medical Expenses the Company will pay to the Policyholder the appropriate Benefit shown in the Schedule subject to the Policy Maximum Incident Limits

**Limits**

**Insured Person Limit**

If the Benefits are expressed as a multiple of Annual Salary the maximum benefit for any one Insured Person shall not exceed

- a) under Benefits 1 2 and 4 £1,000,000
- b) under Benefit 3 £250,000
- c) under Benefit 5 £1,000
- d) under Benefit 6 £400

### Maximum Incident Limit

The liability of the Company under this Policy in respect of any one Incident shall not exceed the Maximum Incident Limit of £3,000,000 subject to the following inner limits:

- |   |                                  |                 |
|---|----------------------------------|-----------------|
| 1 | Aircraft Accumulation            |                 |
|   | a) Multi engined aircraft        | £1,000,000      |
|   | b) Any other aircraft or airship | £250,000        |
| 2 | Insured Person Limit             | as stated above |

### Exclusions

The Company will not pay in respect of any Benefit where bodily injury or Death Disablement or incurring of Medical Expenses is the result of or is contributed to by

- 1 the Insured Person engaging in or practicing for any of the Excluded Activities
- 2 the Insured Person committing or attempting to commit suicide or as a result of self inflicted injury
- 3 illness or disease (not resulting from bodily injury following an Accident)
- 4 any naturally occurring condition or degenerative process
- 5 any gradually operating cause
- 6 post traumatic stress disorder or any psychological or psychiatric condition (not resulting from bodily injury following an Accident)
- 7 the Insured Person having taken a drug unless it is taken on proper medical advice and is not for the treatment of drug addiction
- 8 the Insured Person having a physical or mental defect of any sort which was known either to the Policyholder or the Insured Person when the Policy was issued or at renewal However this Exclusion shall not apply if the defect has been notified to the Company and accepted in writing
- 9 War or Terrorism
- 10 the pregnancy (including childbirth) of the Insured Person
- 11 Radioactive contamination whether arising directly or indirectly

The Company will not pay the Benefit if

- 12 bodily injury is sustained by any Insured Person before such person attains the age of sixteen years or after the expiry of the Period of Insurance during which such person attains the age of eighty years

### Special Conditions

#### 1 Disappearance

In the event of the disappearance of an Insured Person if after a suitable period of time it is reasonable to believe that death has occurred as a result of accidental bodily injury the amount of Benefit 1 shall become payable subject to a signed undertaking by the Policyholder that if the belief is subsequently found to be wrong such amount shall be refunded to the Company

#### 2 Benefits

- A) The Company will not pay in respect of any one Insured Person for more than one of Benefits 1 to 4 in connection with the same Accident
- B) On the happening of an Accident giving rise to a claim for 100% of the amount for any of Benefits 2 to 4 this Insurance will not cover any further Accidents to that Insured Person
- C) Benefit shall not be payable in respect of any Insured Person who had ceased to be an Employee prior to the Accident giving rise to the claim
- D)
  - i) Loss of Limb or Eye must be proved to the reasonable satisfaction of the Company to be permanent and without expectation of recovery before Benefits 2 or 3 shall be payable by the Company
  - ii) Permanent Total Disablement must be proved to the reasonable satisfaction of the Company to be permanent and without expectation of recovery and any claim for weekly compensation must have been settled in full before the Company will pay for Benefit 4
- E)
  - i) If Benefit 1 is not included for an Insured Person the Company will not pay for Loss of Limb or Eye until at least thirteen weeks after the date of the Accident and the Company will only then pay if the Insured Person has not in the meantime died as a result of the Accident
  - ii) If Benefit 1 is included but the amount payable thereunder is less than the amount for Loss of Limb or Eye the Company will not pay more than the amount for Benefit 1 until at least thirteen weeks after the date of the Accident and the Company will only then pay the balance if the Insured Person has not died in the meantime as a result of the Accident
- F) the amount payable under Benefit 7 shall be reimbursement up to the amount specified in the Schedule in respect of any one Insured Person
- G) no sum payable shall carry interest
- H) no benefit shall be payable due solely to inability to take part in sports or pastimes
- I) Benefits 5 and 6 are payable per week for up to a maximum of 104 weeks in all not necessarily consecutive

#### 3 Exposure

If an Insured Person suffers Death or Disablement as a result of exposure to the elements the Company will consider that as having been caused by bodily injury following an Accident

#### 4 The Company's Liability

The Policyholder's receipt shall discharge the Company's liability to pay any amount in respect of a claim The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue the Company

The total amount payable by the Company in respect of any of the Benefits/Sums Insured/or Limits shown in the Schedule irrespective of the number of parties insured by this Policy having a claim under this Policy in respect of such Benefits/Sums Insured/ Limits shall not exceed in the whole the total sum insured stated in the Schedule for the Benefit/Sums Insured/Limits claimed

For the purposes of any stated Benefits/Sums Insured/Limits all parties insured under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract namely the Company and the Policyholder both as defined herein

#### 5 Special Provisions

The Company shall not automatically accept or be affected by any notice of any trust assignment or the like which relates to this insurance

#### Claims Conditions

##### 1 Fraud

If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Policyholder or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Policyholder all benefit under this Policy shall be forfeited

##### 2 Action by the Policyholder

- A) The Policyholder and each Insured Person must take all reasonable steps to avoid or minimise any loss or damage and must also make every effort to recover any property which has been lost
- B) As soon as reasonably possible after the Policyholder is aware that an event has happened which may give rise to a claim the Policyholder must notify the Company in writing

If the terms of this Condition have not been complied with

- 1) no claim under this Policy shall be payable
- 2) any payment on account of the claim already made shall be repaid to the Company immediately

##### 3 Rights of the Company

No admission offer promise payment or indemnity shall be made or given by or on behalf of the Policyholder without the written consent of the Company which shall be entitled to take over and conduct in the name of the Policyholder the defence or settlement of any claim or to prosecute any claim in the name of the Policyholder for their own benefit and shall have full discretion in the conduct of any proceedings and in the settlement of any claim

The Policyholder shall give all such assistance as the Company may require

#### 4 Rights of Recovery

The Policyholder shall at the Company's request and expense do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss under this Policy whether such acts and things shall be or become necessary or required before or after the Company indemnifies the Policyholder

The Company shall not enforce any rights against any Company being Parent of or Subsidiary to the Policyholder or any Company which is a Subsidiary of a Parent Company of which the Policyholder are themselves a Subsidiary in each case within the meaning of Sections 736 and 744 of the Companies Act 1985 or Articles 2 and 4 of the Companies (Northern Ireland) Order 1986

#### 5 Other Insurances

If at the time of any event giving rise to a claim there is any other insurance Policy in force in the Policyholder's name which also covers the Policyholder or the Insured Person concerned for the same expense loss damage or liability then the Company will only pay a proportion of the claim such proportion being determined by reference to the cover provided under each of the relevant policies Personal Accident Benefits will be payable in full

#### 6 Other Interests

The Policyholder's receipt shall discharge the Company's liability to pay any amount in respect of a claim The Insured Person or the Insured Person's personal representatives shall have no right to claim from or sue the Company The total amount payable by the Company in respect of any benefits shown in the Schedule irrespective of the number of parties insured by this Policy having a claim under this Policy in respect of such benefits shall not exceed in the whole the Total Sum Insured stated in the Schedule for the benefit claimed

#### 7 Evidence Required

The Policyholder must produce for the Company at the Policyholder's own expense all the detailed particulars and evidence relating to the cause and amount of the loss damage or expenses If the Company considers it necessary each Insured Person must also agree to have a medical examination (which the Company will pay for) as often as the Company may require in connection with any claim following any accident or illness

# Loss of Liquor Licence Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

## Interpretations

### Act

Shall mean the Licensing Act 2003 in England and Wales

### Additional Expenditure

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Shortage of Turnover which would have occurred but for that expenditure during the Indemnity Period in Consequence of the loss of the Premises Licence but not exceeding the amount of the reduction in Gross Profit thereby avoided

### Gross Profit

The amount by which the sum of the amounts of the Turnover and closing stock shall exceed the sum of the amounts of the Uninsured Working Expenses and opening stock The amounts of the opening and closing stocks shall be arrived at in accordance with the Policyholder's normal accountancy methods due provision being made for depreciation

### Indemnity Period

The period beginning with the loss of the Premises Licence and ending not later than the date a Premises Licence is re-obtained or 12 months after the date of the loss of the Premises Licence (whichever shall be the earlier) during which the results of the business shall be affected in consequence of the loss of The Premises Licence provided that if the Premises are disposed of within 12 months after the loss of the Premises Licence the Indemnity Period shall terminate upon disposal

### Premises

The premises in respect of which the Premises Licence is indemnified hereunder and as specified in the Schedule

### Professional Accountants' Charge

The reasonable charges payable by the Policyholder to their professional accountants for producing information required by the Company under the terms of the Conditions and for reporting that such information is in accordance with the Policyholder's accounts

### Rate of Gross Profit

The rate which but for the loss of the Premises Licence Gross Profit would have borne to Turnover during the Indemnity Period subject to the Other Circumstances Clause

### Savings in Costs

Any of the charges or expenses of the Business payable out of Gross Profit which cease or reduce in consequence of the loss of the Premises Licence during the Indemnity Period

### Shortage of Turnover

The amount by which the Turnover during the Indemnity Period shall in consequence of the forfeiture suspension or withdrawal of the Premises Licence fall short of the Turnover which but for the loss of the Premises Licence would have been achieved during the Indemnity Period subject to the Other Circumstances Clause

### Turnover

The money paid or payable to the Policyholder for goods sold and delivered and for services rendered in course of the Business at the Premises

### Turnover from Alternative Trading

The money paid or payable for goods sold and delivered and for services rendered during the Indemnity Period elsewhere than at the Premises either by or on behalf of the First Insured for the benefit of the Business

### Uninsured Working Expenses

Purchases and discounts relative thereto and bad debts (unless otherwise stated in the Policy) The words and expressions used in the definition of Uninsured Working Expenses shall have the meaning usually attached to them in the books and accounts of the Policyholder

The following notes refer to the above Interpretations

- 1 To the extent that the Insured is accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
- 2 For the purpose of the Interpretations contained in this policy any adjustment implemented in current cost accounting shall be disregarded

### Other Circumstance Clause

In arriving at any figure subject to this clause regard shall be taken of the trend of the Business and of other circumstances affecting the Business either before or after the loss of the Premises Licence or which would have affected the Business had the loss of the Premises Licence not occurred

### Cover

In the event of the Premises Licence being forfeited suspended or withdrawn during the Period of Insurance due to the operation of the Act the Company will provide indemnity in respect of the included Sections of this Policy subject to the terms Conditions and Exceptions of this Policy

This Policy operates in respect of the Premises Licence as specified in the Schedule and does not extend to successors of the Premises Licence

The liability of the Company in respect of each Section shall not exceed the Limit of Indemnity specified in the Schedule

In addition the Company will pay costs and expenses incurred by the Policyholder with the written consent of the Company

### Section 1

Any loss cost or expense suffered or incurred by the Mortgagee under the Mortgage with the First Insured secured on the Premises

Provided that the liability of the Company under this Section shall be reduced by the amount the Mortgagee receives under the terms of the Mortgage following the sale or disposal of the Premises

### Section 2

The loss of Gross Profit suffered by the First Insured during the Indemnity Period and the amount payable as indemnity shall be the aggregate of

- 1 Shortage in Turnover less Turnover from Alternative Trading multiplied by the Rate of Gross Profit
- 2 Additional Expenditure less Savings in Costs
- 3 Professional Accountants' Charges

**Section 3**

The depreciation in value of the Premises if the First Insured is unable to obtain a Premises Licence for the Premises during a period of twelve months from the date of the forfeiture suspension or withdrawal of the Licence and the First Insured sells the Premises

**Exclusions**

The Company shall not be liable in respect of any loss arising from any:-

- 1
  - A) partial removal
  - B) suspension or
  - C) any failure by the Licensing Authorities to grant any requested alterations of the Premises Licence

Unless such partial removal suspension or alteration is ancillary to the Premises Licence being fully removed or suspended
- 2
  - A) actual or proposed compulsory acquisition of any of the Premises
  - B) scheme of town or country planning improvement or redevelopment whether such loss is direct or indirect
- 3 alteration after the inception of this Policy of the law governing the grant suspension surrender renewal forfeiture withdrawal or transfer of the Premises Licence unless the Company confirms in writing that the Policy will apply after such alteration
- 4 such refusal to renew a Premises Licence as entitles the Policyholder to claim compensation under any statute
- 5 Failure
  - A) other than for good cause to keep open the Premises during the times stated on the operating schedule of the Premises Licence
  - B) to maintain the Premises in good sanitary and general repair
  - C) to comply with any direction or requirement of the licensing justices or other authority
- 6 Forfeiture of the Premises Licence occasioned wholly or in part by any act or omission of the Policyholder or by the Policyholder's failure to take all reasonable action to maintain the Premises Licence in force
- 7 The Company shall not be liable for claims arising from the failure of the Policyholder to apply for or follow the correct procedures for applying for a Licence under the regulations of the Licensing Act 2003

**Special Conditions**

- 1 **Notice of forfeiture suspension or withdrawal**

The First Insured and the Mortgagee shall give immediate written notice to the Company of the forfeiture suspension or withdrawal of any Premises Licence or of any event likely to prejudice the

Premises Licence coming to the knowledge of the First Insured or the Mortgagee stating (as far as is practicable) the grounds on which any order was made or the particulars of such event and the Company shall be entitled to appeal in the name of the Policyholder against any such forfeiture suspension or withdrawal and shall have full discretion in the conduct of any proceedings The First Insured and the Mortgagee shall give all such assistance as the Company may require

**2 Alteration to the risk**

The First Insured or Mortgagee shall give written notice to the Company of any alteration in the risk which renders void voidable or liable to be forfeited suspended or withdrawn any Premises Licence thereof or which does or might occasion any disqualification

**3 The Company's liability**

For the purposes of the Limit of Indemnity the Policyholder and all other parties entitles to indemnity under this Policy shall be treated as one party or legal entity so that there will be only two parties to the contract of insurance namely the Company and the Policyholder both as defined herein

**4 Alteration to the premises**

No alterations shall be made to the Premises without the sanction of the Licensing and other competent authorities

**5 Offer to surrender or discontinue any Licence**

No offer shall be made to surrender or discontinue any Licence without the written consent of the Company

**6 Action by the Policyholder**

- The Policyholder shall use due diligence to -
- A) comply with the terms of the licence in the provision of accommodation food refreshments and entertainment
  - B) comply with the standards required by the fire planning and food hygiene authorities
  - C) exercise against any employee or agent who is responsible for the day-to-day running of the licensed premises all rights powers and privileges which the Policyholder may be entitled to exercise to protect any licence against loss or to protect the interest of the First Insured and the Mortgagee in the Premises The Policyholder shall make all such applications as the Policyholder may be entitled to do under the Act to prevent the loss of the Premises Licence by non-renewal forfeiture or withdrawal of the licence
  - D) produce a suitable person to replace an employee or agent responsible for the day-to-day running of the licensed premises in the event of the death bankruptcy or incapacity of such employee or agent or if such person shall abscond or be convicted of any offence

**Claims Conditions**

- 1 **Other Insurance**

If at the time of the forfeiture or withdrawal of any Premises Licence there is any other insurance covering the same loss the Company shall not pay more than its rateable portion of any claim



**2 Arbitration**

If any difference arises as to the amount to be paid under this insurance (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions Where any difference is by this condition to be referred to arbitration the making of an award shall be a requirement to any right of action against the Company

**3 Fraud**

If any claim under this Policy is in any respect fraudulent or if any fraudulent means or devices are used by the Policyholder or any one acting on the Policyholder's behalf to obtain any benefit under this Policy all benefit hereunder shall be forfeited.

**4 Action by the First Insured/Mortgagee**

As soon as reasonably practicable after the forfeiture or withdrawal of a Premises Licence the First Insured and the Mortgagee shall deliver to the Company a detailed statement of the loss with all such proofs and information as may reasonably be required together with (if required) a Statutory Declaration of the truth and accuracy of such statement

The First Insured shall permit the Company to take proceedings at its own expense recover compensation or secure indemnity from any party in respect of anything covered by this Policy

**5 The Company's right to pay the Limit of Indemnity**

In connection with any claims against the Policyholder the Company may at any time pay to the Insured the Limit of Indemnity or any less amount for which such claims can be settled and thereupon the Company shall relinquish the control of such claims and be under no further liability in connection therewith except for costs and expenses for which the Company may be responsible in respect of matters prior to the date of such payment

**6 Action by the Policyholder** Applicable only to Section 2

I In the event of a claim being made under this Policy the Policyholder shall

- A) notify the Company as soon as reasonably practical
- B) take and permit to be taken any action which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
- C) at their own expense provide within 30 days after the expiry of the Indemnity Period or within such further time as the Company will allow with full details in writing of the claim
- D) at their own expense provide the Company with all such books of account documents accounting and other information proofs explanations and evidence as may reasonably be required by the Company for the purpose of verifying the claim

Any such accounting information required may be produced by professional accountants if at the time they are regularly acting as such for the Policyholder and their report shall be prima facie evidence of the information to which the report relates

2 In the event that the Policyholder shall not comply with the terms of this Condition

- A) no claim under this Policy shall be payable and
- B) any payment on account of the claim already made shall be repaid to the Company forthwith

## Legal Expenses Insurance

THIS INSURANCE ONLY APPLIES WHERE SHOWN AS OPERATIVE IN THE SCHEDULE

### This is a 'claims made' insurance

This Insurance covers claims or circumstances notified to the Company during the Period of Insurance

### Definitions

#### Acts of Parliament

All Acts of Parliament referred to in this Insurance shall be deemed to include any subsequent amendments or re-enactments thereof and equivalent legislation (if any) enforceable within the Territorial Limits

#### Any One Event

All claims or legal proceedings including any appeal against judgement arising from or relating to the same or original cause event or circumstance shall be regarded as one event

#### Courts

A court tribunal or other competent authority

#### Employee

Any person under a contract of service or apprenticeship with the Policyholder or undergoing training under any government approved training scheme under the Policyholder's control in connection with the Policyholder's Business as specified in the Statement of Fact and Policy Schedule

#### Insured Person

The Policyholder and at the Policyholder's request any director partner or Employee of the Policyholder

### Legal Expenses

#### 1 Fees

- A) any fees expenses and other disbursements reasonably and properly incurred by the Legal Personal Representative in connection with any claim or legal proceedings or Taxation Proceedings including costs and expenses of expert witnesses
- B) any fees expenses and other disbursements reasonably and properly incurred by the Legal Personal Representative in appealing or resisting an appeal against the judgement of a Court in connection with any claim or legal proceedings or Taxation Proceedings

#### 2 Costs

Any costs payable by the Insured Person following an award of costs by any Court and any costs payable following an out of court settlement made in connection with any claim or legal proceedings or Taxation Proceedings

#### 3 Witness Attendance Allowance

Witness Attendance Allowance payable when the Policyholder or any director partner or Employee of the Policyholder is absent from work arising from or relating to attendance as a

A) witness for the Policyholder at the request of the Legal Personal Representative

or

B) a defendant at any Court hearing of an admitted claim under this Insurance

#### 4 Jury Service Allowance

The income salary or wages of the Policyholder or any director partner or Employee of the Policyholder in respect of that individual's attendance for jury service to the extent that it is not recoverable from the relevant Court

#### 5 Compensation Awards

Compensation for the holding loss or unauthorised disclosure of data as defined in Section 13 of the Data Protection Act 1998

#### 6 Awards of Compensation

All Basic and Compensatory Awards made against the Policyholder under the Legislation by Industrial Tribunals Employment Appeal Tribunals or Superior Courts or settlements agreed as a result of conciliation proceedings and to which Our prior consent has been given

#### Legal Personal Representative

A solicitor accountant or any appropriately qualified person appointed to act in a professional capacity for the Insured Person in accordance with the terms of this Insurance

#### Legislation

- A) Employment Protection Act 1975
- B) Sex Discrimination Act 1975
- C) Fair Employment (Northern Ireland) Act 1976
- D) Race Relations Act 1976
- E) Employment Protection (Consolidation) Act 1978 as amended
- F) Transfer of Undertakings (Protection of Employment) Regulations 1981
- G) Trade Union Act 1984
- H) Data Protection Act 1998
- I) Sex Discrimination Act 1986
- J) Wages Act 1986
- K) Employment Act 1990

together with all related statutory instruments and regulations (including relevant codes of practice issued by the Secretary of State for Work and Pensions or by the Health and Safety Commission) in force at the commencement of this Insurance including the Industrial Relations (Northern Ireland) Order 1976 Industrial Relations (No.2) (Northern Ireland) Order 1976 and the Sex Discrimination (Northern Ireland) Order 1976

The Company will not pay

- A) additional Awards made under Section 69 or 71 of the Employment Protection (Consolidation) Act 1978 (as amended) or under Article 31 or 32 of the Industrial Relations (Northern Ireland) Order 1976
- B) special Awards as defined in Section 72 or 75 of the Employment Protection (Consolidation) Act 1978 (as amended)
- C) protective Awards payable under Section 101 of the Employment Protection Act 1975 or Article 51 of the Industrial Relations (Northern Ireland) Order 1976
- D) interim relief as defined in Section 77 and quantified in Sections 78 and 79 of the Employment Protection (Consolidation) Act 1978 (as amended)
- E) a redundancy payment or an Award made against the Policyholder which the Policyholder has incurred by deliberately avoiding liability for a redundancy payment or money due under a contract of employment
- F) any award of pay specified in a reinstatement or re-engagement order
- G) any award of pay where the Policyholder has failed to provide written reasons for dismissal

#### Territorial Limits

The full member states of the European Union the Channel Islands and the Isle of Man

#### We/Us/Our

A third party provider approved by Royal & Sun Alliance Insurance plc

#### Cover

The Company will indemnify the Insured Person in respect of Legal Expenses which arise from the conduct of the Policyholder's Business and which relate to any claim or legal proceedings or Taxation Proceedings made or brought by or against the Insured Person within the jurisdiction of a Court within the Territorial Limits and notified to the Company during the Period of Insurance in respect of

#### Insured Incident 1 - Contract of Employment and Employment Awards

- A) the defence of any claim or legal proceedings with an Employee or ex-Employee relating to the contract of employment with the Policyholder
- B) a dispute between the Policyholder and an Employee or ex-Employee leading to civil or criminal proceedings under the Race Relations Act 1976 or the Sex Discrimination Act 1975

provided that

- A) prior to dismissing any Employee the Policyholder shall consult and follow the advice of the Company's Commercial Legal Advisory Service
- B) the Policyholder agrees to be represented by Our employment consultants in the event of a claim for this Insured Incident

#### Insured Incident 2 - Prosecution Defence

the defence of any claim or legal proceedings arising out of any act or omission or alleged act or omission by the Insured Person which leads to

- A) the service of an Improvement Notice or Prohibition Notice under the Health and Safety at Work etc. Act 1974 or the Health and Safety (Northern Ireland) Order 1978 against which the Policyholder wishes to appeal
- B) the Insured Person's prosecution in a Court of criminal jurisdiction
- C) civil proceedings arising from the Race Relations Act 1976 or the Sex Discrimination Act 1975 or for compensation under Section 13 of the Data Protection Act 1998

#### Insured Incident 3 - Taxation Proceedings

- A) an investigation instigated by a government department into the Policyholder's liability to taxation on business income profits or gains and involving an official in-depth examination of the Policyholder's business books or records
- B) in appealing to the Value Added Tax tribunal in respect of a dispute relating to Value Added Tax with the Commissioners of Customs and Excise following a decision made by them which they refuse to reconsider

provided that such Taxation Proceedings shall be deemed to have commenced on the date the government department first demands the Policyholder's business books or records to be made available for examination or instigates any enforcement proceedings relating to Value Added Tax as the case may be

#### Exclusion Specific to Insured Incident 3

The Company will not pay Legal Expenses relating to any official in-depth investigation where the accounts submitted are being investigated because earlier accounts have been investigated or are already under investigation

#### Insured Incident 4 - Property Disputes

the pursuit or defence of claims or legal proceedings relating to

- A) the possession of freehold or leasehold property owned or occupied by the Policyholder
- B) any negligent act omission or nuisance caused by a Third Party relating to property owned by the Policyholder or for which the Policyholder is legally responsible other than motor vehicles aircraft or watercraft

provided that the Policyholder has suffered or could suffer a pecuniary loss if a claim or legal proceedings are not pursued or defended

#### Exclusions Specific to Insured Incident 4

The Company will not pay Legal Expenses arising from

- A) disputes which relate to mining subsidence or heave
- B) disputes relating to
  - 1) goods in transit

- 2) goods lent or hired to third parties
  - 3) goods at premises other than those occupied by the Policyholder unless they are at such premises for the purpose of installation or use in work to be carried out by the Policyholder
- C) disputes under Insured Incident 4B) where a contract between the Policyholder and the Third Party exists at the time of the cause of action

#### Insured Incident 5 - Contract Disputes

the pursuit or defence of any dispute with a customer or supplier in respect of a contract for the sale purchase hire or supply of goods or services provided that the amount in dispute exceeds £1,000

#### Exclusions Specific to Insured Incident 5

The Company will not pay Legal Expenses arising from or relating to

- A) an undisputed debt owed to the Insured Person
- B) any licence or franchise agreements
- C) a dispute about either the amount an insurance company should pay to settle an insurance claim or the way a claim should be settled
- D) the letting or tenancy of property
- E) the construction extension alteration demolition repair renovation or refurbishment of any property
- F) the ownership possession hiring or use of a motor vehicle aircraft or water craft

#### Limits of Indemnity

The maximum liability of the Company under this Insurance in respect of each of the following shall not exceed

	Limit of Indemnity
A) Any One Event	As shown in the Schedule
B) All claims and legal proceedings and Taxation Proceedings notified during any Period of Insurance	As shown in the Schedule
C) Witness Attendance Allowance	£150 per day
D) Witness Attendance Allowance in respect of all Events notified during any Period of Insurance	£10,000 in total
E) Jury Service Allowance	£150 per person per day
F) Any One Event for Legal Expenses arising out of Taxation Proceedings	£25,000
G) Legal Expenses in respect of all Events notified during any Period of Insurance arising out of Taxation Proceedings	£100,000 in total

#### Exclusions applicable to all Insured Incidents

This Insurance does not cover

- 1 the defence of any civil claim or legal proceedings made or brought against the Insured Person arising from or relating to
  - A) bodily injury to or death disease or illness of any person
  - B) loss destruction or damage of or to any property including loss of use thereof
  - C) the breach or alleged breach of any professional duty
  - D) the breach or alleged breach of any duty owed in the capacity of director or officer of the Policyholder other than in respect of Insured Incident 3
- 2 Legal Expenses incurred in relation to non-contentious matters
- 3 any claim or legal proceedings made commenced brought or transferred outside the Territorial Limits or Legal Expenses incurred outside the Territorial Limits
- 4 any claim or legal proceedings in respect of which the Policyholder is or but for the existence of this Insurance would be entitled to indemnity under any other insurance
- 5 any act omission or dispute alleged or actual occurring prior to or existing at inception of this Insurance and which the Policyholder knew or ought reasonably to have known was likely to give rise to a claim or legal proceedings or Taxation Proceedings by or against the Policyholder
- 6 the defence of any claim or legal proceedings or Taxation Proceedings arising from or relating to any actual or alleged dishonesty fraud or malicious conduct of the Policyholder unless such are successfully defended
- 7 damages fines or penalties of any nature
- 8 any claim or legal proceedings arising from or relating to the ownership possession hiring or use of a motor vehicle aircraft or watercraft
- 9 the pursuit or defence of any action alleging defamation
- 10 any dispute relating to patents copyrights design rights moral rights trade or service marks registered designs passing off trade secrets or confidential information
- 11 a dispute with a government or local authority department concerning the imposition of the Uniform Business Rate except where an appeal is allowed within the regulations laid down at law
- 12 the defence of any claim or legal proceedings arising from or relating to seepage pollution or contamination of any kind
- 13 any expense legal liability or any loss or damage to property directly or indirectly caused by or contributed to or arising from
  - A) ionising radiations or contamination by radioactivity from an irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - B) radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

## Special Condition

### Record Keeping

The Policyholder must take all reasonable care in keeping business books records and accounts Tax returns are to be submitted without undue delay and accounts and related taxation computations are to be submitted to the proper government department within twelve months of the end of the relevant period of account

## Claims Conditions

### 1 Fraud

If the claim be in any respect fraudulent or if any fraudulent means or devices be used by the Policyholder or anyone acting on his behalf to obtain any benefit under this Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the Policyholder all benefit under this Policy shall be forfeited

### 2 Action by the Policyholder

On the discovery of any circumstance or event which may give rise to a claim under this Policy the Policyholder shall

- A) notify the Company in writing as soon as reasonably practical
- B) give immediate notice to the Police Authority in respect of loss destruction or damage (other than by fire or explosion) caused by malicious persons or thieves if insured by this Policy
- C) carry out and permit to be taken any action which may be reasonably practicable to prevent further loss destruction or damage and to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss
- D) as soon as reasonably possible after discovery cause any defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require
- E) within 30 days (7 days in the case of Damage caused by riot civil commotion strikers locked-out workers persons taking part in labour disturbances or malicious persons if insured by this Policy) after the circumstances or event or of the expiry of the Indemnity Period or such further time as the Company may allow at their own expense deliver to the Company
  - 1) full information in writing of the claim
  - 2) details of any other insurance relating to the claim
  - 3) all such business books documents proofs information explanation and other evidence as may be reasonably required all of which information and details may be produced by the Policyholder's professional accountants or auditors who are regularly acting as such their report being prima facie evidence of such information and details
  - 4) if demanded a statutory declaration of the truth of the claim and of any matter connected with it

If the terms of this Condition have not been complied with

- 1) no claim under this Policy shall be payable
- 2) any payment on account of the claim already made shall be repaid to the Company immediately

### 3 Notification of Claims

The Policyholder shall notify the Company on the discovery of any circumstance which may give rise to a claim in accordance with Claims Condition 2 The Company shall pass notification to the third party service provider with whom we have an agreement who shall thereafter administer claims settlement

Where such notification has been given the Company agrees to treat any subsequent claim or legal proceedings in respect of the circumstances notified as though the claim or legal proceedings had been made or brought during the Period of Insurance

### 4 Special Procedure

If a Form ET1 (Originating Application) is received from an Industrial Tribunal the Policyholder must immediately complete Form CLP2 and forward it to Us Form ET1 and Form ET3 (Notice of Appearance By Respondent) which should be left blank should also be sent

In view of the 21 days' statutory time limit this must be done immediately

### 5 Consent

Our consent to pay Legal Expenses must be obtained in writing Legal Expenses incurred before such consent is given will not be covered Consent will be given if the Insured Person can satisfy Us that

- A) there are reasonable prospects of successfully pursuing or defending the claim or legal proceedings or Taxation Proceedings

and

- B) it is reasonable for Legal Expenses to be provided in the particular case

The decision to grant consent will take into account the advice of the Policyholder's Legal Personal Representative as well as that of Our own advisers We may require at the Insured Person's expense an opinion of Counsel on the merits of the claim or legal proceedings or Taxation Proceedings If the claim is subsequently admitted the Insured Person's costs in obtaining such an opinion will be covered under this Insurance

If the Insured Person decides to commence or continue a claim or legal proceedings or Taxation Proceedings for which We have denied support and is successful the Company will pay Legal Expenses as if We had given Our consent in the first instance

### 6 Minimising Claims or Legal Proceedings

The Insured Person must take all reasonable measures to minimise the risk or likelihood of claims and the cost of legal proceedings or Taxation Proceedings

### 7 Arbitration

Any dispute between an Insured Person and the Company shall be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within the Territorial Limits

All costs of the arbitration shall be met in full by the party against whom the decision is made If the decision is not clearly

made against either party the arbitrator shall have the power to apportion costs. If the decision is made in favour of the Company the Insured Person's costs shall not be recoverable under this Insurance. This procedure does not prejudice any right of the Insured Person to have recourse to any other complaints procedure to which the Company subscribes or to the courts.

## 8 Conduct of Legal Proceedings

### A) Nomination of the Legal Personal Representative

Other than in relation to Insured Incident 1 the Insured Person is free to choose or at the Insured Person's request we will assist in choosing a Legal Personal Representative to act in any legal proceedings or Taxation Proceedings to which we have consented and the name and address of the nominee must be sent to us on appointment.

We may refuse to accept nominations and any dispute arising from the nomination procedure may be referred to Arbitration in accordance with Claims Condition 7.

In selecting the Legal Personal Representative the Insured Person shall have regard to the common law duty to minimise the cost of legal proceedings or Taxation Proceedings and in all cases the Legal Personal Representative shall be appointed in the name of and on behalf of the Insured Person.

### B) All Information to be given to the Legal Personal Representative

The Legal Personal Representative must be given all information and assistance required. This must include a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the Insured Person's possession. The Insured Person must obtain or execute all documents as may be necessary and attend any meetings or conferences when requested.

### C) Access to the Legal Personal Representative

We are entitled to obtain from the Insured Person's Legal Personal Representative any information document or advice relating to a claim or legal proceedings or Taxation Proceedings whether or not privileged. On request the Insured Person will give any instructions necessary to ensure such access.

### D) Instruction of Counsel or Appointment of Expert Witnesses

If in the course of any claim or legal proceedings or Taxation Proceedings the Legal Personal Representative wishes to instruct Counsel or appoint expert witnesses we will not unreasonably withhold consent. The names of Counsel or the expert witnesses must be submitted to Us together with an explanation of the necessity for such action.

### E) Offer of Settlement

It is a requirement of this policy that the Insured Person must inform Us in writing as soon as an offer to settle a claim or legal proceedings or Taxation Proceedings or an offer of payment into Court is received and the Insured Person must not enter into any agreement to settle without Our prior written consent.

### F) Payment of Legal Expenses

All communications relating to any claim or legal proceedings which the Insured Person receives from the Legal Personal Representative should be forwarded to Us without undue delay.

Bills must be certified by the Insured Person to the effect that the charges have been properly incurred and that We are authorised to settle on the Insured Person's behalf. Gross sum bills must be accompanied by a breakdown setting out the work done and rates applied.

If requested the Insured Person must ask the Legal Personal Representative to submit the bill of costs for taxation or certification by the appropriate Law Society or Court in accordance with the provisions of the Solicitors Act 1974 and/or the Solicitors Remuneration Order 1994. The provision of indemnity for any Legal Expenses does not imply that all Legal Expenses will be paid. If the Insured Person is in doubt we should be consulted.

The Insured Person must not without Our written consent enter into any agreement with the Legal Personal Representative as to the payment of Legal Expenses.

### G) Recovery of Costs and Expenses

The Insured Person through its Legal Personal Representative shall be responsible for the repayment to the Company of any award of costs in favour of the Insured Person as part of any settlement.

Where the total amount of Legal Expenses incurred is within the limit of indemnity the Insured Person and the Company will share any Legal Expenses that are recovered according to the proportion paid.

Where the total cost of the legal action exceeds the limit of indemnity the Insured Person and the Company shall have priority over any other parties with an interest in any costs recovery. The Insured Person and the Company shall share such recovery according to the proportion paid subject to the Company's right of recovery being restricted to the limit of indemnity.

## 9 Appeal Procedure

If the Insured Person wishes to appeal against the judgement of a Court reasons must be submitted to Us and Our consent obtained. This application must be sent by recorded delivery at least ten days before the final date for lodging the appeal.

The Insured Person will be informed of Our decision.

The Insured Person must co-operate in an appeal against the judgement of a Court at our request.

## 10 Insolvency of Policyholder

If the Policyholder is insolvent when a claim is notified to Us or becomes insolvent during the course of any claim or legal proceedings to which the Company has given support the Company may refuse to admit a claim or withdraw their support of a claim.

The Policyholder shall be deemed insolvent upon the appointment in relation to that Policyholder of an office-holder within the meaning given by Section 233(1) or 372(1) of the Insolvency Act 1986.



Royal & Sun Alliance Insurance plc (No. 93792).  
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Authorised by the Prudential Regulation Authority and regulated by the  
Financial Conduct Authority and the Prudential Regulation Authority.