


Solicitors Professional Indemnity Insurance Policy



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How to make a claim



Write to us
Zurich Insurance, Specialty Claims
Department (Solicitors PI),
70 Mark Lane, London, EC3R 7NQ



Email us
claims@uk.zurich.com

Data protection statement

Zurich takes the privacy and security of your personal information seriously. We collect, use and share your personal information so that we can provide policies and services that meet your insurance needs, in accordance with applicable data protection laws.

The type of personal information we will collect includes: basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

We and our selected third parties will only collect and use personal information (i) where the processing is necessary in connection with providing a quotation and/or contract of insurance; (ii) to meet our legal or regulatory obligations; (iii) where you have provided the appropriate consent; (iv) for our 'legitimate interests'.

It is in our legitimate interests to collect personal information as it provides us with the information that we need to provide our services more effectively including providing information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

A full copy of our data protection statement can be viewed via www.zurich.co.uk/dataprotection

How you can contact us

If you have any questions or queries about how we use your data, or require a paper copy of the statement, you can contact us via gbz.general.data.protection@uk.zurich.com or alternatively contact our Data Protection Officer at Zurich Insurance, Unity Place, 1 Carfax Close, Swindon, SN1 1AP.

Important notes

Fraud prevention and detection

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

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to any relevant database.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us 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.

This helps to check information provided and prevent fraudulent claims.

Our complaints procedure

Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

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 at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

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

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone: 08000 234567 (free on mobile phones and landlines)

Email: complaint.info@financial-ombudsman.org.uk

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

Your Solicitors Professional Indemnity Insurance policy

This Policy is a contract between the Insured (also referred to as you or your) and the Insurer (also referred to as we, us or our).

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. Our liability will in no case exceed the amount of any sum insured or 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 amendments thereto or re-enactment thereof.

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

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 contact us or your broker or insurance intermediary.

1. Coverage

The Insurer to the extent and in the manner hereinafter provided hereby agrees:

1.1 Civil Liability

To indemnify the Insured against any Civil Liability to the extent that it arises from Private Legal Practice in connection with the Firm's Practice, a Prior Practice (unless Run-Off Cover is provided in accordance with clause 1.3) or a Successor Practice provided that a Claim in respect of such liability:

- a) is first made against an Insured during the Period of Insurance; or
- b) is made against an Insured during or after the Period of Insurance and arising from Circumstances first notified to the Insurer during the Period of Insurance.

1.2 Extended Policy Period and Cessation Period

To indemnify the Insured for the Extended Policy Period and the Cessation Period against any Civil Liability as defined in clauses 1.1 and 7.4.

1.3 Run-off Cover

- a) To indemnify the Insured if the Firm's Practice ceases during or on expiry of the Period of Insurance or Extended Indemnity Period or Cessation Period and the Firm has not obtained succeeding insurance in compliance with the Minimum Terms against any Civil Liability as defined in clause 1.1 above (a 'Cessation') during a period ending on the sixth anniversary of the date upon which the Period of Insurance ends.
- b) Indemnity under this clause will only be available if there is no Successor Practice.
- c) An additional premium of 250% of the annual (or, where applicable, annualised) premium shown in the Schedule (calculated to reflect the Limit of Indemnity in clause 2.1 b) iv) below ('Run-off Premium') will become payable in full immediately upon Cessation of the Firm if there is no Successor Practice.
- d) Notwithstanding sub-clauses a) and b) above, an Insured which is ceasing during the Period of Insurance and which, but for this provision, would be succeeded to, may elect before its Cessation to be insured under Run-off Cover provided such election and payment in full of the Run-off Premium (calculated in accordance with sub-clause c)) is made prior to its Cessation.
- e) Payment of the Run-off Premium will be in addition to and not in substitution for payment of the premium for the Period of Insurance.
- f) Where Run-off Cover has been activated in accordance with this Policy but the Firm's Practice restarts, the Insurer may cancel such Run-off Cover on such terms as the Insurer in its sole discretion requires, provided that:
 - i) there is insurance complying with the Minimum Terms in relation to that Firm in force on the date of cancellation; and
 - ii) the Participating Insurer providing such insurance confirms in writing to the Firm and the Insurer (if different) that:
 - 1) it is providing the Firm with insurance that complies with the Minimum Terms for the current indemnity period; and
 - 2) it is doing so on the basis that the Firm's Practice is regarded as being a continuation of the Firm's Practice prior to Cessation and that accordingly it is liable for Claims against the Firm arising from incidents, occurrences, facts, matters, acts and/or omissions that occurred prior to Cessation.
- g) For these purposes a Firm's Practice shall (without limitation) be regarded as ceasing if (and with effect from the date upon which) the Firm becomes a Non-SRA Firm, unless the Firm becomes an Authorised Non-SRA Firm, in which case clause 1.3 shall not apply.

1.4 Defence Costs

To indemnify the Insured against Defence Costs in relation to:

- a) any Claim referred to in clause 1.1; or
- b) any Circumstances first notified to the Insurer during the Period of Insurance; or
- c) any investigation or inquiry (save in respect of any disciplinary proceeding under the authority of The Law Society of England and Wales (including, without limitation, the Solicitors Regulation Authority and the Solicitors Disciplinary Tribunal)) during or after the Period of Insurance arising from any Claim referred to in clause 1.1 or from Circumstances first notified to the Insurer during the Period of Insurance.

1.5 Minimum Terms

- a) Where the Period of Insurance (excluding run-off cover) is for a term exceeding one year or cover is provided under the Extended Indemnity Period, this Policy shall be construed and modified so far as is necessary to incorporate the Minimum Terms in force from time to time from the date on which any change in the Minimum Terms or in the Solicitors' Indemnity Insurance Rules (as the case may be) comes into effect.
- b) Where clause 1.5 a) applies:
 - i) unless the Minimum Terms expressly provide to the contrary, any change in them shall not confer any increased cover or benefit on the Insured in relation to:
 - 1) Claims already made or intimated; or
 - 2) Claims arising from Circumstances already notified to the Insurer at the time the change in the Minimum Terms takes effect
 - ii) the Insurer may charge such additional premium as the Insurer in its sole discretion considers would have applied had the change in the Minimum Terms been known at the time the premium for the Policy was agreed.

1.6 Court Attendance Costs

To pay the Insured the daily rates stated below if required to attend court as a witness at the Insurer's request:

- a) any Principal £1,000
- b) any Employee £500

The payment will not exceed £25,000 in the aggregate during the Period of Insurance and this limit will be in addition to the limit of indemnity stated in the Schedule to this Policy and will not be subject to an Excess.

1.7 Loss of Documents

To indemnify the Insured in respect of all costs and expenses reasonably incurred by the Insured in replacing or restoring Documents in the event of loss of or damage to such Documents occurring in the conduct of the Firm's Practice provided that such loss or damage is:

- a) discovered during the Period of Insurance; and
- b) notified to the Insurer during the Period of Insurance.

Provided always that any electronic records and computers systems are backed up no less frequently than once every 24 hours or as otherwise agreed by the Insurer and such records are held at a separate location and that the Insured takes all reasonable steps to secure its computer system or network infrastructure.

The payment will not exceed £50,000 in the aggregate during the Period of Insurance and this limit will be in addition to the limit of indemnity stated in the Schedule to this Policy and will not be subject to an Excess.

Documents means:

- i) all physical documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments); and
- ii) all computerised and/or electronic records.

1.8 Defence Costs for Disciplinary Proceedings

To indemnify the Firm for Defence Costs in relation to any disciplinary proceedings during or after the Period of Insurance arising from any Claim or Circumstance first notified to the Insurer during the Period of Insurance provided that:

- a) this shall not apply to any act, error or omission by the Firm's Compliance Officer for Legal Practice (COLP) or Compliance Officer for Finance and Administration (COFA) or Money Laundering Reporting Officer (MLRO) in discharging the responsibilities of their respective roles; and
- b) this shall only apply in respect of disciplinary proceedings involving the Firm; and
- c) the Principal, or a majority of the Principals if more than one, expressly agrees this indemnity is to be provided in relation to the matter notified.

The payment will not exceed £250,000 in the aggregate during the Period of Insurance and this limit will be in addition to the limit of indemnity stated in the Schedule to this Policy and will not be subject to an Excess.

2. Limit of Indemnity

- 2.1** The limit of the Insurer's liability under this Policy shall be the sum specified in the Schedule for any One Claim, exclusive of Defence Costs, save that:
- a) if the Insurer makes any payment under clause 6.11 b) the amount of the Limit of Indemnity shall be reduced by the amount of that payment
 - b) the Limit of Indemnity under this Policy shall not exceed the minimum required limit of indemnity as laid down in the Minimum Terms if:
 - i) the whole or any part of the premium or any additional premium payable in respect of this Policy remains unpaid; or
 - ii) but for clause 5.1, the Insurer would have been entitled to avoid or repudiate this Policy; or
 - iii) cover is provided pursuant to clause 1.2; or
 - iv) cover is provided pursuant to clause 1.3.
- 2.2** The Insurer shall indemnify the Insured in respect of all Defence Costs under clause 1.4 provided that, if payment in excess of the amount of indemnity available under this Policy has to be made to dispose of any Claim or Claims against the Insured, the Insurer's liability for such Defence Costs shall be such proportion thereof as the amount of indemnity available under this Policy bears to the amount required to dispose of such Claim or Claims.
- 2.3** Where this Policy is underwritten jointly with any other insurer:
- a) the Insurer shall be severally liable only for its respective proportion of liability as set out in the Schedule; and
 - b) in addition to the proportionate limit of Defence Costs set out in clause 2.2, the Insurer's liability for Defence Costs shall be further limited to the extent or proportion of the Insurer's liability in relation to the Claim.

3. Excess

- 3.1** The amount of the Excess specified in the Schedule shall be borne by the Insured for any One Claim save that, where cover is provided pursuant to clause 1.3, the Excess shall be nil. The amount of the Excess shall not be applicable to Defence Costs under clause 1.4.
- 3.2** In the event of non-disclosure by the Insured of any Circumstance existing at the date of inception of the Policy that subsequently leads to a Claim, the Excess payable by the Insured shall be twice the Excess specified in the Schedule or £10,000, whichever is the greater, save that for the purpose of calculating any aggregate Excess the amount specified in the Schedule shall apply.

4. Exclusions

This Policy shall not indemnify the Insured against any Claim or for any Defence Costs:

4.1 Prior cover

In respect of which the Insured is entitled to be indemnified in whole or in part under a professional indemnity contract for a period earlier than the Period of Insurance, whether by reason of notification of Circumstances under the earlier contract or otherwise.

4.2 Death or bodily injury

In respect of causing or contributing to death or bodily injury, but this exclusion is not to apply to liability for psychological injury or emotional distress that arises from a breach of duty in the performance of or failure to perform Private Legal Practice.

4.3 Property damage

In respect of causing or contributing to damage to, or destruction or physical loss of, any property (other than property in the care, custody or control of any Insured in connection with the Firm's Practice and not occupied or used in the course of the Firm's Practice), but this exclusion is not to apply to liability for damage, destruction or loss that arises from breach of duty in the performance of or failure to perform Private Legal Practice.

4.4 Partnership disputes

Arising from any actual or alleged breach of the Firm's partnership or shareholder agreement or arrangements, including any equivalent agreement or arrangements where the Firm is a Limited Liability Partnership or a company without a share capital.

4.5 Employment breaches, discrimination etc.

Arising from wrongful dismissal, repudiation or breach of an employment contract or arrangement, termination of a training contract, harassment, discrimination or like conduct in relation to any partnership or shareholder agreement or arrangements or the equivalent where the Firm is a Limited Liability Partnership or a company without a share capital, or in relation to any employment or training agreement or arrangement.

4.6 Debts, trading liabilities and funding arrangements

Arising from any:

- a) trading or personal debt of any Insured; or
- b) legal liability assumed or accepted by an Insured or an insured Firm under any contract or agreement for the supply to, or use by, the Insured or insured Firm of goods or services in the course of the insured Firm's Practice, save that this exclusion 4.6 b) will not apply to any legal liability arising in the course of an insured Firm's Practice in connection with its or any Insured's use of or access to the HM Land Registry network (including, without limitation, access under a Network Access Agreement made under the Land Registration (Network Access) Rules and the Land Registration (Electronic Communications) Order 2007) other than an obligation to pay search fees or other charges for searches or services provided by HM Land Registry to the insured Firm; or
- c) guarantee, indemnity or undertaking by an Insured in connection with the provision of any finance, property, assistance or other benefit or advantage directly or indirectly to that Insured.

4.7 Fines and penalties

In respect of any:

- a) fine or penalty; or
- b) award of punitive, exemplary or like damages under the law of the United States of America or Canada other than in respect of defamation; or
- c) order or agreement to pay the costs of a complainant, regulator, investigator or prosecutor of any professional conduct complaint against, or investigation into the professional conduct of, any Insured.

4.8 Fraud or dishonesty

In respect of or arising from dishonesty or a fraudulent act or omission committed or condoned by the Insured, except that:

- a) this exclusion is not to apply to any other Insured who did not commit or condone the dishonesty or fraudulent act or omission; and
- b) no dishonesty or fraudulent act or omission will be imputed to a body corporate unless it was committed or condoned by, in the case of a company, all directors of that company, or, in the case of a Limited Liability Partnership, all members of that Limited Liability Partnership.

4.9 Directors' or officers' liability

In respect of or arising from the Insured's capacity as a director or officer of a body corporate (other than a Recognised Body or a service, administration, trustee or nominee company referred to in clause 7.15 c)) except that this exclusion is not to apply to:

- a) any liability of that Insured that arises from a breach of duty in the performance of or a failure to perform Private Legal Practice; and
- b) any vicarious or joint liability of any other Insured.

4.10 Foreign practice

In respect of any liability incurred in connection with the provision of professional services by the Firm that is carried on from an office outside England and Wales.

4.11 Other insurance

If an Insured is entitled to claim, or but for the existence of this Policy would be entitled to claim, against any other policy of insurance, the Insurer shall not be liable to indemnify under this Policy except:

- a) to the extent required by the Minimum Terms; and
- b) in respect of any sum in excess of the amount that would have been payable under the other policy had this Policy not been effected.

For the purposes of this clause, 'policy' and 'insurance' shall include cover provided by any mutual or other similar fund.

4.12 War and terrorism and asbestos

In respect of, or in any way in connection with:

- a) terrorism, war or other hostilities; and/or
- b) asbestos or any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure to asbestos

provided that this exclusion does not apply to any Civil Liability or related Defence Costs arising from any actual or alleged breach of duty in the performance of or failure to perform Private Legal Practice or a failure to discharge or fulfill any duty incidental to the Firm's Practice or to the conduct of Private Legal Practice.

4.13 Cyber, infrastructure and Data Protection Law

Arising from:

- a) a Cyber Act
- b) a partial or total failure of any Computer System
- c) the receipt or transmission of malware, malicious code or similar by the Insured or any other party acting on behalf of the Insured
- d) the failure or interruption of services relating to Core Infrastructure
- e) a breach of Data Protection Law.

This exclusion shall not exclude or limit any liability of the Insurer to indemnify any Insured against:

- i) Civil Liability referred to in clause 1.1 (including the obligation to remedy a breach of the SRA Accounts Rules as described in the definition of Claim)
- ii) Defence Costs referred to in clause 1.4 that would have been covered under this insurance even absent an event at 4.13 a) to e) detailed above.

In addition, this exclusion does not exclude or limit any liability of the Insurer to indemnify any Insured against matters referred to at i) and ii) above in circumstances where automated technology has been utilised in connection with Private Legal Practice in connection with the Firm's Practice.

5. Special conditions

5.1 No avoidance or repudiation

- a) The Insurer shall not be entitled to avoid or repudiate this Policy on any grounds whatsoever including, without limitation, any breach of the duty to make a fair presentation of the risk, or any misrepresentation, in each case whether fraudulent or not.
- b) Where but for this clause the Insurer would have been entitled to avoid this Policy on the grounds of any non-disclosure or misrepresentation by the Insured of any material fact or matter, the Insurer may charge such additional premium as the Insurer in its sole discretion considers would have applied had such fact or matter been disclosed or accurately represented.

5.2 No denial

The Insurer shall not be entitled to deny or reduce the Limit of Indemnity provided by this Policy on any grounds whatsoever including, without limitation, any breach of any term or condition of this Policy except:

- a) as provided in clause 2.1; or
- b) to the extent that the Insurer's liability is excluded by the provisions of clause 4; or
- c) in the event of the Insurer making a payment pursuant to clause 6.11b).

5.3 Cancellation

This Policy may not be cancelled except by the agreement of both the Firm and the Insurer, and in any event only in circumstances where:

- a) the Firm's Practice is merged into a Successor Practice which has the benefit of insurance complying with the Minimum Terms, in which case cancellation shall have effect no earlier than the date of such merger; or
- b) the Firm obtains replacement insurance complying with the Minimum Terms, in which case cancellation shall have effect no earlier than the date on which such replacement insurance commences; or
- c) it subsequently transpires that the Firm is not required under the SRA Indemnity Insurance Rules to effect a policy of Qualifying Insurance, in which case cancellation shall have effect from the later of:
 - i) the start of the relevant policy period;
 - ii) the date on which the insured Firm ceased to be required to effect a policy of qualifying insurance; or
 - iii) such later date as agreed between the Firm and the Insurer.

Any cancellation of this Policy shall not affect the rights and obligations of the parties that have accrued under this Policy prior to the date from which cancellation has effect.

5.4 Double insurance

- a) Where the Firm's Practice is succeeded during the Period of Insurance and, as a result, a situation of 'double insurance' exists between two or more insurers of the Successor Practice, contribution between insurers shall be determined in accordance with the relative numbers of Principals of the constituent practices immediately prior to succession.
- b) The Insured shall:
 - i) give notice in writing to the other insurer(s) immediately of all matters referred to in clauses 6.1 and 6.2; and
 - ii) comply with the terms of the other policy/policies.

5.5 No set-off

Any amount payable by the Insurer to indemnify an Insured against Civil Liability to a claimant will only be paid to the claimant, or at the claimant's direction, and the Insurer is not entitled to set-off against any such amount any payment due to the Insurer including, without limitation, any payment of premium or reimbursement due to the Insurer.

5.6 Advancement of Defence Costs

The Insurer shall pay Defence Costs incurred in the defence or settlement of any Claim at the time they are incurred, including Defence Costs incurred on behalf of an Insured who is alleged to have committed or condoned dishonesty or a fraudulent act or omission, except that the Insurer shall not be liable for Defence Costs incurred on behalf of the Insured after the earlier of:

- a) the Insured admitting to the Insurer the commission or condoning of a dishonest or fraudulent act or omission; or
- b) a court or arbitrator or other judicial body finding that the Insured was in fact guilty of a dishonest or fraudulent act or omission.

5.7 Resolution of disputes regarding whether a firm is a Successor Practice

If there is a dispute as to whether a firm is a Successor Practice for the purpose of clauses 1.1 and 1.3, the Insured and the Insurer will take all reasonable steps (including, if appropriate, referring the dispute to arbitration) to resolve the dispute in conjunction with any related dispute between any other party that has insurance complying with the Minimum Terms and that party's insurer.

5.8 Conduct pending dispute resolution

Pending resolution of any coverage disputes and without prejudice to any issue in dispute, the Insurer will, if so directed by the Law Society of England and Wales, conduct any Claim, advance Defence Costs and, if appropriate, compromise and pay the Claim. The Law Society may, in its absolute discretion, make such a direction, but only if it is satisfied that:

- a) the party requesting the direction has taken all reasonable steps to resolve the dispute with the other parties; and
- b) there is a reasonable prospect that the coverage dispute will be resolved or determined in the Insured's favour; and
- c) it is fair and equitable in all the circumstances for such direction to be given.

5.9 Minimum Terms to prevail

This Policy is to be construed or rectified so as to comply with the requirements of the Minimum Terms and any provision that is inconsistent with those Minimum Terms is to be severed or rectified such that it complies with them.

6. General Conditions

6.1 Notice of Circumstances

The Insured shall give notice in writing to the Insurer immediately of any Circumstance of which the Insured shall become aware that may give rise to a Claim against the Insured. Provided such notice has been given during the Period of Insurance, any Claim arising from that Circumstance that is subsequently made after the expiry of the Period of Insurance shall be deemed for the purpose of this Policy to have been made on the date of notification of the Circumstance.

6.2 Notice of Claim

The Insured shall give notice in writing to the Insurer immediately in the event of:

- a) any Claim made against the Insured
- b) the receipt of notice from any party of an intention to make a Claim against the Insured.

6.3 Contents of notice

Any notice given under clauses 6.1 or 6.2 must contain full particulars including all material facts, dates and persons involved and, in the case of notice of a Circumstance, the reasons for anticipating that the Circumstance may give rise to a Claim.

6.4 Notice of changes

- a) The Insured shall give prior notice in writing that it is going to merge, acquire or absorb any other legal practice or change its name or address during the Period of Insurance. The Insurer shall have the right to charge such additional premium as the Insurer in its sole discretion considers arises from the change.
- b) The Insured shall give notice in writing of Cessation of, or intervention in, the Firm and shall pay such additional premium as may be due for run-off cover on or before the date of Cessation.
- c) The Insured shall give notice in writing immediately after obtaining any replacement insurance complying with the Minimum Terms.

6.5 Co-operation of the Insured

- a) The Insured shall not make any express or implied admission or denial of liability, or any other arrangement, offer, promise or payment or incur any costs and expenses without the prior written consent of the Insurer.
- b) The Insured shall, at its own expense, provide the Insurer or any solicitor appointed by the Insurer with all information, evidence, documents and assistance as the Insurer may reasonably require for the proper and efficient investigation of any Circumstance or Claim and for the conduct of any Claim, investigation or inquiry.
- c) The Insurer shall be entitled, as it may in its absolute discretion think fit, at any time, to take over the conduct in the name of the Insured or the Firm of the defence or settlement of any Claim or proceedings (including any investigation or inquiry) or to prosecute in the name of the Insured or the Firm for the Insurer's own benefit any claim for indemnity or otherwise, and the Insured shall, at all times, give full information, co-operation and assistance for these purposes. The Insured authorises any solicitor appointed by the Insurer to go on the court record in any proceedings. This provision shall apply even to:
 - i) the conduct of Claims
 - ii) the defence and prosecution of any proceedings; and
 - iii) any claims against any other party that:
 - 1) are within the Excess; or
 - 2) include uninsured losseswhether or not the Insured seeks indemnity under this Policy.
- d) The Insured agrees that, in exercising Insurer's rights under clause 6.5 c) above, the Insurer shall be entitled to take into account the prospects of success of the claim as well as the commercial considerations of the costs of defence of the claim.
- e) The Insured shall, in the conduct of any Claim or claim against any third party for indemnity or otherwise, comply with all rules of court and orders made by the court, follow all reasonable advice given by any solicitor appointed by the Insurer, attend any hearings, meetings or conferences as may reasonably be required and sign any documents as may reasonably be required.

- f) The Insured agrees that any solicitor appointed by the Insurer shall disclose to the Insurer any information, evidence or documents that the Insured has provided to that solicitor whether privileged or not.
- g) In order to ascertain whether full and accurate information has been provided in accordance with this Policy and to obtain such information in so far as it may not have been, the Insurer may appoint any person whom it thinks fit and may require the Insured or the Firm to produce to that person at such times and places as he may request all such accounting and other records and documents, and to supply him in relation thereto with such information and explanations, as he may from time to time require.
- h) It is agreed that the Insurer shall comply with all the requirements imposed upon it by the Participating Insurer's Agreement between the SRA and the Insurer and by the Solicitors' Indemnity Insurance Rules.
- i) The Insured shall pay forthwith on demand any Value Added Tax incurred in relation to Defence Costs insofar as the Insured can recover such Value Added Tax from HM Revenue & Customs.

6.6 Requirement to contest legal proceedings

- a) The Insured shall not be required to contest any legal proceedings unless a King's Counsel (to be mutually agreed upon by the Insured and the Insurer or failing agreement to be appointed by the President of the Law Society shall advise that, taking due account of the interests of both the Insurer and the Insured, such proceedings should be contested.
- b) The King's Counsel's fee will be payable by the party against whose contention King's Counsel advises.

6.7 Reimbursement

- a) Any Insured who:
 - i) committed or condoned (whether knowingly or recklessly) any breach of the duty to make a fair presentation of the risk, misrepresentation, any breach of the terms or conditions of this Policy, dishonesty or any fraudulent act or omission; or
 - ii) undertakes any activity during the Cessation Period in connection with Private Legal Practice save to the extent that the activity is undertaken to discharge any of its obligations within the scope of its Existing Instructions or is necessary in connection with the discharge of any such obligation

shall reimburse the Insurer to the extent that is just and equitable having regard to the prejudice caused to the Insurers interest by the matters referred to in i) and ii) above.
- b) Any failure to make a fair presentation of the risk, misrepresentation, breach, dishonesty, fraudulent act or omission shall not be imputed to a body corporate unless it was committed or condoned by, in the case of a company, all directors of that company, or, in the case of a Limited Liability Partnership, all members of that Limited Liability Partnership.
- c) The Insurer shall not be entitled to obtain reimbursement pursuant to this clause from an Insured as defined by clause 7.14 d) who is employed in connection with the Firm's Practice or his estate or personal representatives unless that Insured:
 - i) committed; or
 - ii) condoned (whether knowingly or recklessly)

dishonesty or any fraudulent act or omission.
- d) The Insured shall not be required to make any reimbursement under this condition to the extent that any such breach of the terms or conditions of the insurance was in order to comply with any applicable rules or codes laid down from time to time by the Law Society, or in the Law Society publication 'Your Clients – Your Business' as amended from time to time.
- e) Any sum paid pursuant to clause 3 b), that is over and above the Excess noted in the Schedule shall be taken into account when assessing the extent of the Insured's obligation to reimburse the Insurer under this clause.
- f) The Insured shall reimburse to the Insurer any sums that the Insurer has paid but for which it has no liability to indemnify under the terms of this Policy. The Insured shall also pay interest at the rate of the Sterling Overnight Indexed Average (SONIA) plus 1%.
- g) Reimbursement with interest shall apply, but is not limited, to:
 - i) Defence Costs, whether relating to a Claim that is not covered, or a proportion of Defence Costs by virtue of clause 2.2 or clause 5.4
 - ii) sums paid pending resolution of a coverage dispute
 - iii) sums for which other insurers are liable
 - iv) sums for which an Insured is liable.

6.8 Recoveries

- a) Where any payment is made by the Insurer and any sums are recovered from any other party, those sums shall be applied in the following order:
 - i) reimbursement of payments by the Insurer with interest at the rate of the Sterling Overnight Indexed Average (SONIA) plus 1%; then
 - ii) Defence Costs and costs of any claim for recovery, whether litigated or not; then
 - iii) any surplus shall be paid to the Insured.
- b) Subject to clause 6.7 c), upon notification of any Claim or Circumstance, the Insurer will be subrogated to all rights of the Insured of indemnity, contribution or recovery to the extent of any payment made by the Insurer. The Insured will not surrender any such right, or settle any such claim for indemnity, contribution or recovery without the prior consent in writing of the Insurer.
- c) Any unrecovered costs incurred in pursuing recovery claims that comprise both insured and uninsured losses shall be shared by the Insurer and the Insured in the ratio of the respective recovery claims.

6.9 Requirement to obtain reimbursement

Where a loss or Claim involves dishonesty or a fraudulent act or omission committed or condoned by an Insured, any other Insured shall at the request and expense of the Insurer take all reasonable steps to obtain reimbursement from the Insured who committed or condoned such dishonesty or fraud.

6.10 Withholding assets or entitlement

The Insurer may require the Firm to account to it for any asset or entitlement of any Insured who has committed or condoned dishonesty or any fraudulent act or omission, provided the Firm is legally entitled to hold that asset or entitlement.

6.11 Funding of the Excess

- a) The Firm shall pay the Excess to the Insurer or any solicitor appointed by the Insurer forthwith upon request in connection with any payment into court, interim payment, tender or settlement of any Claim or Claimant's costs.
- b) If the Firm fails to pay to the Claimant any amount that falls within the limit of the Excess within 30 days of that amount becoming due for payment and the Claimant gives the Insurer notice of the Insured's default, the Insurer shall pay that amount to the Claimant.

6.12 Reimbursement of the Excess

Each person who is at any time during the Period of Insurance a Principal of the Firm, or, in relation to a sole practitioner, any person held out as a Partner of that practitioner, shall reimburse the Insurer for the amount of any Excess paid by the Insurer on the Insured's behalf and shall pay interest on that amount from the date of the Insurer's payment at the rate of the Sterling Overnight Indexed Average (SONIA) plus 1%. The Limit of Indemnity shall be reinstated to the extent of reimbursement of any amount that eroded it pursuant to clause 2.1 a).

6.13 Arbitration

Save as provided in clause 6.6, any dispute or disagreement between the Insured and the Insurer arising out of or in connection with this Policy shall be referred to arbitration in accordance with the Arbitration Act 1996 before a sole arbitrator to be mutually agreed upon by the Insured and the Insurer or failing agreement to be appointed by the President of the Law Society.

6.14 Special conditions to prevail

To the extent that there exists any inconsistency between the general conditions provided under clause 6 of this Policy and the special conditions provided under clause 5 of this Policy, the special conditions shall prevail.

6.15 Contracts (Rights of Third Parties) Act 1999

It is hereby noted and agreed for the purposes of the Contracts (Rights of Third Parties) Act 1999 that the parties do not intend any term of this Policy to be enforceable by any third party.

6.16 Governing law

This Policy of insurance is governed by and is to be interpreted in accordance with English law.

6.17 Waiver

The terms of this Policy shall not be waived or changed except by endorsement issued by the Insurer to form part of this Policy.

6.18 Sanctions

Notwithstanding any other terms of this policy the Insurer will be deemed not to provide cover nor will the Insurer make any payment or provide any service or benefit to the Insured or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the Insured would violate any applicable trade or economic sanctions law or regulation.

7. Interpretation and Definitions

In this Policy, unless the context otherwise requires:

7.1 Authorised Non-SRA Firm

Authorised Non-SRA Firm means a Firm which is authorised to carry on legal activities by an approved regulator other than the SRA.

7.2 Cessation Period

Cessation Period means the period commencing on the expiry of the Extended Policy Period in circumstances where the Firm has not ceased practice or obtained a policy in accordance with the Minimum Terms for a Period of Insurance, and ending on the date which is the earlier to occur of:

- a) the date upon which the Firm obtains a policy in accordance with the Minimum Terms incepting with effect on and from the commencement of the Extended Policy Period; or
- b) the date which is 90 days after the commencement of the Extended Policy Period; or
- c) the date on which the Firm's Practice ceases.

7.3 Circumstance

Circumstance means an incident, occurrence, fact, matter, act or omission that may give rise to a Claim in respect of Civil Liability.

7.4 Civil Liability

Civil Liability includes liability to pay an amount in accordance with the recommendation of the Office for Legal Complaints (including the Legal Ombudsman pursuant to sections 137(2)(c) and section 137(4)(b) of the Legal Services Act 2007) or any regulatory authority by whose rules the Insured is bound provided that the Insurer will have no liability in respect of any determination by the Legal Ombudsman pursuant to section 137(2)(b) of the Legal Services Act 2007 to refund any fees paid to the Insured.

7.5 Claim

Claim means a demand for, or an assertion of a right to, civil compensation or civil damages or an intimation of an intention to seek such compensation or damages. For these purposes, an obligation on the Firm and/or any Insured to remedy a breach of the Solicitors' Accounts Rules 1998 (as amended from time to time) or any rules (including, without limitation, the SRA Accounts Rules) that replace the Solicitors' Accounts Rules 1998 in whole or in part shall be treated as a Claim and the obligation to remedy such breach shall be treated as a Civil Liability for the purposes of clause 1, whether or not any person makes a demand for, or an assertion of a right to, civil compensation or civil damages or an intimation of an intention to seek such compensation or damages as a result of such breach, except where any such obligation may arise as a result of the insolvency of a bank (as defined in section 87 of the Solicitors Act 1974) or a building society (within the meaning of the Building Societies Act 1986) which holds client money in a client account of the Firm or the failure of such bank or building society generally to repay monies on demand.

7.6 Claimant

Claimant means a person or entity that has made or may make a Claim, including a Claim for contribution or indemnity.

7.7 Computer System

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

7.8 Core Infrastructure

Core infrastructure means any service provided to the Insured or any other party acting on behalf of the Insured by an internet services provider, telecommunications provider, or cloud provider.

7.9 Cyber Act

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof, involving access to, processing of, use of or operation of any Computer System.

7.10 Data Protection Law

Data Protection Law means any applicable data protection and privacy legislation or regulations in any country, province, state, territory or jurisdiction which govern the use, confidentiality, integrity, security and protection of personal data or any guidance or codes of practice relating to personal data issued by any data protection regulator or authority from time to time (all as amended, updated or re-enacted from time to time).

7.11 Defence Costs

Defence Costs means legal costs and disbursements and investigative and related expenses reasonably and necessarily incurred with the Insurer's consent:

- a) in defending any proceedings relating to a Claim; or
- b) in conducting any proceedings for indemnity, contribution or recovery relating to a Claim; or
- c) in investigating, reducing, avoiding or compromising any actual or potential Claim; or
- d) in acting for an Insured in connection with any investigation or inquiry arising from any Claim referred to in clause 1.1 or from Circumstances first notified to the Insurer during the Period of Insurance.

Defence Costs does not include any internal or overhead expenses of the Firm or the Insurer or the cost of the Insured's time or any Value Added Tax insofar as the Insured can recover such Value Added Tax from HM Revenue & Customs.

7.12 Employee

Employee means any person other than a Principal:

- a) employed or otherwise engaged in the Firm's Practice (including under a contract for services) including, without limitation, as a solicitor, lawyer, trainee solicitor or lawyer, consultant, associate, locum tenens, agent, appointed person (as defined in the SRA Indemnity Insurance Rules), office or clerical staff member or otherwise; or
- b) seconded to work in the Firm's Practice; or
- c) seconded by the Firm to work elsewhere.

Employee does not include any person who is engaged by the Firm under a contract for services in respect of any work where that person is required, whether under the SRA Indemnity Insurance Rules or under the rules of any other professional body, to take out or to be insured under separate professional indemnity insurance in respect of that work.

7.13 Excess

The Excess means the first amount of a Claim that is not covered by the Policy.

7.14 Existing Instructions

Existing Instructions means instructions accepted by the Firm to carry out legal activities on terms that have been agreed with the client prior to the Firm becoming subject to cover under the Cessation Period.

7.15 Extended Policy Period

Extended Policy Period means the period commencing at the end of the last Period of Insurance to which the Policy relates and ending on the date whichever is the earlier of:

- a) the date which is 30 days after the end of the last Period of Insurance
- b) the date on which the Firm obtains a policy complying with the Minimum Terms incepting on and with effect from the day immediately following the expiry of the Period of Insurance; or
- c) the date upon which the Firm's Practice ceases.

7.16 Firm

Firm means:

- a) the Recognised Body; or
- b) the Recognised Sole Practice; or
- c) the Licensed Body in respect of its regulated activities specified in the schedule.

7.17 Firm's Practice

The Firm's Practice means the Private Legal Practice carried on by the Firm, any Prior Practice and/or any Successor Practice.

7.18 General

- a) the singular includes the plural, and vice versa
- b) the male gender includes the female and neuter genders
- c) a reference to a person includes bodies corporate, partnerships, and other unincorporated associations or bodies of persons
- d) a reference to any statute, statutory provision, code or regulation includes:
 - i) any subordinate legislation (as defined by section 21(1) of the Interpretation Act 1978) made under it; and
 - ii) any provision which it has superseded or re-enacted (with or without modification) or amended, and any provision superseding it or re-enacting it (with or without modification) or amending it either before, or at or after the inception of this Policy
- e) a reference to a solicitor includes a Registered European Lawyer
- f) headings are for ease of reference only and shall not affect interpretation.

7.19 Insured

Insured means each and all of the following persons or legal entities each being severally insured hereunder:

- a) the Firm; and
- b) each Principal, each former Principal, and each person who becomes a Principal of the Firm during the Period of Insurance; and
- c) each service, administration, trustee or nominee company owned as at the date of occurrence of relevant Circumstances by the Firm and/or the Principals of the Firm; and
- d) each Employee, each former Employee and each person who during the Period of Insurance becomes an Employee of the Firm or a company referred to in sub-clause c); and
- e) the estate or legal personal representatives of any deceased or legally incapacitated person referred to in sub-clause b) or d).

The Insured as defined at sub-clause a) above shall act as agent on behalf of all Insureds for the purposes of giving and receiving notices and for the purposes of endorsements to and cancellation of the Policy.

7.20 Insurer

The Insurer means Zurich Insurance Company Ltd.

7.21 Licensed Body

Licensed Body means a body licensed by the Solicitors Regulation Authority under section 71(2) of the Legal Services Act 2007.

7.22 Limited Liability Partnership

Limited Liability Partnership means a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000.

7.23 Minimum Terms

Minimum Terms means the minimum terms and conditions with which a policy of qualifying insurance is required by the SRA Indemnity Insurance Rules to comply.

7.24 Non-SRA Firm

Non-SRA Firm means a sole practitioner, Partnership, Limited Liability Partnership or company which is not authorised to practise by the SRA, and which is either:

- a) authorised or capable of being authorised to practise by another approved regulator; or
- b) not capable of being authorised to practise by any approved regulator.

7.25 One Claim

All Claims against any one or more Insured(s) arising from:

- a) one act or omission; and/or
- b) one series of related acts or omissions; and/or
- c) the same act or omission in a series of related matters or transactions; and/or
- d) similar acts or omissions in a series of related matters or transactions; and/or
- e) one matter or transaction

will be regarded as One Claim.

7.26 Partner

Partner means a person who is or is held out to be a partner in a Partnership.

7.27 Partnership

Partnership means an unincorporated firm in which persons are or are held out as Partners and does not include a firm incorporated as a Limited Liability Partnership.

7.28 Period of Insurance

The Period of Insurance means the period specified in the Schedule or any endorsement thereto.

7.29 Principal

Principal means:

- a) where the Firm is or was:
 - i) a sole practitioner – that practitioner
 - ii) a Partnership – each Partner
 - iii) a company with a share capital – each director of that company and any person who:
 - 1) is held out as a director; or
 - 2) beneficially owns the whole or any part of a share in the company; or
 - 3) is the ultimate beneficial owner of the whole or any part of a share in the company
 - iv) a company without a share capital – each director of that company and any person who:
 - 1) is held out as a director; or
 - 2) is a member of the company; or
 - 3) is the ultimate owner of the whole or any part of a body corporate or other legal person which is a member of the company
 - v) a Limited Liability Partnership – each member of that Limited Liability Partnership, and any person who is the ultimate owner of the whole or any part of a body corporate or other legal person which is a member of the Limited Liability Partnership
- b) where a body corporate or other legal person is a Partner in the Firm, any person who is within paragraph a) (iii) of this definition (including sub paragraphs (a) and (c) thereof), paragraph a) (iv) of this definition (including sub paragraphs (a) and (c) thereof), or paragraph a) (v) of this definition.

7.30 Prior Practice

Prior Practice means each practice to which the Firm is ultimately a Successor Practice by way of one or more mergers, acquisitions, absorptions or other transitions, but does not include any such practice which has elected and has paid to be insured under run-off cover.

7.31 Private Legal Practice

Private Legal Practice means the provision of services in private practice as a solicitor or Registered European Lawyer in a Firm including, without limitation:

- a) providing such services in England, Wales or anywhere in the world, in a Recognised Body, Sole Practice or a Licensed Body (in respect of its regulated activities); and
- b) the provision of such services as a secondee of the Firm; and

- c) the acceptance and performance of obligations as a personal representative, trustee, attorney, notary, insolvency practitioner or in any other role in conjunction with a Firm's Practice to the extent that any fees or other income accrue to the benefit of the Firm's Practice; and
- d) the provision of such services by any Employee; and
- e) the provision of such services pro bono publico.

Private Legal Practice does not include discharging the functions of any of the following offices or appointments:

- i) judicial office
- ii) Under Sheriffs
- iii) members and clerks of such tribunals, committees, panels and boards as the Law Society Council may from time to time designate but including those subject to the Tribunals and Inquiries Act 1992, the Competition Commission, Legal Services Commission Review Panels, Legal Aid Agency Review Panels and Parole Boards
- iv) Justices' Clerks; or
- v) Superintendent Registrars and Deputy Superintendent Registrars of Births, Marriages and Deaths and Registrars of Local Crematoria.

7.32 Recognised Body

Recognised Body means a body recognised by the Solicitors Regulation Authority under section 9 of the Administration of Justice Act 1985.

7.33 Recognised Sole Practice

Recognised Sole Practice means the practice of a solicitor or Registered European Lawyer recognised by the Solicitors Regulation Authority under section 9 of the Administration of Justice Act 1985.

7.34 Successor Practice

Successor Practice means a firm (sole practitioner or Recognised Body) resulting from a merger, acquisition, absorption or other transition following which the practice succeeded to is no longer being carried on as a discrete legal practice where:

- a) the owners of the firm hold or held the firm out, expressly or by implication, as being the successor of the practice, or as incorporating the practice, whether such holding out is contained in notepaper, business cards, electronic communication, publications, promotional material or otherwise, or is contained in any statement or declaration by the firm to any regulatory or taxation authority; or
- b) the practice was a partnership and either:
 - i) the majority of the Principals of the practice have become Principals of the firm; or the majority of the Principals of the practice have not become Principals of another practice but one or more of the Principals of the practice have become Principals of the firm and one or more of the following apply:
 - 1) the firm is carried on under the same name as the practice or under a name that substantially incorporates the name of the practice (or a substantial part of the name of the practice);
 - 2) the firm is carried on from the same premises as the practice;
 - 3) the firm acquired the goodwill and/or assets of the practice;
 - 4) the firm assumed the liabilities of the practice;
 - 5) the majority of staff employed by the practice became Employees of the firm; or
- c) the practice was a sole practitioner and the transition occurred on or before 31 August 2000 and the sole practitioner is a Principal of the firm; or
- d) the practice was a sole practitioner and the transition occurred on or after 1 September 2000 and the sole practitioner is a Principal or Employee of the firm; or
- e) the practice was a Recognised Body or a Licensed Body (in respect of its regulated activities) and that Recognised Body or Licensed Body is a Principal of the firm.

Except that a firm shall not be a Successor Practice under sub-clause b), c), d) or e) if another practice holds or held itself out as a successor of the practice or as incorporating the practice provided that other practice has insurance complying with the Minimum Terms.

Zurich Insurance Company Ltd

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