

beazley

myBeazley



General Terms And Conditions

This Insurance contains some particularly important conditions which You must satisfy or You could lose some or all of Your cover. Because these are particularly important, We want to draw Your attention to them and We will highlight them in bold and capital letters within the Policy.

A. General definitions

- A.1 Bodily Injury** means any physical injury, sickness, disease or death of any person, including, any mental anguish or emotional distress resulting from such physical injury, sickness or disease.
- A.2 Breach Notice Law** means any statute or regulation within the territorial limits stated in the Schedule that requires notice to persons whose **Personally Identifiable Non-Public Information** was accessed or reasonably may have been accessed by an unauthorised person.
- A.3 Buildings** means the buildings at the **Premises** as specified in the Schedule (including the permanent foundations below ground level) which belong to **You** or for which **You** are legally responsible and from where you carry out **Your Organisation's** business, including:
- a. Outbuildings, extensions and annexes;
 - b. Landlord's fixtures and fittings and fixed fuel tanks if attached to the building, external signs and aerials and satellite dishes;
 - c. Walls, gates, fences, car parks, yards, private roads, pavements, paths at the **Premises**;
 - d. Pipes, ducting, cables, wires and associated control equipment at the **Premises** and up to the public mains;
 - e. Photovoltaic equipment including solar panels;
 - f. Fixed glass in windows, doors and fanlights; and
 - g. **Tenant's improvements.**

The land at the **Premises** is not included within this definition.

- A.4 Circumstance** means any complaint, criticism, situation, problem or act, error or omission which may give rise to a **Claim**, or other **Loss**, costs or payments covered under this Policy.
- A.5 Claim** means any written or oral demand made against **You** for compensation (monetary or otherwise). This includes:
- a. any legal proceedings, writ or summons or other application of any description whatsoever or cross-claim or counter claim issued against **You**;
 - b. any other dispute resolution procedure commenced against **You**.
- A.6 Claims Expenses** means any fees, costs and expenses incurred by **Us**, or by **You** with **Our** prior written consent (such consent not to be unreasonably withheld) in connection with any **Claim** or **Circumstance**.

Claims Expenses does not include:

- a. computer security expert or forensic investigator expenses; or
- b. **Your** salaries, fees, overheads or other charges; or

- c. any expenses or costs incurred by **You** in presenting, quantifying or pursuing a claim against **Us** for indemnity under the Policy unless expressly covered.

A.7 Computers means computers including software and ancillary equipment which are always at **Your Premises**, which belong to **Your Organisation** or for which **Your Organisation** is legally responsible, but excluding the data or information entered by **Your Organisation** or on **Your** behalf.

A.8 Computer Security means software, computer or network hardware devices, as well as **Your Organisation's** written information security policies and procedures, the function or purpose of which is to prevent **Unauthorised Access or Use**, a **Denial of Service Attack** against **Computer Systems**, infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**. **Computer Security** includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to **Computer Systems** through the use of passwords, biometric (unique identification by biological traits such as fingerprints or DNA) or similar identification of authorised users.

A.9 Computer Systems means computers and associated input and output devices, data storage devices, networking equipment, and back up facilities:

- a. operated by and either owned by or leased to **Your Organisation**; or
- b. systems operated by a third party service provider and used for the purpose of providing hosted computer application services to **Your Organisation** or for processing, maintaining, hosting or storing **Your Organisation's** electronic data, pursuant to written contract with **Your Organisation** for such services.

A.10 Contents at Premises means the contents of the **Premises** which belong to **Your Organisation** or for which **You** are legally responsible, including:

- a. **Computers** (as set out at "a) Computer and Ancillary on the Contents Schedule");
- b. Other contents (as set out at "b) other contents on the Contents Schedule") including but not limited to:
 - i. Goods held in trust, stock and samples
 - ii. Works of art including fine art of precious metals;

Contents at Premises may also include any property specifically identified to **Us** and added by endorsement. Such endorsements will be listed in the Schedule. **Tenant's Improvements** are included under the Buildings module if purchased. **Tenant's Improvements** means any improvements or additions **You** have made to the **Building** by **You** as a tenant.

A.11 Damages mean any awards of damages, judgment sums and sums payable towards settlement. The term **Damages** shall not include or mean:

- a. future profits, restitution, reimbursement, restoration, disgorgement of unjust enrichment or profits (the act of giving up something (such as profits illegally obtained) on demand or by legal compulsion) by **You**, or the costs of complying with orders granting injunctive or equitable relief;
- b. any, fines, taxes or loss of tax benefits, sanctions or penalties;
- c. punitive or exemplary damages or damages which are a multiple of compensatory damages;
- d. discounts, coupons, prizes, awards or other incentives offered to **Your** customers or clients;

- e. costs associated with correcting errors in **Your** work product.
- f. service credits, which are liquidated damages as a remedy to the breach of a service level agreement to provide **Professional Services** to the extent that they create a liability greater than **Your** liability would be in the absence of the contract.

A.12 Data Asset means any software or electronic data that exists in **Computer Systems** and that is subject to regular back up procedures, including computer programs, applications, account information, customer information, private or personal information, marketing information, financial information and any other information maintained by **Your Organisation** in its ordinary course of business.

A.13 Denial of Service Attack means an attack intended by the perpetrator to overwhelm the capacity of a **Computer System** by sending an excessive volume of electronic data to such **Computer System** in order to prevent authorised access to such **Computer System**.

A.14 Earth Movement means any natural or unnatural or man-made earth movement including but not limited to earthquake, seaquake, volcanic eruption and any ensuing tsunami.

A.15 Employee means any person employed by **Your Organisation** including contractors that work exclusively for **You** and any person undertaking study or work experience or a youth training scheme. **Employee** does not include **Your Management**.

A.16 Excess means the amount **You** are liable to pay in the event of a claim unless the policy wording states it is not applicable to certain types of claim.

A.17 Flood means rising surface or tidal water, or the overflow of water from any natural or artificial watercourse (other than water tanks, apparatus) whether driven by storm or not.

A.18 In Transit means where a specific contract has been entered into with a third party to transport the **Contents at Premises** and/or **Portable Computers and Portable Contents** (as applicable):

- a. By road, rail, water, air or person;
- b. Being loaded or unloaded in the course of transit by road, rail, water, air or by person; or
- c. Whilst temporarily house overnight away from the **Premises** in the course of transit.

A.19 Loading and unloading means the handling of actual, physical or tangible property:

- a. after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **Motor Vehicle**;
- b. while it is in or on an aircraft, watercraft or **Motor Vehicle**; or
- a. while it is being moved from an aircraft, watercraft or **Motor Vehicle** to the place where it is finally delivered.

A.20 Loss means, to the extent covered under any cover, **Penalties** (under Professional Liability Cover), **PCI Fines and Costs** (under Professional Liability Cover), Forensic Defence Costs (under Professional Liability Cover), expenses incurred in relation to loss of **Documents** (under Professional Liability Cover), Mitigation Costs (under Professional Liability Cover), financial loss due to

dishonesty of **Employees** (under Professional Liability Cover), **Public Relations and Crisis Management Expenses** (under Professional Liability Cover), Appeal Costs (under Professional Liability Cover), **Privacy Breach Response Services** (under Beazley Breach Response Cover), criminal defence costs and court attendance costs (under Employers Liability, Public and Products Liability and Directors & Officers Cover), crisis management costs (under Directors & Officers cover), **Tax Investigation Expenses** (under Directors & Officers Cover), regulatory investigation costs (under Directors & Officers Cover), losses for **Property Damage** and **Financial Losses** due to business interruption (under Property Cover).

- A.21 Malicious Code** means any virus, Trojan horse, worm or any other similar software program, code or script intentionally designed to insert itself into computer memory or onto a computer disk and spread itself from one computer to another.
- A.22 Merchant Services Agreement** means any agreement between **You** and a financial institution, credit/debit card company, credit/debit card processor or independent service operator enabling **You** to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.
- A.23 Money** means cash, bank and currency notes, crossed cheques, crossed giro cheques, crossed postal or money orders, crossed bankers' drafts, unused units in postage stamp franking machines, stamped National Insurance cards, National Savings stamps or certificates, Premium Savings Bonds, credit company sales vouchers and VAT purchase invoices all belonging to **Your Organisation**.
- A.24 Motor Vehicle** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto).
- A.25 Named Entity** means the individual(s), partnership(s), entity(ies) or corporation(s) named in the Schedule.
- A.26 Normal Settlement** means the downward movement of the ground beneath buildings as a result of the soil being compressed by the weight of the buildings.
- A.27 Notified Individual** means an individual person to whom notice is given or attempted to be given under Section B.1.b (Notified Individuals) of the Beazley Breach Response Services cover.
- A.28 PCI Fines and Costs** means the direct monetary fines and penalties owed by **Your Organisation** under the terms of a **Merchant Services Agreement**, but only where such fines or penalties result both from **Your Organisation's** actual or alleged noncompliance with published PCI Data Security Standards and from a data breach caused by an incident (or reasonably suspected incident) described in Extension B.2.a.i. (Data Breach) and B.2.a.ii (Computer Security Failure) of the Professional Liability cover; provided, **PCI Fines and Costs** shall not include, any charge backs, interchange fees, discount fees, or other service related fees, rates or charges.
- A.29 Penalties** means:
- a. any civil fine or money penalty payable to a governmental entity that was imposed in a **Regulatory Proceeding** by any national, federal, provincial, state, local or other governmental entity of any country (including an institution, agency or other body of the European Union), in such entity's regulatory or official capacity; and

- b. amounts which **You** are legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a **Regulatory Proceeding** (including such amounts required to be paid into a "consumer redress fund"); but shall not include payments to charitable organisations or disposition of such funds other than for payment of consumer claims for losses caused by a privacy or security event covered by Extension B.2.a.i (Data Breach), B.2.a.ii (Computer Security Failure) or B.2.a.iii (Failure to disclose) of the Professional Liability cover;

but shall not mean (a) costs to remediate or improve **Computer Systems**, (b) costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programmes or policies, (c) audit, assessment, compliance or reporting costs, or (d) costs to protect the confidentiality, integrity and/or security of **Personally Identifiable Non-Public Information** from theft, loss or disclosure, even if it is in response to a **Regulatory Proceeding** or investigation.

A.30 Personal Effects mean articles worn, used or carried about the person excluding cash, bank and currency notes and jewellery.

A.31 Personally Identifiable Non-Public Information means:

- a. medical or health care information concerning the individual;
- b. information concerning the individual that is defined as private personal information under statutes enacted to protect such information in any country, for **Claims** subject to the law of such jurisdiction;
- c. information concerning the individual that is defined as private personal information under a **Breach Notice Law**; or
- d. the individual's:
 - i. governmental identification number including a drivers licence or state or provincial identification number or a social security number;
 - ii. unpublished telephone number; or
 - iii. credit, debit or other financial account numbers in combination with associated security codes, access codes, passwords or pins;

if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial account or medical record information but does not include publicly available information that is lawfully made available to the general public from government records.

A.32 Policy Period means the period of time between the inception date shown in the Schedule and the effective date of termination, expiration or cancellation of this Policy.

A.33 Portable Computers and Portable Contents means portable equipment designed to be easily moved from one location to another, including laptops, cameras and mobile phones used in connection with **Your Professional Services** and which belong to **Your Organisation** or for which **You** are legally responsible.

A.34 Premises means the space occupied by **Your Organisation** in connection with **Your Professional Services** as identified in the Schedule.

- A.35 Privacy Law** means a statute or regulation of any national, federal, provincial, state, local or other governmental entity of any country (including an institution, agency or other body of the European Union) requiring **Your Organisation** to protect the confidentiality and/or security of **Personally Identifiable Non-Public Information**.
- A.36 Privacy Policy** means **Your Organisation's** public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to, **Personally Identifiable Non-Public Information**.
- A.37 Professional Services** means those services stated in the Schedule.
- A.38 Property Damage** means accidental physical loss (including theft & robbery) or accidental physical damage or destruction of physical property excluding electronic data
- A.39 Proposal Form** means all proposal forms, including any attachments, and all other information and materials submitted to **Us** by **You** or on **Your** behalf in connection with the underwriting of this Policy, or prior policies of which this Policy is a renewal.
- A.40 Regulatory Proceeding** means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of any national, federal, provincial, state, local or other governmental entity of any country (including an institution, agency or other body of the European Union), in such entity's regulatory or official capacity in connection with such proceeding.
- A.41 Retroactive Date** means the date shown in the Schedule.
- A.42 Security Breach** means:
- a. **Unauthorised Access or Use of Computer Systems**, including **Unauthorised Access or Use** resulting from the theft of a password from a **Computer System** or from **You**;
 - b. a **Denial of Service Attack** against **Computer Systems** or **Third Party Computer Systems**; or
 - c. infection of **Computer Systems** by **Malicious Code** or transmission of **Malicious Code** from **Computer Systems**,
- whether any of the above is a specifically targeted attack or a generally distributed attack.

A series of continuing **Security Breaches**, related or repeated **Security Breaches**, or multiple **Security Breaches** resulting from a continuing failure of **Computer Security** shall be considered a single **Security Breach** and be deemed to have occurred at the time of the first such **Security Breach**.

A.43 Subsidiary means any corporation, limited liability company or partnership the **Named Entity** has **Management Control** over, but only if the **Named Entity**:

- a. had **Management Control** over such entity on the inception date or such entity was insured under a policy issued by **Us** of which this Policy is a renewal;
- b. acquires **Management Control** after the inception date, provided that revenues of the entity do not exceed twenty (20) per cent of the **Named Entity's** annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**;

provided, that this Policy only provides coverage while the **Named Entity** has **Management Control** over such entity.

For the purposes of this definition, **Management Control** means:

- a. owning, directly or indirectly, more than fifty percent (50%) of the outstanding securities;
- b. having more than 50% of the outstanding voting rights;
- c. having the authority to appoint or remove the majority of the Board of Directors; or
- d. having control of the Board or Directors by contract, the Articles of Association or other agreement.

A.44 Subsidence means the downward movement of water from the **Premises** where the movement is unconnected with the weight of the building, landslip or upward movement of the ground as a result of the soil expanding.

A.45 Sum Insured means the most **We** will pay to **You** for all claims made under a section.

A.46 Tenant's Improvements means any improvements or additions made to the **Building** by **You** as a tenant.

A.47 Third Party Computer Systems means any computer systems that: (1) are not owned, operated or controlled by **You**; and (2) does not include computer systems of a third party on which **You** perform services. Computer systems include associated input and output devices, data storage devices, networking equipment, and back up facilities.

A.48 Third Party Corporate Information means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not insured under this Policy which is not available to the general public and is provided to **You** subject to a mutually executed written confidentiality agreement or which the **Your Organisation** is legally required to maintain in confidence; however, **Third Party Corporate Information** shall not include **Personally Identifiable Non-Public Information**.

A.49 Third Party Premises means any location within the territorial limits set out in the Schedule not owned by **You** and for which **You** are not legally responsible, where **You** have a contract to carry out **Your Professional Services**.

A.50 Unauthorised Access or Use means the gaining of access to or use of **Computer Systems** by an unauthorised person or persons or the use of **Computer Systems** in an unauthorised manner.

A.51 Unauthorised Disclosure means the disclosure of or access to information in a manner that is not authorised by **Your Organisation** and is without knowledge of, consent of any member of the **Your Management**.

A.52 Uncovered company means any entity where the applicable law or regulation does not allow **Us** to provide cover to that entity or which the **Named Entity** has elected that this policy will not cover directly but, instead, the policy will cover the **Named Entity's** own financial interest in such entity.

A.53 Us/Our/We means the underwriter or underwriters as specified in the Schedule.

A.54 You/Your/Insured means:

- a. The **Named Entity**;
- b. **Subsidiaries**;
- c. **Your Management**, but only with respect to the performance of their duties on behalf of **Your Organisation**;
- d. **Employees** but only with respect to the performance of their duties on behalf of **Your Organisation**;
- e. **Your** lawful spouse, including any natural person qualifying as a domestic partner under the provisions of any applicable law but only to the extent that **You** would otherwise be covered under this policy;
- f. **Your** estate, heirs, executors, administrators, assigns and legal representatives in the event of **Your** death, incapacity, insolvency or bankruptcy, but only to the extent that **You** would otherwise be covered under this Policy.

A.55 Your Management means the individuals holding the following positions in **Your Organisation**: President; members of the Board of Directors; executive officers, including the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer; General Counsel, in house lawyers employed by the **Your Organisation**; Chief Information Officer; Chief Security Officer; Chief Privacy Officer; Manager; including any individual in a substantially similar position as those referenced above, or with substantially similar responsibilities as those referenced above, irrespective of the exact title of such individual, and any individual who previously held any of the above referenced positions.

A.56 Your Organisation means the **Named Entity** and any **Subsidiaries**.

B. What We do not cover

B.1 Prior Knowledge

We will not make any payment for any **Claim, Loss** or cost, arising out of, resulting from, in respect of or related to:

- a. any **Claim** first made against **You** or any **Loss** suffered by **You** prior to the inception date of this Policy.
- b. any **Circumstances** which **Your Management** was aware of or ought reasonably to have been aware of prior to the policy incepting or of which written notice has been given, or ought reasonably to have been given, under any previous policy (whether issued by **Us** or not).
- c. any common or originating source or cause of which **You** were aware prior to the inception of this Policy.

B.2 Other Insurance

We will not make any payment under this Policy unless and until any other insurance including any self insured retention or deductible portion, has been exhausted. This exclusion will not apply if such other insurance is written as specific excess insurance to this insurance.

B.3 Insured Vs. Insured & Related Entity

We will not make any payment under this Policy for a **Claim** made by or on behalf of one or more **Insureds** under this Policy, or by a **Related Entity**, against any other **Insured** or **Insureds** under this Policy unless expressly provided for under one of the covers **You** have purchased.

Related Entity means any entity in which **Your Organisation** has, either directly or indirectly, an ownership interest or voting rights of greater than 15% or which has such an ownership interest or voting rights in **Your Organisation**.

B.4 Excluded Jurisdictions

We will not make any payment for or in respect of any liability which is established by the judgment of a court or tribunal outside any of the jurisdictions specified under the Jurisdiction Limits Section in the Schedule or by a court applying to the adjudication of a **Claim** the law of a jurisdiction not specified under the Jurisdiction Limits Section in the Schedule; nor will we meet **Claim Expenses** relating to a **Claim** brought before such a court.

Unless expressly provided for under one of the covers **You** have purchased, **We** will not make any payment for or in respect of any **Claim** or **Loss** or cost, for, arising out of, or resulting from:

B.5 Abuse and Molestation

- a. Sexual abuse or injury, molestation, sexual assault, sexual exploitation, child abuse or child neglect;
- b. Wrongful hiring, supervision, investigation or failure to report to the proper authorities in connection with sub-paragraph a. above.

B.6 Antitrust Laws

any actual or alleged antitrust violation, restraint of trade, unfair competition, violation of consumer protection laws, violation of the Competition Act 1998 and/or the Enterprise Act 2002 unless specifically covered elsewhere.

B.7 Bribery, Corruption And Organised Crime Laws

any actual or alleged violation of any bribery, anti corruption or organised crime laws or regulations or any similar laws or regulations of any state, province or other jurisdiction similar to the foregoing, whether such law is statutory, civil, regulatory or common law, including but not limited to the Proceeds of Crime Act 2002.

This exclusion shall not apply to the Directors & Officers cover (if purchased) in respect of any actual or alleged violation of the UK Bribery Act 2010.

B.8 Electrical, Utility, Telecommunications Infrastructure and Satellite

any failure or malfunction of electrical, utility, internet or telecommunications infrastructure or services or any satellite, unless:

- a. such failure arises solely from matters within **Your** operational control; or
- b. expressly provided for under one of the covers **You** have purchased.

B.9 Employment Relationships

- a. any employer-employee relations or policies, any actual or alleged employment practices liability acts or omissions, or refusal to employ any person, or misconduct with respect to employees, whether such **Claim** is brought by an **Employee**, former **Employee**, applicant for employment, a member of **Your Management** or relative of such person;
- b. any actual or alleged violation of any employment related law or regulation, including but not limited to the National Minimum Wage Act 1998, the Working Time Regulations 1998, Employment Rights Act 1996 or/and the Health and Safety at Work Act 1974;
- c. any actual or alleged employment-related discrimination of any kind including but not limited to age, colour, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy;

B.10 Financial Instruments

any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trust, including but not limited to the Pensions Act 2004.

B.11 Fines And Sanctions

- a. fines, prosecution costs or penalties of any kind;
- b. penal, punitive or exemplary or aggravated damages; or criminal sanctions;

B.12 Insolvency/Bankruptcy

Your insolvency or bankruptcy or the insolvency or bankruptcy of any of **Your** subcontractors or suppliers.

B.13 Insured's External Activities

Your activities as a trustee, partner, officer, director or employee of any trust or benefits scheme, charitable organisation, corporation, company or business other

than **Your Organisation**, unless expressly provided for under one of the covers **You** have purchased.

B.14 Intentional Acts

- a. any criminal, dishonest, fraudulent, illegal or malicious conduct or any intentional or knowing violation of the law committed by **Your Management**;

However, this exclusion will only apply if and when:

- i. such conduct or intentional violation of the law has been admitted in writing by **Your Management**, or
- ii. such conduct or intentional violation has been established by a judgment or other decision in any judicial, administrative, or alternative dispute resolution proceeding;

at which time **You** shall reimburse **Us** for all payments made by **Us** defending the **Claim** and **We** will not have any further liabilities in relation to this **Claim**.

B.15 Nuclear And Radioactive Contamination

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

B.16 Patent/Trade Secret

- a. any actual or alleged infringement of any patent or patent rights or misuse or abuse of any patent;
- b. any actual or alleged use or misappropriation of any ideas or trade secrets, unless expressly provided for under one of the covers **You** have purchased.

B.17 Recall Of Products

the withdrawal or recall of products.

B.18 Royalty Payments

- a. the actual or alleged obligation to make licensing fee or royalty payments, including but not limited to the amount or timeliness of such payments;
- b. or brought by or on behalf of any intellectual property licensing bodies or organisations, including but not limited to the Society of European Stage Authors and Composers, the American Society of Composers, Authors and Publishers or Broadcast Music, Inc;

B.19 Securities Laws

any actual or alleged violation of any securities related law, act, regulation or legislation, including but not limited to the Companies Act 2006, the Financial Services and Markets Acts 2000, or any amendment to the above.

B.20 Toxic Mould, Asbestos, Pollution, Electromagnetic Field

- a. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; or any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins.

We will have no duty or obligation to defend **You** with respect to any **Claim** or governmental or regulatory order, requirement, directive, mandate or decree which either in whole or in part, directly or indirectly arises out of, or results from or in consequence of, or in any way involves the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;

- b. asbestos, or any materials containing asbestos in whatever form or quantity;
- c. any electromagnetic field, electromagnetic radiation or electromagnetism;
- d. whether suddenly or over a long period of time seepage, pollution or contamination of any kind, unless specifically covered elsewhere;
- e. the actual, alleged, or threatened discharge, dispersal, release or escape of Pollutants; or any governmental, judicial or regulatory directive or request that **You** or anyone acting under **Your** direction or control test for, monitor, clean up, remove, contain, treat, detoxify or neutralize Pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant including gas, acids, alkalis, chemicals, heat, smoke, vapour, soot, fumes or waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.

This exclusion does not apply to Employers Liability cover, (if purchased).

B.21 War And Terrorism

- a. war, invasion, riots, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- b. any act of terrorism. For the purpose of this exclusion, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear,

this Exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

B.22 Aircraft, Motor, Marine And Aviation

the ownership, maintenance, possession, use of or entrustment to others of any aircraft, **Motor Vehicle** or watercraft owned or operated by or rented or loaned to **You**. Use includes operation and **Loading or Unloading**.

B.23 Cyber Loss

any **Loss**, damage, liability, **Claim**, cost or expense directly or indirectly caused by, resulting from, or arising out, based upon or attributable to any actual, alleged or threatened unauthorized access to, unauthorized disclosure, theft, loss, alteration or destruction of, damage to, or inability or impaired ability to access or manipulate, or failure to safeguard any information, electronic data (including but not limited to software or electronic databases), computer, or computer or communication network, whether total, partial, temporary, or permanent.

This Exclusion will not apply to:

- a. an otherwise covered **claim** under Professional Indemnity module B.1 (**Negligence**) and B.2 (**Information Security & Privacy Liability**), (**Regulatory Defense and Penalties**) (**PCI Fines and Penalties**) (**Forensic Defence Costs**), (**Employee Privacy Breach Cover**) and (**Crisis Management and Public Relations**) (if purchased)
- b. Beazley Breach Response (if purchased)
- c. Directors and Officers Module (if purchased)

C. What You and Your management must do

C.1 Cooperating with Us

The following are **IMPORTANT CONDITIONS** under this Policy. Coverage under this Policy will not be available unless **You** comply with these important conditions:

- a. **You** must cooperate with **Us** in the investigation, defence and settlement of all **Circumstances, Claims** and **Losses**. **You** must not take any action which in any way increases **Our** exposure under this Policy.
- b. **You** must not admit liability, apologise, incur any expenses and enter into any settlement or dispose of any **Circumstance, Claim** or **Losses** without **Our** prior written consent.
- c. **You** must make available to **Us** at all reasonable times, and **We** have the right to inspect and copy, all **Your** books, papers and other records and those of **Your** agents or brokers in connection with any **Claim, Circumstance** or **Loss** notified under this Policy.

D. Defence, settlement and investigation of claims

- D.1** **We** will conduct the defence of any **Claim** first made against **You** during the **Policy Period** (subject to the policy limits, General Conditions, and other terms and conditions of this Policy). **We** will appoint lawyers, experts and other representatives to defend **You** if **We** consider it necessary to do so.
- D.2** In addition, **We** will pay **Your Claims Expenses** incurred with **Our** prior written consent.
- D.3** If **We** recommend any strategy, settlement or compromise that is accepted by the third party claimant and **You** refuse to agree to it and decide to contest the **Claim**, **Our** liability will not exceed the amount for which that **Claim** could have been resolved if our recommendation had been followed or settled, less the applicable excess and the **Claims Expenses** incurred up to the time of **Your** refusal.
- D.4** Where **We** believe that a **Claim** may exceed the Limit of Liability, **We** reserve the right at any time to pay a sum equal to or in excess of the Limit of Liability to **You**. In these circumstances, **We** shall have no further liability under the Policy in relation to the **Claim** whether for **Damages, Claims Expenses** or otherwise.

E. General conditions

E.1 Contract (Right Of Third Parties) Act 1999

The terms and conditions of this Policy will only be enforceable by **You** and **Us**. No one besides **You** and **Us** shall have any rights under the Contract (Rights of Third Parties) Act 1999 to enforce any terms and conditions of this Policy.

E.2 Fraudulent Claims

If **You** make a fraudulent claim under this Policy, **We**:

- a. are not liable for any payment for any **Claim, Damages, Claims Expenses, Loss** or costs: and
- b. may recover from **You** any sums that **We** have paid to **You** in respect of the claim; and
- c. may by notice to **You** treat the Policy as having been terminated with the effect from the date of the fraudulent act.

If **We** exercise our right under General Condition E.2.c above:

- a. **We** shall not be liable to **You** in respect of a relevant event occurring after the date of the fraudulent act. A relevant event is anything that gives rise to **Our** liability under this Policy (such as the occurrence of a loss, the making of a **Claim**, or the notification of a potential **Claim**): and
- b. **We** need not return any of the premium paid.

E.3 Change in Circumstances

Your Management must tell us as soon as reasonably possible of any material change or changes in circumstances during the **Policy Period** that increases the risk covered and/or any material change in the matters declared to **Us**. **We** will not provide any indemnity in respect of liability arising from such material change in the matters declared to **Us** unless **We** have agreed in writing to accept the altered risk.

E.4 Communications with You

Your Management shall be considered **Your** agent and shall act on **Your** behalf with respect to the giving of or receipt of all notices relating to this Policy including the acceptance of any endorsements to this Policy. **Your Management** shall be responsible for the payment of all premiums and the policy excess.

E.5 Cancellation and Renewal

- a. Provided **Your Management** has not notified any **Claims, Losses** or **Circumstances**, **You** may cancel this Policy by giving **Us** 30 days written notice.
- b. **We** may cancel this Policy by giving **Your Management** 30 days written notice. However, if the premium due under this Policy has not been paid to **Us** within 30 days of the inception of the **Policy Period** or, where premium is due to be paid in instalments, by the date on which the instalment is due, **We** may cancel this by giving **You** 10 days written notice.
- c. **We** will give **Your Management** a pro-rata refund of the Premium for the remaining portion of the **Policy Period** after the expiry of the notice period for cancellation.
- d. If automatic renewal is available for this contract, the contract will renew automatically as a new contract of insurance on existing terms for a period of one year unless:
 - i. notice of cancellation is sent by recorded delivery and is received from one of the parties at least 30 days prior to the expiration date specified in the Schedule; or
 - ii. there is a material change falling within General Condition E.4.

E.6 Mergers And Acquisitions

a. Newly Acquired Entities

If during the **Policy Period** the **Named Entity** or any **Subsidiary** acquires any entity whose annual revenues are less than twenty per cent (20%) of the **Named Entity's** total annual revenues for the four quarterly periods directly preceding the Inception Date then, subject to the **Policy Period** and all other terms and conditions of this Policy, coverage under this Policy shall be afforded for a period of thirty (30) days, but only for:

- i. any **Claim** that arises out of any act, error or omission, first occurred or committed or incident or event first occurring after the entity becomes so owned;
- ii. business activities previously disclosed to **Us**;

subject always to the entity having had no prior **Claims**.

b. Mergers Or Consolidations

If during the **Policy Period** the **Named Entity** consolidates or merges with or is acquired by another entity, or sells substantially all of its assets to any other entity, then this Policy shall remain in full force and effect, but only with respect to acts or incidents or **Security Breach** that occur prior to the date of the consolidation, merger or acquisition. No coverage shall be provided by this Policy for any other **Claim** or **Loss** unless the **Named Entity** provides written notice to **Us** prior to such consolidation, merger or acquisition, the **Named**

Entity has agreed to any additional premium and terms of coverage required by **Us** and **We** have issued an endorsement extending coverage under this Policy.

E.7 Subrogation and Recovery of Loss

In the event of any payment under this Policy, **We** shall be subrogated, which means substituted as if **We** were **You**, such that **We** may exercise all **Your** rights of recovery against any person or organisation, and **You** shall do whatever is reasonable to secure such rights. Any recoveries shall be applied first to recovery expenses, second to **Damages, Losses** and **Claims Expenses** and any other payments or costs covered under this Policy paid by **Us**, and third to any uninsured loss, including the policy excess specified in the Schedule. **We** will pay **You** any additional amounts recovered.

E.8 Policy documentation

By acceptance of this policy **You** agree that this Policy (including the Schedule and Endorsements) forms the entire agreement between **You** and **Us**.

E.9 Bankruptcy

Your bankruptcy or insolvency will not relieve **Us** of **Our** obligations nor deprive **Us** of **Our** rights or defences under this Policy.

E.10 Headings

The descriptions in headings and subheadings of this Policy are solely for convenience and form no part of the terms, conditions, exclusions or covers.

E.11 Choice Of Law And Jurisdiction

This Policy, including any non-contractual disputes arising in respect of it, shall be governed by and construed in accordance with the laws of England and Wales. **We** and **You** have agreed that any legal proceedings between **Us** in connection with this Policy will only take place in the courts of England and Wales.

E.12 Several Liability Clause

The insurers named hereon bind themselves each for their own part and not for one another. Each insurer's liability under this policy shall not exceed that percentage or amount shown against that insurer's name.

E.13 Complaints Procedure

Unless otherwise specified in a specific cover, if **You** have any questions or concerns about **Your** policy or the handling of a claim you should, in the first instance, contact

Beazley Complaints
Beazley Group
22 Bishopsgate
London EC2N 4BQ

All correspondence should be addressed to the Beazley Complaints Manager.

Or by telephone - 0207667 0623
Or by email – beazley.complaints@beazley.com

In the event that **You** remain dissatisfied and wish to make a complaint, it may be possible in certain circumstances for **You** to refer the matter to the Complaints team at Lloyd's.

Their address is:

Complaints
Lloyd's
One Lime Street
London EC3M 7HA
Tel No: 020 7327 5693
Fax No: 020 7327 5225
E-mail: complaints@lloyds.com
www.lloyds.com/complaints

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint - How We Can Help" available at www.lloyds.com/complaints and are also available from the above address.

If you remain dissatisfied after Lloyd's has considered your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service.

E.14 Compensation

We are covered by the Financial Services Compensation Scheme.

You may be entitled to compensation from the Scheme if **We** are unable to meet **Our** obligations to **You** under this contract. If **You** are entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract.

Further information about the Scheme is available from the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, Telephone: 0800 678 1100 or 020 7741 4100 or on their website: www.fscs.org.uk.

E.15 Financial interest coverage

We will not provide cover for any **Claim** or **Loss** of an **Uncovered company**. **We** will instead reimburse the **Named Entity** for its financial interest in such **Uncovered company** by way of an agreed valuation calculated as the amount of **Loss or Damages** which would have been payable to the **Uncovered company** under this policy had the **Uncovered company** been insured under this policy. For the purpose of this provision the **Named Entity** will be deemed to have suffered a loss to its financial interest simultaneously with the **Uncovered company** which suffered the **Claim** or **Loss** for which it would have been entitled to receive cover under this policy.

Beazley Solutions Limited is a service company that is part of the Beazley group of companies. Unless otherwise specified in a specific cover, Beazley Solutions Limited has authority, under unique market reference B6012BSUK to enter into contracts of insurance on behalf of the Lloyd's underwriting members of Lloyd's syndicates 623 and 2623 which are managed by Beazley Furlonge Limited. Beazley Solutions Limited is an appointed representative of Beazley Furlonge Limited which is authorised by the Prudential Regulation Authority and regulated

by the Financial Conduct Authority and the Prudential Regulation Authority in the UK (ref 204896) in its capacity as insurer.

Matthew Nais

Signed on behalf of **Beazley Solutions Ltd** acting on behalf of:

Beazley Syndicate 2623/623 at Lloyd's

22 Bishopsgate

London EC2N 4BQ

Phone: +44 (0)20 7667 0623

Fax: +44 (0)20 7674 7100

info@beazley.com

www.beazley.com

Professional Indemnity - Management Consultants

(Claims made and reported coverage)

A. Definitions for this cover

A.1 Product means any tangible property (including containers, packaging, labelling or instructions, but explicitly excluding any telecoms or technology hardware or software) which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, processed, cleaned, renovated or repaired by **You** or on **Your** behalf.

B. What We cover

B.1 Civil Liability

We will indemnify **You** for all **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim** first made against **You** and reported in writing to **Us** during the **Policy Period** and arising out of the performance by **You** or anyone on **Your** behalf of **Your Professional Services** and/or associated marketing and advertising activities where the **Claim** results from an actual or alleged:

- a. **Breach of Contract**
unintentional breach of contract or breach of a hold harmless or indemnity agreement between **You** and any person or entity with whom **You** have contracted to provide **Professional Services** or associated marketing and advertising activities ;
- b. **Negligence**
negligent act, negligent error, negligent omission, negligent misstatement or negligent misrepresentation;
- c. **Dishonesty**
fraudulent, criminal or malicious act, error or omission of any **Employee**. **We** will not be liable for any **Claim** arising out of any fraudulent, criminal or malicious act error or omission committed by such **Employee** after the discovery, in relation to that person, of reasonable cause for suspicion of fraud or dishonesty. No indemnity will be available to the dishonest **Employee**;
- d. **Defamation**
Defamation, libel, slander, product disparagement, trade libel, prima facie tort, outrage, outrageous conduct or other tort related to disparagement of harm to the reputation or character of any person or organisation, including mental anguish or emotional distress resulting therefrom;
- e. **Right of Privacy or Publicity**
 - i. A violation of the rights of privacy of an individual, including false light, intrusion upon an individual's seclusion and public disclosure of private facts;
 - ii. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
- f. **Intellectual Property Infringement and Unfair Competition**
Unintentional intellectual property infringement including but not limited to infringement of copyright, trade dress, trade mark, service mark, domain name, title or slogan, plagiarism, piracy or misappropriation of ideas under implied contract, and unfair competition if alleged in conjunction with any of the acts listed in this paragraph f.

g. **Civil Liability**

Act or omission giving rise to any other civil liability not included above.

B.2 Extensions

a. **Information Security & Privacy Liability**

We will indemnify **You** for **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim**, including a **Claim** for violation of a **Privacy Law**, first made against **You** during the **Policy Period** and reported in writing to **Us** during the **Policy Period** or as otherwise provided in accordance with the notification provisions in this Cover, for:

- i. Data Breach
theft, loss, or **Unauthorised Disclosure** of **Personally Identifiable Non-Public Information** or **Third Party Corporate Information** that is in the care, custody or control of **Your Organisation**, or a third party for whose theft, loss or **Unauthorised Disclosure** of **Personally Identifiable Non-Public Information** or **Third Party Corporate Information** **Your Organisation** is legally liable, provided such theft, loss or **Unauthorised Disclosure** first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**;
- ii. Computer Security Failure
one or more of the following acts or incidents that directly result from a failure of **Computer Security** to prevent a **Security Breach**, provided that such act or, incident first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**;

 - a) the alteration, corruption, destruction, deletion, or damage to a **Data Asset** stored on **Computer Systems**;
 - b) the failure to prevent transmission of **Malicious Code** from **Computer Systems** to **Third Party Computer Systems**; or
 - c) the participation by **Your Organisation's Computer System** in a **Denial of Service Attack** directed against a **Third Party Computer System**;

- iii. Failure to Disclose
Your Organisation's failure to disclose in a timely way an incident described in a.i (Data Breach) and a.ii (Computer Security Failure) above in violation of any **Breach Notice Law**; provided such incident giving rise to **Your Organisation's** obligation under a **Breach Notice Law** must first take place on or after the **Retroactive Date** and before the end of the **Policy Period**; or
- iv. Privacy Policy Failure
Your failure to comply with that part of a **Privacy Policy** that specifically:

 - a) prohibits or restricts **Your Organisation's** disclosure, sharing or selling of a person's **Personally Identifiable Non-Public Information**;
 - b) requires **Your Organisation** to provide access to **Personally Identifiable Non-Public Information** or to correct incomplete or inaccurate **Personally Identifiable Non-Public Information** after a request is made by a person; or
 - c) mandates procedures and requirements to prevent the loss of **Personally Identifiable Non-Public Information**;

provided the acts, errors or omissions that constitute such failure to comply with a **Privacy Policy** must first take place on or after the **Retroactive Date** and before the end of the **Policy Period**, and **Your Organisation** must, at the time of such acts, errors or omissions, have in force a **Privacy Policy** that addresses those subsections above that are relevant to such **Claim**.

b. **Regulatory Defence and Penalties**

We will indemnify **You** for **Claims Expenses** and **Penalties** which **You** are legally obligated to pay because of any **Claim** in the form of a **Regulatory Proceeding**, first made against **You** during the **Policy Period** and reported in writing to **Us** during the **Policy Period** or as otherwise provided in accordance with the notice provisions of this Cover, resulting from a violation of a **Privacy Law** and caused by an incident described in Extension B.2.a.i (Data Breach), B.2.a.ii (Computer Security Failure), and B.2.a.iii (Failure to Disclose) above that first takes place on or after the **Retroactive Date** and before the end of the **Policy Period**.

c. **Website Media Content Liability**

We will indemnify **You** for **Damages** and **Claims Expenses** which **You** are legally obligated to pay resulting from any **Claim** first made against **You** during the **Policy Period** and reported in writing to **Us** during the **Policy Period** or as otherwise provided in accordance with the notice provisions of this Cover, for one or more of the following acts first committed on or after the **Retroactive Date** and before the end of the **Policy Period** in relation to **Your Organisation's** website media content supporting **Your Professional Services**.

- i. defamation, libel, slander, product disparagement, trade libel, prima facie tort, infliction of emotional distress, outrage, outrageous conduct or other tort related to disparagement of harm to the reputation or character of any person or organisation, including mental anguish or emotional distress resulting therefrom;
- ii. a violation of the rights of privacy of an individual, including false light, intrusion upon an individual's seclusion and public disclosure of private facts;
- iii. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
- iv. plagiarism, piracy, misappropriation of ideas under implied contract;
- v. infringement of copyright;
- vi. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, or slogan, service mark, or service name; or
- vii. improper deep-linking or framing within electronic content.

d. **PCI Fines and Costs**

We will indemnify **You** for **PCI Fines and Costs** which **You** shall become legally obligated to pay because of a **Claim** first made against **You** during the **Policy Period** and reported in writing to **Us** during the **Policy Period** or as otherwise provided in the notification provisions in this Cover, subject always to the **PCI Fines and Costs** limit specified in the Schedule. **We** shall have no duty to defend any **Claim** or pay **Claims Expenses** with respect to any **Claim** referred to under this Extension.

e. **Forensic Defence Costs**

We will pay reasonable forensic costs and expenses of a computer security expert incurred defending a **Claim** covered under this Cover arising from a **Security Breach**, subject always to the forensic defence costs sub limit set out in the Schedule.

f. **Employee Privacy Breach Cover**

Exclusion B.9.a (Employment Relationships) and B.3 (Insured vs Insured) in the General Conditions is amended to provide cover for any **Claims** brought by current or former **Employees of Yours** for **Claims** that would otherwise be covered under Extensions B.2.a.i (Data Breach), B.2.a.ii (Computer Security Failure), and B.2.a.iii (Failure to Disclose) above.

g. **Loss of Documents**

If during the **Policy Period** **You** discover that any of **Your Documents** have been destroyed or damaged or lost or mislaid and, after a reasonable search, cannot be found and provide **Us** during the **Policy Period** with written notice as soon as practicable of such loss, including identification of the **Documents** involved, then **We** will pay those expenses **You** incur with **Our** prior written consent in replacing or restoring such **Documents** subject always to the loss of documents sublimit specified in the Schedule.

Documents means deeds, wills, affidavits, passports, agreements, maps, plans, records, books, letters, certificates, forms, computer programs or information stored, written or punched into card or tape or magnetic discs or tapes or any other data media, and documents of any nature whatsoever, whether written, printed or reproduced by any other method. It does not include bearer bonds, coupons, bank notes, currency notes and negotiable instruments.

h. **Mitigation Costs**

If **Your** client is dissatisfied with **Your Professional Services** rendered, refuses to pay for any or all of **Your** fees and threatens to bring a **Claim** against **You**, **We** will pay **You** the amount owed to **You** by **Your** client if:

- i. it is possible to settle the dispute with **Your** Client by **You** agreeing not to press for the disputed amount; and
- ii. **We** believe this will avoid a **Claim** covered under this Cover for a greater amount; and
- iii. **We** have given **Our** written approval to settling in this way and for this amount.

If it is not possible to reach an agreement with **Your** client as above, **We** will still pay **You** the amount owed to **You** if **We** believe that by making this payment **We** can avoid a **Claim** covered under this Cover for a greater amount. If a **Claim** is still made against **You**, **We** will have the right to defend the **Claim**. However, **Our** total payment for this **Claim** will include those amounts already paid to **You**.

If **You** recover all or any part of the amount funded by **Us** under this Extension, **We** will have the right to recover from **You** the amounts thus recovered.

i. **Your Losses due to Dishonest Employees**

If during the **Policy Period** and during the performance of **Your Professional Services** **You** suffer a loss from the dishonesty of **Your Employees**, **We** will indemnify **You** against **Your** financial loss; provided that there was a clear intention to cause **You** financial loss and to obtain a personal gain by **Your Employee** subject always to the Dishonest Employees limit specified in the Schedule.

j. **Crisis Management Costs and Public Relations**

- i. **We** will pay **Public Relations and Crisis Management Expenses** incurred by **Your Organisation** resulting from a **Public Relations Event**. **Public Relations Event** means:
 - a) the publication or imminent publication in a newspaper (or other general circulation print publication), on radio, television or electronic media of a covered **Claim** under this **Policy** ; or
 - b) an incident described in Extensions B.2.a.i (Data Breach) and B.2.a.ii (Computer Security Failure) of the Professional Liability cover which results in the provision of **Privacy Breach Response Services**, or which reasonably may result in a covered **Claim** under this Cover and which the **Named Entity** has notified **Us** as a **Circumstance** as stated in this Cover.
- ii. **Public Relations and Crisis Management Expenses** shall mean the following costs agreed in advance by **Us** in **Our** reasonable discretion, and which are directly related to mitigating harm to the **Named Entity's** reputation or potential loss covered by this Cover resulting from the covered **Claim** or incident:
 - a) costs incurred by a public relations or crisis management consultant;
 - b) costs for media purchasing or for printing or mailing materials intended to inform the general public about the event;
 - c) costs to provide notifications to customers where such notifications are not required by law ("voluntary notifications"), including notices to non-affected customers of **Your Organisation**;
 - d) costs to provide government mandated public notices related to breach events;
 - e) costs to provide services to restore healthcare records of **Notified Individuals** whose **Personally Identifiable Non-Public Information** was compromised as a result of theft, loss or **Unauthorised Disclosure**; and
 - f) other costs approved in advance by **Us**.

Public Relations and Crisis Management Expenses must be incurred no later than twelve (12) months following the reporting of such **Claim** or breach event to **Us** and, with respect to clauses ii.a (Data Breach) and ii.b (Computers Security Failure) above, within ninety (90) days following the first publication of such **Claim** or breach event.

The coverage available under this Extension is subject to a sublimit of Liability of GBP25,000 in the aggregate.

k. **Appeal Costs**

- i. If **You** want to bring an appeal against a finding issued by a Court or other judicial tribunal in relation to a **Claim** covered under this Cover and **You** have advised **Us** of that fact in writing, **We** will pay up to £25,000 in the aggregate for reasonable legal costs and expenses incurred in relation to that appeal with **Our** prior written consent (such consent not to be unreasonably withheld).
- ii. This is subject to **Our** being satisfied, on the basis of an opinion obtained from a lawyer appointed by **Us**, that there are good prospects of success on appeal.

I. Copyright problems with former partners

We will indemnify **You** up to the sum of GBP 10,000 for reasonable legal expenses in respect of any dispute arising during the **Policy Period** and reported to **Us** during the **Policy Period**:

- i. To restrain the use of **Your** intellectual property rights by; or
- ii. To secure **Your** right to use those intellectual property rights from

any partner, director or other senior employee previously within **Your Management** following their departure from **Your Organisation**.

C. What We do not cover

We will not make any payment for or in respect of any **Claim** or **Loss**, for, arising out of, or resulting from:

C.1 Bodily Injury And Property Damage

Bodily Injury or **Property Damage**. This exclusion shall not apply to any **Claim** for, arising out of, or resulting from **Your** design, advice or consultancy as part of **Your Professional Services**.

C.2 Business specific exclusions

Any defect in any telecoms or technology hardware or software which is the sole responsibility of a third party. This exclusion does not apply to any amount **You** can recover under a written contract with a third party.

C.3 Charge Back Liability

Any liability incurred by **You** or **Your** client under a **Merchant Services Agreement** including any credit card company or bank wholly or partially reversing or preventing a payment transaction, except this exclusion does not apply to the PCI Fines and Costs Extension covered under Extension B.2.d above.

C.4 Contractual liability exclusion

Any contractual liability except to the extent:

- a. **You** are liable in the absence of a contract or agreement; or
- b. It is covered under Section B.1.a (Breach of Contract cover) or Section B.1.f (Intellectual Property and Unfair Competition cover).

C.5 Defamatory statements

Any statement **You** knew, or ought reasonably to have known, was defamatory at the time of publication.

C.6 Directors & Officers Liability

any liability or breach of duty or obligation owed by any of **Your** Directors, officers, trustees or board members while acting in that capacity.

C.7 Excluded Professional Services

Your provision of any of the following activities:

- a. accountancy, architectural services, surveying, health care or medical services, legal advice, insurance, real estate agency, engineering services including civil structural mechanical or electrical, investment advice services, including loans/financing, pension advice and mortgage broking including valuation.
- b. process control software, air traffic control technology, command and control for any moving object including satellites, payment processing, hosted billing, hosted trading, hosted auctioneering, hosted financial software, hardware manufacturers.

C.8 Force Majeure

fire, **Flood**, earthquake, volcanic eruption, explosion, lighting, wind, hail, tidal wave, landslide, act of God or other physical event.

C.9 Land or Building

the ownership, possession, or use of any land or building.

C.10 Over Redemption

any over redemption or under redemption of coupons, discounts, awards or prizes from advertisements, promotions, contests or other games of chance;

C.11 Products Liability

the supply, manufacture or maintenance of **Your Products**.

C.12 Retroactive Date

the performance by **You** or on **Your** behalf of the **Professional Services** or associated marketing activities which took place or are alleged to have taken place prior to the **Retroactive Date**.

C.13 Trading Losses

any trading losses or trading liabilities incurred by **You** in respect of **Your Professional Services**, including, without limitation, loss of any client account and/or custom, the monetary value of any transactions or electronic fund transfers by **You** or on **Your** behalf which is lost, diminished, or damaged during transfer from, into or between accounts.

C.14 Unlawful Collection

- a. the actual or alleged unlawful collection, acquisition or retention of **Personally Identifiable Non-Public Information** or other personal information by, on behalf of, or with the consent or cooperation of **Your Organisation**; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (e.g. opt-in or opt-out) from the collection, disclosure or use of **Personally Identifiable Non-Public Information**; provided, that this exclusion shall not apply to the actual or alleged unlawful collection, acquisition or retention of **Personally Identifiable Non-Public Information** by a third party committed without the knowledge of **Your Organisation**; or

- b. the distribution of unsolicited email(s), direct mail, or facsimiles, wire tapping, eavesdropping, audio or video recording, or telemarketing, if such distribution, wire tapping or recording is done by or on behalf of **Your Organisation**;

C.15 Workmanship

Bodily Injury and **Property Damage** caused by any physical workmanship in manufacture, fabrication, construction, erection, installation, assembly, alteration, servicing, remediation, repair, demolition or disassembly (including material, parts or equipment furnished in connection therewith) by **You**.

C.16 Territorial and jurisdictional limits

- a. any business activities outside the territories specified under the Territorial Limits Section in the Schedule;
- b. any **Claims** brought outside the jurisdictions specified under the Jurisdictional Limits Section in the Schedule.

D. Limits of liability and excess

We will pay up to the overall limit of liability shown in the Schedule, subject to any sub-limit that might be applicable.

All sub limits of liability shown in the Schedule and all extensions of cover are part of and not in addition to the overall Limit of Liability shown in the Schedule unless specifically agreed otherwise.

You must pay the relevant excess shown in the Schedule. The excess will apply separately to each **Claim** and/or **Loss** as applicable.

Where more than one **Claim** or **Loss** notified under this Cover arises from or is connected with the same original source or cause, all such **Claims** or **Losses** shall be deemed to be one **Claim** or **Loss** under this Cover and only one limit of liability and only one excess will be payable for all those **Claims** or **Losses**.

Clarification of how **Claims Expenses** will be dealt with can be found in the Schedule.

E. What You and Your management must do

The following is an **IMPORTANT CONDITION** under this Policy. Coverage under this Policy will not be available unless **You** comply with this important condition:

E.1 Notification of Claims, Circumstances and Losses

- a. **Your Management** must give **Us** written notification as soon as reasonably possible of:
 - i. any **Claim** first made against **You** during the **Policy Period**;
 - ii. any **Circumstance** which **You** first become aware of during the **Policy Period**;
 - iii. any **Loss** which **You** suffer during the **Policy Period**.
- b. **Your Management** must provide such notification to **Us** no later than the end of the **Policy Period** or no later than 30 days after the end of the **Policy Period** if agreed by **Us**.
- c. **Your Management's** written notification of a **Claim** must indicate all the specific details of the **Claim**, together with every demand, notice, summons or other process received by **You**.

- d. For a valid notification of a **Circumstance** to be given, **You** must provide the following information:
 - i. the specific details of the negligent act, error or omission, incident, loss of documents, or breach of contract that could likely form the basis of a **Claim**;
 - ii. the injury or damage which may result or has resulted from the **Circumstance**; and
 - iii. the facts by which **You** first became aware of the act, error or omission, incident, loss of documents, or breach of contract.
- e. Any subsequent **Claim** made against **You** arising out of the same facts and matters, or the same originating cause, as a **Claim** first made, or a **Circumstance** firstly duly notified (as above), within the **Policy Period** will be considered to have been made on the date that said earlier **Claim** was first made, or on which the relevant **Circumstance** was first notified, whichever was the earlier.

Employers' Liability

(Occurrence Basis Coverage)

A. What We cover

A.1 Employers Liability

We will indemnify **Your Organisation** for all **Damages** and **Claims Expenses** which **Your Organisation** is legally obligated to pay because of any **Claim** or **Claims**, by any current or former **Employee** arising out of **Bodily Injury** to such **Employee** occurring during the **Policy Period** in the course of his or her employment.

The coverage granted under this Cover (Employers' Liability) is in accordance with the provisions of the law relating to compulsory insurance of liability to employees in Great Britain, Northern Ireland, the Isle of Man, the Bailiwick of Jersey, the Bailiwick of Guernsey and offshore installations in territorial waters around Great Britain and its Continental Shelf. **You** must repay all payments that **We** make which **We** would not have been liable to pay in the absence of such law.

A.2 Extensions

a. Criminal Defence costs

We will indemnify **Your Organisation** up to GBP100,000 for the costs incurred with **Our** prior written consent to defend a criminal action brought against **You** by any governmental, administrative or regulatory body during the **Policy Period** for any breach of statute or regulation directly relating to any actual or potential **Claim** under this Cover.

b. Court attendance compensation

If any person within the definition of **You** has to attend court as witness in connection with a **Claim** against **Your Organisation** covered under this Cover, **We** will indemnify **Your organisation** for each day, or part of a day, that their attendance is required by **Us** as stated below:

- i. Directors (per day): GBP250
- ii. **Employees** (per day): GBP100

B. What We do not cover

B.1 Vehicles

The coverage under this Cover (Employers' Liability) does not apply in the circumstances (more specifically set out in paragraph 14 of Schedule 2 of the Employers' Liability (Compulsory Insurance) Regulations 1998) where **Your Organisation** is required to insure and maintain insurance against **Bodily Injury** sustained by any **Employee** when the **Employee**:

- a. is carried in or upon a vehicle; or
- b. is entering or getting on to or alighting from a vehicle.

B.2 Reckless Acts

The coverage under this Cover (Employers' Liability) does not apply to any **Claim** for, arising out of or in connection with any act, breach or omission **You** deliberately or recklessly commit, condone or ignore.

B.3 Territorial and jurisdictional limits

We will not make payment for, arising out of or in connection with:

- a. any activities outside the territories listed under the Territorial Limits Section stated in the Schedule;
- b. any **Claims** brought outside the jurisdictions listed under the Jurisdiction Limits Section stated in the Schedule.

C. Limits of liability

We will pay up to the overall limit of liability shown in the Schedule. All extensions of cover covered under this Cover, including **Claims Expenses** are part of and not in addition to this overall limit of liability.

Where more than one **Claim** or **Loss** notified under this Cover arises from or is connected with the same original source or cause, all such **Claims** or **Losses** shall be deemed to be one **Claim** or **Loss** under this Cover and only one limit of liability will be payable for all those **Claims** or **Losses**.

D. What You and Your management must do

The following is an **IMPORTANT CONDITION** under this Policy. Coverage under this Policy will not be available unless **You** comply with this important condition:

D.1 Notification of **Claims** and **Circumstances**

- a. **Your Management** must give **Us** written notification as soon as reasonably possible of:
 - i. any **Claim** first made against **You** or
 - ii. any **Circumstance** which **You** first become aware of during the **Policy Period**.
 - iii. any **Loss** which **You** suffer during the **Policy Period**.
- b. **Your Management's** written notification of a **Claim** must indicate all the specific details of the **Claim** together with every demand, notice, summons or other process received by **You**.
- c. For a valid notification of a **Circumstance** to be given, **You** must provide the following information:
 - i. the specific details of the incident that could likely form the basis of a **Claim**;
 - ii. the injury or damage which may result or has resulted from the **Circumstance**; and
 - iii. the facts by which **You** first became aware of the incident.

Public And Products Liability

(Occurrence Basis Coverage)

A. Definitions for this cover

- A.1 Accident** means an unintended and unexpected event, including, without limitation, continuous or repeated exposure to substantially the same general harmful conditions, and involves one or more persons or entities, and which results in **Bodily Injury** and/or **Property Damage**.
- A.2 Pollution** means the actual or alleged discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water.
- A.3 Product** means any tangible property (including containers, packaging, labelling or instructions, but explicitly excluding any telecoms or technology hardware or software) which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, processed, cleaned, renovated or repaired by **You** or on **Your** behalf.

B. What We cover

B.1 Public Liability

We will indemnify **You** for all **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim** arising out of **Bodily Injury** and/or **Property Damage** caused by an **Accident** occurring in the course of **Your Professional Services**. This Cover (Public Liability) applies only if:

- a. the **Accident**; and
- b. the **Bodily Injury** and/or **Property Damage**;

occurred during the **Policy Period**.

B.2 Product Liability

We will indemnify **You** for all **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim** arising out of **Bodily Injury** and/or **Property Damage** occurring during the **Policy Period** in the course of **Your Professional Services** and in relation to **Your Products**.

B.3 Pollution Liability

We will indemnify **You** for all **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim** arising out of **Bodily Injury** and/or **Property Damage** caused by **Pollution** in the course of **Your Professional Services**. This Cover (Pollution Liability) applies only if such **Pollution**:

- a. was the direct result of an **Accident** which occurred during the **Policy Period**; and

- b. was not the direct result of **Your** failure to take reasonable precautions to prevent such **Pollution**,

provided that such **Pollution** caused by an **Accident** shall be considered for the purposes of this Cover to have occurred at the time such **Accident** takes place.

B.4 Extensions

a. Criminal Defence costs

We will indemnify **Your organisation** up to GBP100,000 for the costs incurred with **Our** prior written consent to defend a criminal action brought against **You** by any governmental, administrative or regulatory body during the **Policy Period** for any breach of statute or regulation directly relating to any actual or potential **Claim** under this Cover.

b. Tenant's Liability

If the **premises** are leased, lent or rented to **You**, **We** will indemnify **You** for all **Damages** and **Claims Expenses** which **You** are legally obligated to pay because of any **Claim** arising out of **Property Damage** to those **Premises** caused by an **Accident** occurring in the course of **Your Professional Services**. This Cover (Tenant's Liability) applies only if:

- the **Accident**; and
- the **Bodily Injury** and/or **Property Damage**;

occurred during the **Policy Period**. **We** will not indemnify **You** for liability for:

- i. **Property Damage** arising under an agreement unless liability would have attached to **You** in the absence of that agreement; or
- ii. **Property Damage** to property which **You** are obliged to insure under an agreement

c. Court attendance compensation

If any person within the definition of **You** has to attend court as witness in connection with a **Claim** against **Your Organisation** covered under this Cover, **We** will indemnify **Your organisation** for each day, or part of a day, that their attendance is required by **Us** as stated below:

- i. Directors (per day): GBP250
- ii. **Employees** (per day): GBP100

C. What We do not cover

We will not make any payment for or in respect of any **Claim** or **Loss**, for, arising out of, or resulting from:

C.1 Errors And Omissions

an actual or alleged breach of **Your Organisation's** professional duty.

C.2 Property For Which You Are Responsible

damage to property belonging to **You** or which at the time of the damage is in **Your** care, custody or control. However, this exclusion does not apply to:

- a. Vehicles or personal belongings of **Your Employees** or visitors, while in **Your** premises
- b. Premises which are not owned or rented by **You**, where **You** are temporarily carrying out **Professional Services**;
- c. Premises rented to **You**, for loss or damage not insurable under property insurance policies and for which **You** would not be liable other than by the lease or other agreement.

C.3 Employer's Liability

Bodily Injury to Your Employees.

C.4 Territorial and jurisdictional limits

We will not make payment for, arising out of or in connection with:

- a. any activities outside the territories listed under the Territorial Limits section stated in the Schedule;
- b. any **Claims** brought outside the jurisdictions listed under the Jurisdictional Limits section stated in the Schedule.

C.5 Computer Virus

transmission of a computer virus.

D. Limits of liability and excess

We will pay up to the overall limit of liability shown in the Schedule, subject to any sub-limit that might be applicable.

All sub limits of liability shown in the Schedule and all extensions of cover are part of and not in addition to the overall limit of liability shown in the Schedule unless specifically agreed otherwise.

You must pay the relevant excess shown in the Schedule. The excess will apply separately to each **Claim**.

Where more than one **Claim** or **Loss** notified under this Coverage arises from or is connected with the same original source, cause or **Accident**, all such **Claims** shall be deemed to be one **Claim** or **Loss** under this Coverage and only one limit of liability and only one excess will be payable for all those **Claims** or **Losses**.

Clarification of how **Claims Expenses** will be dealt with can be found in the Schedule.

E. What You and Your management must do

The following is an **IMPORTANT CONDITION** under this Policy. Coverage under this Policy will not be available unless **You** comply with this important condition:

E.1 Notification of Claims, Accidents and Circumstances

- a. **Your Management** must give **Us** written notification as soon as reasonably possible of:
 - i. any **Claim** first made against **You**; or
 - ii. any **Accident** or **Circumstance** which **You** first become aware of during the **Policy Period**.
 - iii. any **Loss** which **You** suffer during the **Policy Period**.
- b. **Your Management's** written notification of a **Claim** must indicate all the specific details of the **Claim**, together with every demand, notice, summons or other process received by **You**.
- c. For a valid notification of an **Accident** or **Circumstance** to be given, **You** must provide the following information:
 - i. the specific details of the **Accident** or incident, that could likely form the basis of a **Claim**;
 - ii. the injury or damage which may result or has resulted from the **Accident** or **Circumstance**; and
 - iii. the facts by which **You** first became aware of the **Accident** or incident.