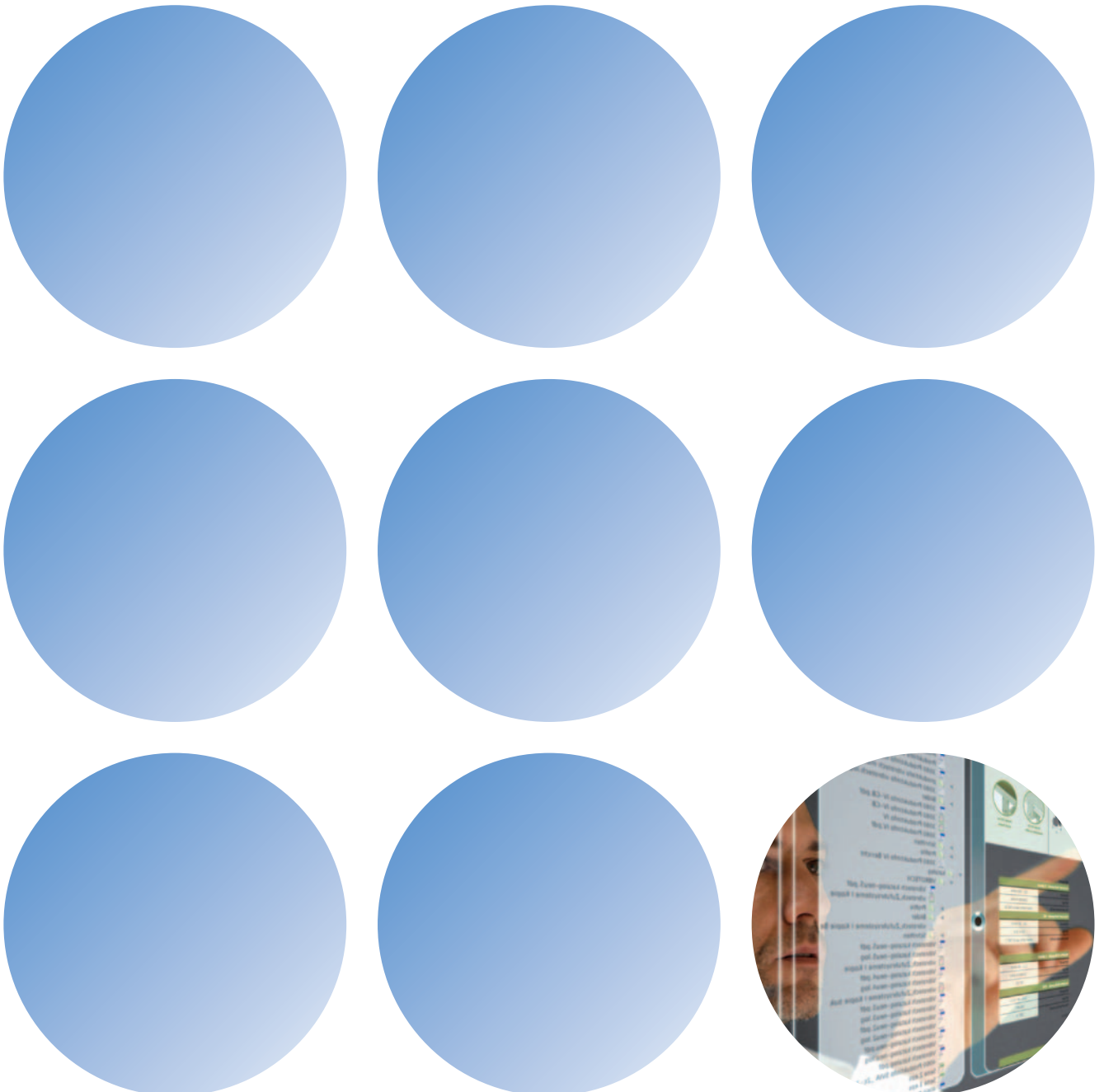


# Professional Indemnity Insurance – Technology and Communications

Policy



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# A warm welcome to Zurich

Thank **you** for taking out **your** Professional Indemnity Insurance policy with **us** and welcome to Zurich Insurance plc.

Zurich Insurance plc is a member of the insurance-based financial services provider Zurich Financial Services Group (Zurich). Zurich has a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

At Zurich **we** have **your** future in mind and look forward to working closely with **you**.

# Professional Indemnity Insurance for the Technology and Communications Sectors policy

This policy is a contract between **you** and **us**. **You** have made a proposal to **us** which is the basis of and forms part of this contract.

This policy and any schedule and endorsement should be read as if they are one document.

**We** will insure **you** during any period of insurance for which **we** have accepted **your** premium provided always that all the terms and conditions of this policy are kept. **Our** liability will in no case exceed the amount of any limit of indemnity stated in this policy, the schedule or any endorsement to this policy.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

## **Law applicable to this contract**

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Northern Ireland, Scotland, Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law.

**You** agree to submit to the exclusive jurisdiction of the English courts.

For and on behalf of Zurich Insurance plc



Stephen Lewis  
Chief Executive Officer of Zurich Insurance plc, UK Branch.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule and endorsement carefully and if they do not meet **your** needs return them to **us** or **your** insurance intermediary.

### How we will use your data

We hold **your** personal data in accordance with the Data Protection Act 1998. The information supplied to **us** by **you** may be held on computer and passed to other insurers for underwriting and claims purposes. **You** should show this to anyone whose personal data may be processed to administer this policy.

### Policy Administration

In order to administer **your** insurance policy and any claims made under this policy **we** may share personal data provided to **us** with other companies within the Zurich Financial Services Group and with business partners including overseas companies. If **we** do transfer **your** personal data including where **we** propose a change of underwriter **we** make sure that it is appropriately protected.

### Claims History

Under the conditions of this policy **you** must tell **us** about any incident that might give rise to a claim that would be covered under this policy. When **you** tell **us** about an incident **we** will pass information relating to it to the relevant database. **We** and other insurers may search these databases when **you** apply for insurance, in the event of any incident or claim or at time of renewal to validate **your** claims history or that of any other person or property likely to be involved in the policy or claim.

### Fraud Prevention and Detection

In order to prevent and detect fraud **we** may at any time:

- a) share information about **you** with other organisations including the police
- b) undertake credit searches
- c) check and share **your** details with fraud prevention and detection agencies.

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. **We** and other organisations may also access and use this information to prevent fraud and money laundering for example when:

- a) checking details on applications for credit and credit related or other facilities
- b) managing credit and credit related accounts or facilities
- c) recovering debt and tracing beneficiaries
- d) checking details on proposals and claims for all types of insurance
- e) checking details of job applicants and employees.

Please contact **us** if **you** want to receive details of the relevant fraud prevention agencies.

**We** and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

# Section 1 – definitions

Certain words in this policy have special meanings. These meanings are given below and apply where the words appear in bold.

## **Business**

Those activities stated in the schedule.

## **Business Partner**

Any person in business with **you** under the terms of a partnership agreement whether express or implied under legislation.

## **Costs and Expenses**

Costs incurred with **our** written consent for defending any claim for damages which may be the subject of indemnity under this policy.

## **Credit Monitoring Costs**

All reasonable and necessary fees, costs, charges and expenses incurred with **our** prior written consent to monitor any account of those affected by the loss of any **personal information** for a period of not more than 12 months from the date **you** first had knowledge of a **privacy event**.

## **Cyber Extortion Threat**

An illegal demand from a **third party** excluding any demand from **your employees** for payment to prevent them from:

- a) launching a **denial of service attack** against **you**
- b) introducing **malware** into **your** network
- c) revealing **personal information** following any **unauthorised access**.

## **Data**

Information stored or transmitted in digital format.

## **Denial of Service Attack**

Any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems including but not limited to the generation of excess network traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

## **Director or Officer**

Any natural person who was or now is a director or officer of **you** or any named subsidiary of **yours** or the equivalent position in any jurisdiction or who becomes a director or officer of **you** or any named subsidiary of **yours** or the equivalent position in any jurisdiction during the period of insurance including de jure, de facto and shadow directors.

## **Electromagnetic Field**

Any field of force that is made up of associated electric and magnetic components.

## **Electromagnetic Radiation**

Any succession of electromagnetic waves.

## **Electromagnetism**

Magnetism that is developed by a current of electricity.

### **Employee**

Any natural person other than a **director or officer** who is:

- a) under a contract of service or apprenticeship with **you**
- b) a labour master or labour only subcontractor or persons supplied by any of them
- c) self-employed
- d) under a work experience or similar scheme
- e) hired or borrowed by **you** from another employer

and working for **you** in connection with the **business** while under **your** direct control or supervision.

### **Excess**

The amount stated in this policy, the schedule or any endorsement to this policy for which **you** are responsible and which will be deducted from any payment under this policy as ascertained after the application of all other terms and conditions of this policy.

### **Extortion Expenses**

The reasonable and necessary costs incurred by **you** following any **cyber extortion threat** where such costs are insurable at law.

### **Intellectual Property Rights**

Copyright, trademark, database rights, design right or registered domain name but does not include patent or trade secret.

### **Malware**

Any code specifically designed to:

- a) erase or corrupt **data**
- b) damage or disrupt any network or system
- c) circumvent any security product or service.

### **Member**

Any person in business with **you** who is a member of a limited liability partnership as defined in the Limited Liability Partnerships Act 2000.

### **Notification Costs**

Reasonable and necessary fees, costs, charges and expenses incurred with **our** consent in advising any individual of the compromising of any **personal information**.

### **Nuclear Installation**

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

### **Nuclear Reactor**

Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

### **Personal Information**

Any information from which an individual may be uniquely and reliably identified or contacted including an individual's name, telephone number, national insurance number, social security number, medical or healthcare data or other protected health information, driver's licence number or passport number, account number, credit card number, debit card number, access code or password that would permit access to that individual's financial account or any other non-public personal information as defined in **privacy regulations**. **Personal information** does not include information lawfully available to the general public for any reason including information from national or local government records.

### **Pollution or Contamination**

Pollution or contamination of buildings or other structures or of water or land or the atmosphere.

### **Privacy Breach Costs**

The reasonable and necessary fees, costs, charges and expenses incurred by **you** with **our** prior written consent within 12 months of **you** first having knowledge of a **privacy event** for the purposes of retaining an accountant, IT consultant, solicitor, lawyer, public relations consultant or other third party to:

- a) conduct a computer forensic analysis to investigate **your** computer system to determine the cause and extent of such **privacy event**
- b) determine the extent to which **you** are obligated to notify any regulatory authority following any **privacy event**
- c) effect compliance with any **privacy regulation** under the applicable **privacy regulation** most favourable to **your** affected individuals
- d) plan, implement, execute and manage a public relations campaign to counter or minimise any actual or anticipated adverse effects of negative publicity from such **privacy event** or to protect or restore **your** business reputation in response to negative publicity following such **privacy event**.

**Privacy breach costs** do not include:

- i) regular or overtime wages, salaries or fees of **your directors or officers or employees**
- ii) the cost to comply with any injunctive or other non-monetary relief
- iii) principal, interest or other monies paid or due as the result of any loan, lease or extension of credit, taxes, fines, sanctions or penalties.

### **Privacy Event**

- a) An accidental disclosure or loss of:
  - i) **personal information** in **your** care, custody or control
  - ii) corporate information in **your** care, custody or control that is specifically identified as confidential and protected under a nondisclosure agreement or similar contract
- b) a violation of any **privacy regulation**.

### **Privacy Regulation**

Any legislation enacted to control the use of **personal information** within the **territorial limits**

### **Products**

Hardware, firmware, software or other electronic device or component designed or manufactured by **you** or any such items that have been installed, supplied or sold by **you**.

### **Property**

Physical property.

### **Regulatory Privacy Fines and Penalties**

Civil fines, penalties or sanctions imposed as a direct result of any **privacy event** solely where such fines, penalties or sanctions are insurable at law.

### **Related Entity**

Any individual or entity or its subcontractors or assignees:

- a) which wholly or partially own, operate or manage **you**
- b) in which **you** have an ownership interest in excess of 20%
- c) which is controlled, operated or managed by **you**.

### **Services**

Any advice, design or work on any specification performed by **you** or on behalf of **you** for a fee or for which a fee would ordinarily be charged.

### **Subcontractors**

Independent consultants or subcontractors who provide **you** services under a written contract. This definition does not include any **employee**.

### **Third Party**

Any natural person, firm, individual, partnership, organisation or corporation other than **you**. **Third party** will not include any **related entity** or any other person or entity having a financial or executive interest in **you**.

### **Territorial Limits**

Worldwide.

### **Terrorism**

- a) Any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:
  - i) involves violence against one or more persons
  - ii) involves damage to property
  - iii) endangers life other than that of the person committing the action
  - iv) creates a risk to health or safety of the public or a section of the public
  - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) above.

### **Unauthorised Access**

Use of **your** computer system or network infrastructure by any person not authorised to do so including **employees**.

### **We, Us, Our or Ours**

Zurich Insurance plc.

### **You, Your, Yours or Yourselves**

The person, people either acting in partnership or on behalf of an unincorporated organisation or the company stated in the schedule as the insured including **your** predecessors.

## Section 2 – the cover

We will indemnify **you** in respect of all sums which **you** become legally liable to pay as damages and claimants' costs and expenses in respect of a claim arising out of the conduct of the **business** within the **territorial limits** first made against **you** and notified to **us** during the period of insurance in respect of **your** civil liability.

Unless otherwise stated we will pay **costs and expenses** in addition to the limit of indemnity.

Unless otherwise stated **costs and expenses** will not be subject to any **excess**.

### 2.1 Court Attendance Costs

We will also pay **you** the daily rates stated below if any of these people are required to attend court as a witness at **our** request:

- |   |       |
|---|-------|
| a) any principal, <b>business partner, director or officer</b> or <b>member</b> | £500  |
| b) any <b>employee</b>  | £250. |

**Our** liability will not exceed £10,000 in the aggregate during the period of insurance and this limit will form part of and not be in addition to the limit of indemnity stated in the schedule.

### 2.2 Extended Reporting Period

In the case of renewal of this policy by **us** we agree to accept **your** notification of claims and potential claims under this policy up to 30 days after the previous period of insurance has expired provided **you** first become aware of the claim or potential claim during the last 30 days of the previous period of insurance.

In the case of non-renewal of this policy by **us** **you** will have the right to extend cover for a further 12 months but only:

- for claims arising out of the provision of **products** or **services** rendered by **you** within the **territorial limits** and that occurred before the expiration of the last period of insurance; and
- for a limit of indemnity no greater than that stated in the schedule.

If **we** issue a renewal quote it will not be considered a non-renewal by **us** even if the renewal terms differ substantially from the expiring cover.

The premium payable for any extension of cover will be determined by **us** at **our** absolute discretion. Written notice from **you** exercising this right to extend cover must be received by **us** no later than 7 days after the expiry of the period of insurance.

### 2.3 First Party Copyright Infringement

We will also cover any reasonable costs and expenses incurred in the issue of any proceedings for any injunction or for damages for infringement of any copyright vested in **you** notified to **us** during the period of insurance provided always that **we** will not be required to incur any obligation to meet such costs where **your** cause of action is not one reasonable to pursue. In the event of any dispute arising between **us** and **you** as to the reasonableness of pursuing any such cause of action the opinion of a Queen's Counsel the appointment of whom shall be mutually agreed between **you** and **us** will be obtained and his decision shall be binding.

**Our** liability will not exceed £25,000 in the aggregate during the period of insurance.

### 2.4 Indemnity to Other Persons including Personal Representatives

We will also indemnify under the terms of this policy any current, former or retired principal, **business partner, director or officer, member** or **employee** or in the event of their death any personal representative.

Provided always that:

- a) **you** would have been entitled to indemnity had the claim been made against **you**; and
- b) no indemnity will be provided to any person in respect of the consequences of their own fraud, dishonesty or criminal act; and
- c) any person claiming indemnity:
  - i) is not entitled to indemnity from any other source; and
  - ii) was at the time of the incident giving rise to the claim acting within the scope of their authority; and
  - iii) will be subject to the terms and conditions of this policy in so far as they can apply; and
- d) **we** have the sole conduct and control of any claim.

## 2.5 Information Technology Liability

**We** will indemnify **you** in respect of all sums which **you** become legally liable to pay as damages and claimants' costs and expenses and **costs and expenses** in respect of a claim arising due to:

- a) any breach of a contract to provide **products** or **services** due to such **products** or **services** not conforming to a previously agreed written specification
- b) the failure of such **products** or **services** to meet any express or implied statutory term concerning quality, fitness for purpose or safety
- c) any actual or alleged negligent act, error or omission in the provision of **products** or **services**
- d) loss, erasure or corruption of **data** for which **you** are responsible under a written contract
- e) unintentional infringement of any **intellectual property right**
- f) defamation of any individual, commercial enterprise, product or system
- g) any other civil liability but excluding contractual liability beyond that specified above.

## 2.6 Legal Representation Cover

**We** will also pay reasonable costs and expenses necessarily incurred with **our** written consent for representation at any official examination, inquiry, investigation or other proceedings ordered or commissioned by a body legally empowered to investigate **your** affairs that are first instigated against **you** and notified to **us** during the period of insurance and which may otherwise be the subject of indemnity under this policy.

**Our** liability will not exceed £10,000 in the aggregate during the period of insurance and this limit will form part of and not be in addition to the limit of indemnity stated in the schedule.

## 2.7 Loss of Documents

**We** will also pay reasonable costs incurred by **you** with **our** written consent for the restoration or replacement of documents associated with the **business** including computer systems records which have been accidentally lost or damaged. This clause does not apply to negotiable instruments of any kind held by **you** or for which **you** are legally responsible. Provided always that any computer systems records are backed up no less frequently than once every 7 days or as otherwise agreed by **us** and any such backed up records are held at a separate location.

**Our** liability will not exceed £1,000,000 in the aggregate during the period of insurance and this limit will form part of and not be in addition to the limit of indemnity stated in the schedule.

## 2.8 Mitigation Costs

We will also with **our** prior written consent pay **your** outstanding fee in circumstances where **your** client has expressed dissatisfaction with **your** work and demonstrates reasonable grounds for such dissatisfaction and subsequent refusal to pay such fee (including amounts **you** are legally obligated to pay **subcontractors** at the time of the refusal to pay such fee) and threatens to bring a claim against **you** for a sum greater than the outstanding fee but agrees not to pursue such claim if **you** agree not to press for **your** outstanding fee.

**Our** payment of **your** outstanding fee will only be made if **we** believe that this will avoid a claim for a greater amount. If following this a claim still arises then the amount paid under this clause will be deducted from the limit of indemnity. If **you** eventually recover the debt then **you** must repay **us** any amount paid less **your** reasonable expenses incurred in recovering the debt.

## 2.9 Network Security Liability

We will indemnify **you** in respect of all sums which **you** become legally liable to pay as damages and claimants' costs and expenses and **costs and expenses** in respect of a claim arising due to:

- a) breach of confidence
- b) negligent or inadvertent onward transmission of any **malware**
- c) inability of any **third party** with whom **you** have a written contract to access **your** network or **services** due to inadequate bandwidth, server capacity or other negligent act of **yours**
- d) negligent failure to secure **your** computer system or network infrastructure which results in **unauthorised access**.

## 2.10 Privacy Liability

We will also cover reasonable costs incurred by **you** with **our** prior written consent for:

- a) **privacy breach costs**
- b) **notification costs**
- c) **credit monitoring costs**
- d) **regulatory privacy fines and penalties**

following any **privacy event**

- e) **extortion expenses**.

Provided always that:

- i) **you** will make all reasonable efforts to contact the police or other relevant law enforcement bodies or authorities before **we** will pay **extortion expenses**
- ii) one of **your** directors consents to payment of **extortion expenses**

solely in the performance of the **business** by **you** or any **subcontractor**.

**Our** liability will not exceed the inner limits of indemnity stated in the schedule in the aggregate during the period of insurance. These limits will form part of and not be in addition to the limit of indemnity stated in the schedule.

## Section 3 – exclusions

This policy does not cover:

### 1. Asbestos

liability, loss, cost or expense directly or indirectly caused by, contributed to by or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos fibres or derivatives

### 2. Bodily Injury and Property Damage

liability for:

- a) death, bodily injury, mental injury, sickness, disease, mental anguish or shock sustained by any person other than emotional distress arising from libel and slander
- b) loss of or damage to **property**

unless arising out of a breach of professional duty due to any negligent act, error or omission committed or alleged to have been committed by **you**

### 3. Claims by Related Entities

any claim brought by **you** or any **related entity** unless such claim emanates from an independent **third party**

### 4. Competition, Restraint of Trade or Taxation

liability arising from the breach of any taxation, competition, restraint of trade or antitrust legislation or regulation

### 5. Contractual Liability

liability arising under any warranty, guarantee or under any contractual obligation to the extent that the obligation gives rise to a claim to which **you** would not have been liable in the absence of the warranty, guarantee or contract other than any claim specifically covered under clause 2.5 a), b), c), d) or e)

### 6. Criminal or Malicious Acts

liability arising out of any criminal, fraudulent or malicious act, error or omission committed by **you** or on **your** direction unless:

- a) committed by any **employee** which term for the purpose of this clause will not include any principal, **business partner, director or officer** or **member of yours**; and
- b) there is no reasonable cause for suspicion in relation to such person.

Provided always that:

- i) in the event of a loss being sustained as a result of any criminal, fraudulent or malicious act, error or omission the amount of indemnity under this policy will be reduced by an amount equal to the sum of:
  - 1) any monies owed by **you** to any person committing, condoning or contributing to the act or omission
  - 2) any monies held by **you** and belonging to such person; and
- ii) no person committing, condoning or contributing to any criminal, fraudulent or malicious act, error or omission is entitled to an indemnity under this policy

#### **7. Delay of Contract**

liability arising out of, based upon, attributable to or as a consequence of a delay in the provision of any **products** or **services** to any **third party** unless such a delay and/or non-completion of any contractual obligation arises from an actual or alleged negligent act, error or omission committed by **you** in the execution of such contract. Any actual or alleged late delivery or delay will not in itself constitute an actual or alleged negligent act, error or omission

#### **8. Directors and Officers Liability**

liability while **you** are carrying out the duties of:

- a) a **director** or **officer** of **you** or any other body corporate
- b) a trustee of any pension fund or any other employee benefit scheme

#### **9. Electromagnetic Field, Radiation or Electromagnetism**

liability arising directly or indirectly out of **electromagnetic field**, **electromagnetic radiation** or **electromagnetism**

#### **10. Employment**

- a) liability arising out of death, bodily injury, mental injury, sickness, disease, mental anguish or shock of any **employee**
- b) liability arising out of any obligation owed by **you** as an employer or potential employer to any **business partner**, **director** or **officer**, **member**, **employee** or applicant for employment

#### **11. Failure to Assess Cost**

liability or loss resulting from **your** failure or any other party acting on **your** behalf to make an accurate pre-assessment of the cost of providing such **products** or **services**

#### **12. Financial Analysis**

liability directly or indirectly based upon, attributable to, arising out of, or resulting from or in any manner related to the rendering of or failure to render any:

- a) valuation of stocks, bonds or any negotiable instruments
- b) economic analysis whether computer assisted or not
- c) economic and/or financial forecasting whether computer assisted or not
- d) economic and/or financial simulations whether computer assisted or not
- e) electronic transfer or electronic manipulation of negotiable instruments
- f) transfer of money or funds

unless such claim relates directly and exclusively to the failure of any **product** **you** have supplied to any **third party**

#### **13. Foreign Operations**

any associated or subsidiary company of **yours** or branch office or representative of **yours** with power of attorney domiciled outside Great Britain, Northern Ireland, the Isle of Man and Channel Islands

#### **14. Goods and Services**

liability arising from any contract or arrangement for the supply to or use by **you** of goods or services

#### **15. Insolvency**

liability arising out of **your** or any of **your** suppliers or **subcontractors** insolvency or bankruptcy. This exclusion will not apply to any claim or circumstance that would be covered under this policy but for **your** or any of **your** suppliers or **subcontractors** insolvency or bankruptcy

#### **16. Libel and Slander**

liability arising out of any act of libel and slander other than that committed or uttered in good faith by **you**

#### **17. Punitive or Exemplary Damages**

any amount in respect of punitive or exemplary damages

#### **18. Nuclear and War Risks and Government or Public Authority Order**

death, injury, disablement or loss or damage to any property or any loss or expense resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **nuclear installation, nuclear reactor** or other nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d)
  - i) war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power
  - ii) nationalisation, confiscation, requisition, seizure or destruction by any government or public authority

#### **19. Obscenity**

liability arising from any obscenity, blasphemy or pornographic material

#### **20. Patents**

any claim arising out of directly or indirectly, based upon, attributable to or in any way connected with any actual or alleged misappropriation, infringement or violation of any patent or trade secret

#### **21. Pension Liability**

liability arising out of the operation or administration of any pension or other employee benefit scheme

#### **22. Pollution or Contamination**

liability arising directly or indirectly out of **pollution or contamination** other than caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance

### 23. Prior Circumstances and Claims

liability arising from:

- a) any circumstance, fact, matter or occurrence that:
  - i) **you** knew or that in **our** reasonable opinion **you** ought to have known prior to inception of this policy which might give rise to a claim against **you**
  - ii) was notified by **you** under any other insurance policy prior to inception of this policy
  - iii) was disclosed or in **our** reasonable opinion ought to have been disclosed on **your** latest proposal to **us**
- b) any claim made against **you** prior to inception of this policy

### 24. Products and Buildings

liability arising out of any:

- a) supply, repair, alteration, manufacture, installation or maintenance of goods, materials or **products** other than any claim specifically covered under clause 2.5 a), b) or c)
- b) construction, repair, installation, erection, removal or demolition of buildings, building works or physical structures

by **you**, **your subcontractor** or any **related entity**

### 25. Property and Transport

liability arising out of the ownership, possession or use by **you** or on **your** behalf of any land, building, aircraft, watercraft or mechanically propelled vehicle

### 26. Recall Costs

liability for costs and expenses incurred in the recall, repair or replacement of any **products** or the refund of any money paid by a **third party** in connection with the recall of **products**

### 27. Retroactive Date

liability for any claim arising from the **business** provided by **you** prior to the retroactive date stated in the schedule

### 28. Terrorism

loss, damage, consequential loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with **terrorism**.

In any action or suit or other proceedings where **we** allege that by reason of this exclusion cover is not provided under this policy the burden of proving that cover is provided under this policy will be upon **you**

### 29. Trading Losses

liability arising out of **your** trading loss or trading debt or **your** liability for VAT or its equivalent

### 30. Unsolicited Communication

liability arising directly or indirectly, based upon, attributable to or in any way connected with the distribution of unsolicited mail, direct mail and facsimiles or from telemarketing

### **31. USA Regulatory**

liability arising out of any claim or claims based upon or arising out of or relating directly or indirectly to or in consequence of or in any way involving:

- a) any violations of the responsibilities, obligations or duties imposed by the Employment Retirement Income Securities Act of 1974 or amendments thereto or any similar provisions or statute or common law enacted in the United States of America or any other territories that fall within United States of America jurisdiction
- b) any violations of any responsibilities, obligations or duties imposed by the Racketeer Influenced and Corrupt Organization Act of 1961 or amendments thereto or any similar provisions or statute or common law enacted in the United States of America or any other territories that fall within United States of America jurisdiction
- c) any violations of any responsibilities, obligations or duties imposed by the Securities Act of 1933, the Securities Exchange Act of 1934 and the Securities Fraud Enforcement Act of 1988 or amendments thereto or any similar provisions or statute or common law enacted in the United States of America or any other territories that fall within United States of America jurisdiction
- d) any violations of any responsibilities, obligations or duties imposed by the Money Laundering Control Act of 1981 or amendments thereto or any similar provisions or statute or common law enacted in the United States of America or any other territories that fall within United States of America jurisdiction
- e) any violations of any responsibilities, obligations or duties imposed by the Bank Security Act of 1970 and the Right of Financial Privacy Act of 1978 or amendments thereto or any similar provisions or statute or common law enacted in the United States of America or any other territories that fall within United States of America jurisdiction.

## Section 4 – provisions

### 1. Automatic Cover for Acquisitions

The indemnity provided under this policy will apply in respect of any new or acquired company with an annual turnover not exceeding £1,000,000 for a period 90 days from the date of creation or acquisition pending provision of information and agreement on terms to be applied provided always that in the case of any acquisition of a company whose business activities are substantially different from the **business you** will wherever possible notify us in advance of any such acquisition and in any event as soon as is reasonably practicable.

### 2. Contracts (Rights of Third Parties) Act 1999

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this policy is not enforceable by any **third party**.

### 3. Discharge of Liability

We may at any time pay the maximum amount payable under this policy after deduction of any sum already paid or any lower amount for which any claim can be settled and then relinquish the conduct and control and be under no further liability in respect of the claim except for the payment of **costs and expenses** incurred with **our** written consent prior to the date of such payment.

### 4. Joint Liabilities

If **you** comprise more than one party **we** will indemnify each party as though a separate policy had been issued to each of them provided always that the total amount of indemnity to all such parties will not exceed the amount payable if **you** comprised only one party and in any event will not exceed the limit of indemnity stated in the schedule.

### 5. Limit of Indemnity

The limit of indemnity stated in the schedule is **our** monetary limit (other than any limit otherwise stated) and applies to any one claim.

2 or more claims arising out of one act, error or omission or a series of related acts, errors or omissions consequent upon or attributable to one source or original cause will be treated as a single claim and will be subject to one limit of indemnity and **excess**. All such claims will be considered first made on the date on which the earliest claim is first made.

Where **you** become liable to pay a sum in excess of the amount of indemnity available under this policy **we** will pay only the proportion of any **costs and expenses** that the available amount of indemnity bears to **your** total liability.

### 6. Queen's Counsel

**You** will not be required to contest any legal proceedings unless a Queen's Counsel or similar authority agreed upon by **you** and **us** advises that on the facts of the case concerned such claim could be contested with a reasonable prospect of success.

### 7. USA or Canada Courts Jurisdiction

**Our** liability in respect of any claim made or brought:

- a) in the United States of America or Canada or territories under their jurisdiction
- b) under or in consequence of any judgment or order in or under the laws of the United States of America or Canada or territories under their jurisdiction

will:

- i) not exceed the inner limit of indemnity stated in the schedule; and
- ii) be in the aggregate during the period of insurance; and
- iii) be inclusive of all claimants' costs and expenses awarded or incurred in the defence of any claim made or brought; and
- iv) form part of and not be in addition to the limit of indemnity stated in the schedule.

## Section 5 – conditions

### 1. Arbitration

Provided that liability for a claim has been admitted any dispute as to the amount to be paid will be referred to an arbitrator who will be appointed by the parties in accordance with the statutory provisions in force at the time and the making of an award will be a condition precedent to any right of action against us.

### 2. Cancellation

We may cancel this policy by giving 30 days notice in writing by special delivery mail to **you** at **your** last known address and in such event **you** will be entitled to a return of premium in respect of the unexpired portion of the period of insurance.

### 3. Claims Procedures

#### a) Your Responsibilities

It is agreed that:

- i) on the happening of any circumstance which could give rise to a claim or on receiving verbal or written notice of any claim **you** will:
  - 1) as soon as reasonably possible give notice to **us**; and
  - 2) as soon as reasonably possible forward to **us** any notice of prosecution, inquest or fatal inquiry and every letter, claim, writ or summons issued against **you**; and
  - 3) take action to minimise the loss or damage and to avoid interruption or interference with the **business** and to prevent further damage or injury; and
  - 4) at **your** own expense and as soon as reasonably possible supply full details of the claim in writing to **us** together with any evidence and information that may be reasonably required by **us** for the purpose of investigating or verifying the claim
- ii) no settlement, admission of liability, payment or promise of payment will be made to a **third party** without **our** written consent.

#### b) Our Rights

We will:

- i) be entitled to take over the defence or settlement including the appointment of legal counsel of any claim made against **you** or any person entitled to indemnity under this policy and **you** will give all assistance as may be reasonably required by **us**; and
- ii) be entitled to take the benefit of any rights of **yours** against any other party before or after **you** have received indemnification under this policy and **you** will give all assistance as may be reasonably required by **us**; and
- iii) treat any circumstances which might give rise to a claim notified during the period of insurance which subsequently gives rise to a claim after the expiry date as a claim first made during the period of insurance.

### 4. Contractual Right of Renewal (Tacit)

If **you** pay the premium using **our** direct debit instalment scheme **we** will have the right which **we** may choose not to exercise to renew this policy each year and continue to collect premiums using this method. **We** may vary the terms and conditions of this policy including the premium at renewal. If **you** do not wish to renew this policy **you** or **your** insurance intermediary must notify **us** prior to the next renewal date.

## 5. Fraud

If any claim is in any respect fraudulent or if any fraudulent means be used by **you** or anyone acting on **your** behalf to obtain any benefit under this policy or if any loss, damage or injury be occasioned by **your** wilful act or with **your** connivance all benefit under this policy will be forfeited.

## 6. Non-Disclosure

In the event of misrepresentation, misdescription or non-disclosure:

- a) of any material particular at the inception of this policy or from the time of any variation in cover including at renewal **we** may at **our** discretion waive **our** right to avoid this policy but exclude the consequences of any matter which ought to have been disclosed to **us**
- b) at the time of any variation in cover or at renewal **we** will waive **our** right to avoid this policy.

Provided always that:

- i) **you** are able to establish to **our** satisfaction that such misrepresentation, misdescription or non-disclosure was innocent and free from any fraudulent conduct or intent to deceive
- ii) where **you** should have notified during a preceding period any claim or circumstance which could give rise to a claim or an entitlement under this policy and the indemnity or cover to which **you** would have been entitled was in any way more restrictive than that provided at the date of notification **we** will only be liable to the extent applicable during such preceding period of insurance
- iii) where in **our** opinion **you** have prejudiced the handling or any settlement of any claim the amount payable in respect of such claim including **costs and expenses** will be reduced to such an amount as in **our** opinion would have been payable in the absence of such prejudice.

Provided always that:

- 1) **we** will be entitled to adjust the premium and the terms and conditions to those which would have applied had the circumstances of the misrepresentation, misdescription or non-disclosure been disclosed
- 2) for the purposes of this condition renewal will mean a renewal of any immediately preceding professional indemnity insurance policy issued by **us** under which **you** were entitled to indemnity.

## 7. Observance

The due observance and fulfilment of the terms and conditions of this policy by **you** in so far as they relate to anything to be done or complied with by **you** will be a condition precedent to **our** liability to make any payment under this policy.

## 8. Other Insurances

If at the time of any occurrence giving rise to a claim there is any other insurance effected by or on behalf of **you** providing an indemnity in respect of such claim **our** liability will be limited to its rateable proportion. If any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this policy in whole or in part or from contributing proportionally **our** liability under this policy will be limited to any excess beyond the amount which would be payable under such other insurance had this policy not been effected.

### 9. Payment by Instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method this policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 if applicable the credit agreement and this policy will be cancelled immediately.

### 10. Reasonable Care

**You** will comply with all regulations imposed by any competent authority and take all reasonable precautions to prevent or minimise claims being made against **you**.

### 11. Sole Agent

It as agreed that:

- a) if more than one person, company or entity forms **you** the person, company or entity set out as **you** in the schedule will act for itself and be deemed to act as sole agent for every other person, company or entity forming part of **you** and all insured persons, companies or entities are deemed to have consented and agreed that rights of action under this policy are not assignable except with **our** prior written consent
- b) **you** have the sole right to file notice or proof of loss or make a claim, adjust, receive or enforce payment of any loss
- c) payment of any loss to **you** will fully release **us** in respect of such loss. If **we** agree to make payment to an insured other than **you** such payment will be deemed to have been made to **you**
- d) **you** have the sole right to bring legal proceedings arising under or in connection with this policy
- e) knowledge possessed or discovery made by any person, company or entity forming part of **you** or by any **business partner, director or officer, member**, departmental head or other senior manager or the equivalent thereof will be deemed to constitute knowledge possessed or discovery made by all other persons, companies or other entities forming part of **you**.

# Our complaints procedure

We value the opportunity to investigate any concerns you may have about any aspect of our service and are committed to handling all complaints fairly, thoroughly and promptly.

## Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with your usual contact as they will generally be able to provide you with an immediate response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

If we cannot resolve your complaint straight away we will aim to resolve your concerns as soon as possible and we will keep you informed of progress while our enquiries are continuing.

The majority of complaints we receive are resolved within four weeks of receipt.

## Next steps if you are not happy with the response provided

We are dedicated to our customers and seek to do what is right however sometimes we may not be able to reach an agreement with you. If this is the case and you remain dissatisfied once you have received our response to your complaint we will refer your complaint to our Customer Relations Team for a separate review.

The Customer Relations Team will contact you to let you know they have received your complaint and when their review is complete they will provide you with a final response on our behalf.

## The Financial Ombudsman Service (FOS)

If we are unable to resolve your complaint to your satisfaction within eight weeks or if you remain dissatisfied following receipt of our final response letter you can ask the FOS to formally review your case. You must contact the FOS within six months of our final response.

The FOS contact details are as follows:

Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

You can telephone for free on:

**0800 234 567** for people phoning from a "fixed line" (for example, a landline at home)

**0300 123 9 123** for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Or e-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

This is a free and impartial service and will not affect your legal rights.

The FOS can help with most complaints if you are:

- a consumer
- a business employing fewer than 10 persons that has an annual turnover or balance sheet that does not exceed €2 million
- a charity with an annual income of less than £1 million
- a trustee of a trust with a net asset value of less than £1 million.

If you are unsure whether the FOS will consider your complaint please contact them directly for further information.

You are entitled to contact the FOS at any stage of your complaint.

## The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation should we be unable to meet our obligations. Further information is available on [www.fscs.org.uk](http://www.fscs.org.uk) or you may contact the FSCS on 0800 678 1100.

Following this complaints procedure does not affect your legal rights.





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#### Zurich Insurance plc

A public limited company incorporated in Ireland. Registration No. 13460.  
Registered Office: Zurich House, Ballsbridge Park, Dublin 4, Ireland.  
UK Branch registered in England and Wales Registration No. BR7985.  
UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley,  
Fareham, Hampshire PO15 7JZ.

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by the Financial Services Authority. Details about the extent of our regulation  
by the Financial Services Authority are available from us on request.  
FSA registration number 203093. These details can be checked on the  
FSA's register by visiting their website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by  
contacting them on 0845 606 1234.

Communications may be monitored or recorded to improve our service and  
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