

TRADES AND PROFESSIONS INSURANCE

A guide to your cover
and how to make a claim



WELCOME TO LV=

Thank you for choosing to purchase an LV= Insurance policy

Founded in 1843 Liverpool Victoria, which trades as LV=, is the UK's largest friendly society and a major provider of insurance and financial services products.

As a friendly society and mutual, Liverpool Victoria exists wholly for the benefit of its members. It has no shareholders taking a share of its profits. Instead it invests its profits in making its products competitive and delivering an outstanding customer service.

Our claims service goes the extra mile. Committed to doing the right thing for policyholders LV= aim to settle claims quickly, even in the most difficult of circumstances.

If you would like to learn more about LV= please visit our website at: **www.LV.com/commercial**



John O'Roarke

Managing Director – General Insurance

Liverpool Victoria Insurance Company Limited

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TRADES & PROFESSIONS INSURANCE POLICY

Liverpool Victoria Insurance Company Limited (the **Insurer**) will provide the insurance described in the Policy subject to its terms and conditions for the Period of Insurance stated in the Schedule and any subsequent period for which the **Insured** shall pay and the **Insurer** shall agree to accept the premium. Any information supplied by or on behalf of the **Insured** shall be incorporated in the contract

The Policy the Schedule the Statement of Fact and any endorsements shall be read together as one contract. Any word or expression to which a specific meaning has been given shall have that meaning wherever it appears

Statement of Fact and Schedule

The Statement of Fact and Schedule form the basis of the legal contract between the **Insured** and the **Insurer**. It is therefore essential that the Statement of Fact and Schedule are accurate and true to the best of the **Insured's** knowledge and belief. If the Statement of Fact and/or Schedule are inaccurate or untrue it may affect the **Insured's** rights under the Policy

The **Insured** is not required to sign the Statement of Fact but should read it carefully and confirm that all the information contained within it and the Schedule is correct

If the Statement of Fact and/or Schedule are incorrect you should notify the Broker, Intermediary or Agent who arranged the Policy immediately and obtain a revised Statement of Fact and/or Schedule with the revisions required. You must ensure that all documentation in your possession is accurate

The Policy has been signed on behalf of Liverpool Victoria Insurance Company Limited



John O'Roarke
Managing Director – General Insurance
Liverpool Victoria Insurance Company Limited

DEFINITIONS

Business

The Business specified in the Schedule conducted solely from within the **Territorial Limits** including

- a) the ownership repair and maintenance of the **Premises**
- b) the provision of fire security and ambulance services at the **Premises**
- c) the provision of first aid but excluding any first aid provided by any qualified medical practitioner or nurse
- d) private work undertaken by the **Insured's Employees** with the consent of the **Insured** for any director partner or senior official of the **Insured**
- e) the provision and management of canteen sports social and welfare organisations by the **Insured** for the benefit of the **Insured's Employees**

Consequential Loss

Loss resulting from interruption or interference with the **Business** carried on by the **Insured** at the **Premises** in consequence of **Damage**

Damage

Accidental loss damage or destruction

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 traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

Employee (not applicable to Section 4 – Legal Expenses)

- a) any person under a contract of service or apprenticeship with the **Insured** or
- b) any of the following persons whilst working for the **Insured** in connection with the **Business**
 - i. any labour master or labour only subcontractor or person supplied by them
 - ii. any self employed person providing labour only
 - iii. any trainee or person undergoing work experience
 - iv. any person who is hired to or borrowed by the **Insured**

Excess

The amount for which the **Insured** is responsible for each and every claim or loss other than for **Injury** to any person as specified in the Schedule or in the Policy

Hacking

Unauthorised access to any computer or other equipment or component or system or item which processes stores transmits or retrieves data whether the property of the **Insured** or not

Injury

Accidental bodily injury death illness or disease

Insured

The person persons or company named in the Schedule

DEFINITIONS CONTINUED

Insurer

Liverpool Victoria Insurance Company Limited

Legal Costs

All costs and expenses incurred with the prior written consent of the **Insurer** in addition to claimant's costs and expenses for which the **Insured** is legally liable

Money

Cash bank currency notes cheques postal orders money orders unused postage stamps National Insurance stamps trading stamps luncheon vouchers credit company sales vouchers Value Added Tax purchase invoices lottery and other prize scratch cards utility vouchers top up cards and mobile phone vouchers held in connection with the **Business** belonging to the **Insured** or for which the **Insured** is legally liable

Offshore Installation

- a) any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation
- b) any installation in the sea or tidal waters which is intended for the storage or recovery of gas or generation of electricity
- c) any pipe or system of pipes in the sea or tidal waters
- d) any accommodation installation for persons who work on or from the locations specified above

Pollution or Contamination

- a) all Pollution or Contamination of buildings or other structures or of water or land or the atmosphere and
- b) all **Injury** loss or damage directly or indirectly caused by such Pollution or Contamination

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place

Premises

Buildings including out buildings garages and land occupied in full or part by the **Insured** in connection with the **Business**

Principal

Any person firm company ministry or authority for whom the **Insured** is undertaking work

Products Supplied

Any goods or other property including containers packaging labelling and instructions for use sold supplied delivered erected repaired serviced altered treated installed processed manufactured or tested by the **Insured** in connection with the **Business** and no longer in the charge custody or control of the **Insured**

Property

Material property

Solicitors' Fees

Solicitors' Fees for the representation of the **Insured** at any Coroner's Inquest or Fatal Accident Inquiry or at proceedings in any court of summary jurisdiction in respect of any occurrence which may be the subject of indemnity under Sections 1 and 2

DEFINITIONS CONTINUED

Territorial Limits

Great Britain Northern Ireland the Isle of Man or the Channel Islands

Terrorism

Acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

Virus or Similar Mechanism

Program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not including but not limited to trojan horses worms and logic bombs

GENERAL CONDITIONS

1. Misrepresentation

The Policy shall be voidable by the **Insurer** in the event of material misrepresentation material misdescription or material non-disclosure

2. Reasonable Care

The **Insured** shall

- a) take all reasonable precautions to prevent or diminish loss destruction damage or injury
- b) take all reasonable steps to comply with statutory requirements obligations and regulations imposed by any authority
- c) exercise care in the selection and supervision of **Employees**
- d) maintain all works machinery and plant in sound condition

As soon as possible after discovery of any defect or danger the **Insured** shall cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require

3. Alteration

If a change of circumstance after the commencement of the insurance increases the risk of loss destruction damage or injury or the **Insured's** interest ceases except by will or operation of law or the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued the Policy shall be voidable by the **Insurer** from the date of the alteration unless the **Insurer** has agreed in writing to accept such alteration

4. Cancellation

The **Insurer** may cancel the Policy or any Section by giving 30 days' notice in writing by registered letter to the **Insured** at the **Insured's** last known address and in such event the **Insured** shall be entitled to a proportionate return of premium in respect of the unexpired term of the Policy

5. Payment of Premium

It is a condition precedent to the **Insurer's** liability that the premium for the Policy shall be paid when due

If the premium for the Policy is payable by instalments it is a condition precedent to the **Insurer's** liability that each instalment shall be paid when due. If a payment is not made the **Insurer** may cancel the Policy from the date when any unpaid instalment was due

6. Choice of Law

Both parties to this contract have a choice as to which law should be applied. In the absence of written agreement to the contrary English law applies to this contract

7. Observance of Terms

It is a condition precedent to the **Insurer's** liability that the **Insured** shall observe the terms of the Policy so far as they relate to anything to be done or complied with

8. Legal Representatives

In the event of the death of the **Insured** the **Insurer** will indemnify the **Insured's** legal personal representatives in respect of liability at law previously incurred by the **Insured** provided they observe fulfil and be subject to the terms conditions and limitations of the Policy to the extent that they can apply

GENERAL CONDITIONS CONTINUED

9. Third Party Rights

A person or company who is not a party to the Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any clause or term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act

The **Insured** shall not assign or transfer their rights under the Policy without the written agreement of the **Insurer**

10. Limit of Indemnity

All the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability stated in the Policy shall apply as maximum limits to the **Insurer's** liability irrespective of the number of persons entitled to indemnity under the Policy

For the purposes of the Sums Insured Limits of Indemnity and any other restrictions on the amount of the **Insurer's** liability the **Insured** and all other persons entitled to be indemnified under the Policy shall be treated as one party or legal entity so that there shall be only a single contract of insurance between the **Insurer** as one party and the **Insured** and all other persons entitled to be indemnified as the other party

11. Number of Persons Insured

The **Insured** will immediately notify the **Insurer** in writing of any alteration in the **Business** which may increase the risk of **Injury** or **Damage** including any alteration in the maximum number of persons stated in the Schedule working in the **Business**

12. Insureds Contribution

Where stated in the Schedule the **Insured** shall be responsible for paying the **Excess** in relation to each claim made by the **Insured** under this policy

GENERAL EXCLUSIONS

The Policy does not cover

1. War Government Action Radioactive Contamination and Sonic Bangs

Damage to any property whatsoever or any loss or expense whatsoever 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) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- b) nationalisation confiscation requisition seizure or destruction by the government or any public authority
- c) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- d) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- e) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

2. Terrorism and Civil Commotion

Damage to any **Property** whatsoever or any loss or expense whatsoever resulting or arising therefrom or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from

- a) **Terrorism**
- b) civil commotion in Northern Ireland

In any action suit or other proceedings where the **Insurer** alleges that by reason of this Exclusion as far as it relates to **Terrorism** any **Damage** or resulting loss or expense or **Consequential Loss** is not covered by the Policy the burden of proving that such **Damage** loss expense or **Consequential Loss** is covered shall be upon the **Insured**

3. Date Recognition (Not applicable to Section 2)

Damage or **Consequential Loss** of whatsoever nature or liability for damages attaching to the **Insured** or any associated costs relating thereto arising directly or indirectly from or consisting of the failure or inability of any

- a) computer data processing equipment microchip integrated circuit or any similar device or any computer software or computer firmware
- b) media or systems used in connection with any of the above

whether the property of the **Insured** or not

- i. to recognise correctly any date as its true calendar date
- ii. to capture save or retain and/or correctly to manipulate interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

4. Computer Virus

Damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the **Insured** or not where such damage is caused by **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack** or **Consequential Loss** directly or indirectly caused by or arising from **Virus or Similar Mechanism** or **Hacking** or **Denial of Service Attack**

SECTION 1 – PUBLIC LIABILITY

In the event of

- a) **Injury** to any person
- b) **Damage to Property**
- c) obstruction trespass nuisance or interference with any right of way light air or water
- d) wrongful arrest detention imprisonment or eviction of any person malicious prosecution or invasion of the right of privacy

occurring during the Period of Insurance within the **Territorial Limits** in the course of the **Business** the **Insurer** will indemnify the **Insured** in respect of all sums which the **Insured** become legally liable to pay as compensation and claimant's costs and expenses

The **Insurer** will also pay **Legal Costs** and **Solicitors' Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation in respect of

- a) one occurrence or all occurrences of a series consequent on or attributable to one source or original cause
- b) all **Injury** and **Damage** occurring during any one Period of Insurance in respect of **Products Supplied**
- c) all **Pollution or Contamination** which is deemed to have occurred during any Period of Insurance

shall not exceed the Limit of Indemnity stated in the Schedule

Extensions to Section 1

1. Consumer Protection and Food Safety Acts – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director partner or **Employee** of the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in connection with the defence of any proceedings or an appeal against conviction arising from such proceedings brought for a breach of

- a) Part 2 of the Consumer Protection Act 1987 or
- b) Section(s) 7 8 14 and/or 15 of the Food Safety Act 1990

committed or alleged to have been committed in the course of the **Business** during the Period of Insurance

Provided that this indemnity shall not apply to

- i. the payment of fines or penalties
- ii. proceedings or appeals in respect of any deliberate act or omission by the **Insured**
- iii. costs or expenses insured by any other policy

2. Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer's** agreement up to a maximum of £250 per day per person

3. Cross Liabilities

Where the **Insured** comprises more than one party the **Insurer** shall treat each party as the **Insured** as if a separate Policy had been issued to each provided that nothing in this Extension shall increase the liability of the **Insurer** beyond the amount for which the **Insurer** would have been liable had this Extension not applied

SECTION 1 – PUBLIC LIABILITY CONTINUED

4. Data Protection Act

The **Insurer** will indemnify the **Insured** against liability at law incurred by the **Insured** under Section 13 of the Data Protection Act 1998 in connection with personal data (as defined in such Act) held by the **Insured** provided always that the **Insurer** shall not be liable for

- a) the payment of fines and penalties
- b) the cost of replacing reinstating rectifying or erasing any personal data

5. Defective Premises Act

The **Insurer** will indemnify the **Insured** in respect of any legal liability incurred by the **Insured** during the Period of Insurance under the terms of the Defective Premises Act 1972 or the Defective Premises (Northern Ireland) Order 1975 in connection with any business premises or land which have been disposed of by the **Insured**

Provided that the **Insurer** shall not be liable

- a) for the cost of remedying any defect or alleged defect in the premises disposed of
- b) if the **Insured** is entitled to indemnity from any other source

6. Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured's** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given.

Provided that this indemnity shall not apply to the payment of fines or penalties

7. Indemnity to Other Parties

If the **Insured** so request the **Insurer** will indemnify the following parties

- a) any officer or committee member or other member of the **Insured's** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **Insurer's** liability to the **Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity stated in the Schedule

SECTION 1 – PUBLIC LIABILITY CONTINUED

8. Motor Contingent Liability

The **Insurer** will indemnify the **Insured** against legal liability arising out of the use of any motor vehicle in the course of the **Business** anywhere in Great Britain Northern Ireland the Channel Islands or the Isle of Man

Provided that the **Insurer** shall not be liable for

- a) any vehicle owned or provided by the **Insured** or any **Principal** for whom the **Insured** is working or any sub-contractor acting for or on behalf of the **Insured**
- b) damage to such vehicle or to goods conveyed in or on it
- c) any vehicle being driven by the **Insured**
- d) any vehicle being driven by any person who to the knowledge of the **Insured** or of the **Insured's** representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- e) in respect of which the **Insured** is entitled to indemnity under any other insurance

9. Contractual Liability

The **Insurer** will indemnify the **Insured** in respect of liability in accordance with the cover provided by this Section assumed under contract or agreement where such liability would not have arisen in the absence of such contract or agreement provided that full conduct and control of all claims is vested in the **Insurer**

The **Insurer** will not be liable for

- a) liquidated damages fines or penalties
- b) loss of or **Damage to Property** against which the **Insured** is required to effect insurance under the terms of clause 21.2.1 of the JCT Standard Form of Building Contract (or any subsequent revision or substitution of clause 21.2.1) or under the terms of any other contract or agreement requiring insurance of a similar kind
- c) loss of or **Damage to Property** brought on to any site of contract or place of work for the purpose of such contract or work
- d) liability arising from **Products Supplied** under a contract of sale

10. Temporary Employees

The **Insurer** will indemnify the **Insured** against legal liability arising out of the employment of temporary **Employees** provided that the total number of days during which all such temporary **Employees** are employed does not exceed 50 days during any one Period of Insurance

For the purpose of this extension the total number of days employed shall mean the combined total of days employed for all temporary **Employees**

11. Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer's** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

SECTION 1 – PUBLIC LIABILITY CONTINUED

Exclusions

The indemnity granted under this Section shall not apply to

1. Hazardous Locations

Liability arising from or in connection with work on or in

- a) rivers reservoirs canals docks harbours quays wharves piers jetties
- b) watercraft railways aircraft airports or airfields
- c) chemical or petrochemical works oil or gas refineries or storage facilities
- d) collieries mines or quarries
- e) nuclear installations power stations

2. Advice and Design

Liability arising from advice design formula specification inspection certification or testing provided by or on behalf of the **Insured** for a fee or in circumstances where a fee would normally be charged

3. Damage to Goods Supplied or Being Worked on

Liability in respect of

- a) **Damage** to any goods or other **Property** sold supplied delivered installed or erected by or on behalf of the **Insured**
- b) all costs of or arising from the need for making good removal repair rectification replacement or recall of any such goods or **Property** or any defective work carried out by or on behalf of the **Insured**
- c) **Damage** to **Property** being worked on if the **Damage** is as a result of such work

4. Safety Critical Products and Exports to USA and Canada

Liability in respect of

- a) any **Products Supplied** which to the knowledge of the **Insured** are to be used as a critical part in connection with aircraft hovercraft aerial devices watercraft drilling platforms or rigs motor vehicles railways railway locomotives or carriages operational areas of gas chemical nuclear petrochemical or power generation plants or mines
- b) any **Products Supplied** knowingly exported directly or indirectly to the United States of America or Canada or their dependencies or trust territories

5. Fines

Liability in respect of liquidated damages fines penalties exemplary punitive aggravated or multiplied damages

6. Injury to Employees

Liability in respect of **Injury** to any **Employee** arising out of and in the course of the employment or engagement of such person by the **Insured**

7. Mechanically Propelled Vehicles

Liability arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto which is required by any road traffic legislation to be the subject of compulsory insurance or other security but this Exclusion shall not apply

- a) while such vehicle is being used as a tool of trade (other than in respect of liability which is compulsorily insurable under road traffic legislation)
- b) in respect of the loading or unloading of such vehicle or the delivery or collection of goods to or from such vehicle

except where more specifically insured by any other policy

SECTION 1 – PUBLIC LIABILITY CONTINUED

8. Pollution or Contamination

Liability arising

- a) out of **Pollution or Contamination** unless 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 provided that all **Pollution or Contamination** arising out of one incident shall be deemed to have occurred at the time such incident takes place
- b) directly or indirectly by **Pollution or Contamination** occurring in the United States of America or Canada or their dependencies or trust territories

9. Property in the Charge or Control of the Insured

Liability in respect of loss or damage to any property belonging to or in the charge or control of the **Insured** other than

- a) personal effects or vehicles of any partner director or **Employee** of or visitor to the **Insured**
- b) premises (and their contents) not belonging leased rented or hired to the **Insured** but temporarily in the charge of the **Insured** for the purpose of carrying out work
- c) premises (including their fixtures and fittings) leased rented or hired to the **Insured** but this Section does not cover liability attaching to the **Insured** solely under the terms of any tenancy or other agreement

10. Vessels or Craft

Liability arising out of ownership possession or use by or on behalf of the **Insured** of any vessel or craft designed to travel in on or through water air or space (other than hand-propelled watercraft)

11. Work on Offshore Installations

Liability in respect of **Injury** loss or **Damage** in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

12. Asbestos

Any liability of whatsoever nature arising out of the manufacture mining processing distribution testing remediation removal storage disposal sale use of or exposure to asbestos or materials or products containing asbestos

This Exclusion shall not apply in respect of such removal storage or disposal provided that

- a) the **Insurer's** liability in respect of **Injury** loss or **Damage** occurring during any one Period of Insurance shall not exceed £2,000,000 in the aggregate or the amount of the Limit of Indemnity for this Section as stated in the Schedule whichever is the lower
- b) such activity does not form part of the **Insured's** usual trade or **Business** or contract
- c) the discovery of asbestos by the **Insured** is unintentional and accidental
- d) upon discovery of asbestos or products made entirely or mainly of asbestos all work immediately stops
- e) an HSE licensed asbestos removal contractor who has Employers' Liability and Public and Products Liability insurances in force that
 - i. provide Limits of Indemnity no less than those stated in the Schedule and
 - ii. do not exclude the work to be carried out

is contracted if legally required to make safe the area in which the discovery is made as soon as is practicable

13. Contractual Liability

Liability which attaches because of a contract or agreement but which would not have attached in the absence of such contract or agreement otherwise than as set out in Extension 9

SECTION 1 – PUBLIC LIABILITY CONTINUED

Conditions

1. Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant's costs and expenses **Legal Costs** and **Solicitors' Fees** recoverable prior to the date of such payment

On payment the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment

2. Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

3. Heat Application

It is a condition precedent to the liability of the **Insurer** that the following precautions are complied with in respect of any work involving

- a) the use or application of heat involving hot air guns blow lamps blow torches welding or flame cutting equipment gas space heaters or the use of angle grinders grinding wheels disc cutters
- b) the heating of bitumen or similar bituminous compounds
- c) the use of solvents or glues

anywhere other than at the **Insured's Premises**

- i. the site where the work is to be carried out must be cleared of any combustible materials or covered by non-combustible materials prior to the work commencing
- ii. suitable and fully operational fire extinguishing equipment must be kept ready for immediate use at the site of the work
- iii. blow lamps and torches must only be kept lit for the time they are in use and must not be left unattended when lit
- iv. gas cylinders that are not in use must be kept outside the building in which the work is taking place and at least 15 metres from the point of application of heat
- v. no heating of bitumen or bituminous compounds shall be carried out in any building or on the roof of any building
- vi. vessels for heating bitumen or bituminous compounds are continuously attended whilst heating is taking place
- vii. whilst solvents or glues are being used there is no use or application of heat or smoking and any pilot lights in the area are extinguished
- viii. a thorough inspection must be undertaken after each period of work for any signs of combustion in the area where the work is being carried out and also 60 minutes after the completion of the work

SECTION 1 – PUBLIC LIABILITY CONTINUED

4. Underground Services

It is a condition precedent to the liability of the **Insurer** that the following precautions are complied with in respect of any work involving any digging or excavation work anywhere other than at the **Insured's Premises**

- a) reasonable steps are taken to ascertain the position of all pipes cables and underground services at the site of the work
- b) the **Insured** uses any telephone enquiry facility for the location of underground services

5. Bona Fide Subcontractors

It is a condition precedent to the liability of the **Insurer** in respect of work carried out for the **Insured** or on the **Insureds** behalf by Bona Fide subcontractors that

- a) payments to Bona Fide subcontractors do not exceed 25% of the **Insureds** annual turnover
- b) subcontractors hold current Public Liability insurance appropriate to the work to be carried out
- c) in the event of a claim in relation to work carried out by Bona Fide subcontractors the **Insured** shall provide documentary evidence of the Public Liability insurance held by the Bona Fide subcontractor at the time of their appointment to carry out the work

6. Certificate of Public Liability Insurance

If this Policy is cancelled any Certificate of Public Liability Insurance is similarly cancelled from the same date

SECTION 2 – EMPLOYERS’ LIABILITY

This Section of the Policy is operative only if stated in the Schedule

In the event of **Injury** sustained by any **Employee** of the **Insured** occurring during the Period of Insurance and arising out of and in the course of their employment by the **Insured** for the purposes of the **Business** within the **Territorial Limits** the **Insurer** will indemnify the **Insured** in respect of all sums for which the **Insured** become legally liable to pay as compensation and claimant’s costs and expenses in respect of such **Injury**

The **Insurer** will also pay **Legal Costs** and **Solicitors’ Fees**

Limit of Indemnity

The liability of the **Insurer** under this Section for compensation and claimant’s costs and expenses (and **Legal Costs** and **Solicitors’ Fees**) in respect of one occurrence or all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity stated in the Schedule

Extensions to Section 2

1. Court Attendance Compensation

The **Insurer** will indemnify the **Insured** for the costs of attendance at court to help defend or act as a witness in connection with any claim for which the **Insured** is entitled to indemnity under this Section and with the **Insurer’s** agreement up to a maximum of £250 per day per person

2. Health and Safety at Work – Legal Defence Costs

The **Insurer** will indemnify the **Insured** and at the **Insured’s** request any director or partner of the **Insured** or any **Employee** against **Legal Costs** incurred in defending prosecutions for a breach of the Health and Safety at Work Act 1974 or similar legislation in Northern Ireland the Channel Islands or the Isle of Man committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given

Provided that this indemnity shall not apply to the payment of fines or penalties

3. Indemnity to Other Parties

If the **Insured** so request the **Insurer** will indemnify the following parties

- a) any officer or committee member or other member of the **Insured’s** canteen social sports or welfare organisations or ambulance first aid fire medical or security services (but excluding medical practitioners) against liability incurred in such capacity
- b) any partner director or **Employee** of the **Insured** against liability incurred in such capacity and in respect of which the **Insured** would have been entitled to indemnity under this Section if the claim had been made against the **Insured** as though each party was individually named as the **Insured** in this Section
- c) any **Principal** for whom the **Insured** have agreed to execute work under contract or agreement against liability arising out of the performance of such work by the **Insured** and in respect of which the **Insured** are legally liable and would have been entitled to indemnity under this Section if the claim had been made against the **Insured**

Provided that

- i. each such party shall observe fulfil and be subject to the terms and conditions of this Section insofar as they can apply
- ii. the **Insurer’s** liability to the **Insured** and all parties indemnified shall not exceed in total the Limit of Indemnity stated in the Schedule

SECTION 2 – EMPLOYERS’ LIABILITY CONTINUED

4. Unsatisfied Court Judgments

In the event of a judgment for damages being obtained by any **Employee** or the personal representatives of any **Employee** in respect of **Injury** caused to the **Employee** during any Period of Insurance and occurring in connection with the **Business** against any person or company operating from premises in Great Britain Northern Ireland the Channel Islands or the Isle of Man in any court situate in these territories and remaining unsatisfied in whole or in part six months after the date of such judgment the **Insurer** will at the **Insured’s** request pay to the **Employee** or the personal representatives of the **Employee** the amount of such damages and any awarded costs to the extent that they remain unsatisfied

Provided that

- a) there is no appeal outstanding
- b) if any payment is made under the terms of this Extension the **Employee** or the personal representatives of the **Employee** shall assign the judgment to the **Insurer**

5. Temporary Employees

The **Insurer** will indemnify the **Insured** against legal liability arising out of the employment of temporary **Employees** provided that the total number of days during which all such temporary **Employees** are employed does not exceed 50 days during any one Period of Insurance

For the purpose of this extension the total number of days employed shall mean the combined total of days employed for all temporary **Employees**

6. Corporate Manslaughter and Corporate Homicide – Legal Defence Costs

The **Insurer** will indemnify the **Insured** against **Legal Costs** incurred with the **Insurer’s** written consent in defending prosecutions under the Corporate Manslaughter and Corporate Homicide Act 2007 committed or alleged to have been committed in the course of the **Business** during the Period of Insurance. The **Insurer** will also pay prosecution costs awarded and the costs incurred with its written consent in appealing against any judgment given provided that this indemnity shall not apply to the payment of fines or penalties or the costs of remedial orders or publicity orders

Exclusions

The indemnity granted under this Section shall not apply to

1. liability arising from or in connection with work on or in
 - a) rivers reservoirs canals docks harbours quays wharves piers jetties
 - b) watercraft railways aircraft airports or airfields
 - c) chemical or petrochemical works oil or gas refineries or storage facilities
 - d) collieries mines or quarries
 - e) nuclear installations power stations
2. liability in respect of **Injury** to any **Employee** arising out of the ownership possession or use by or on behalf of the **Insured** of any mechanically propelled vehicle or trailer attached thereto if such liability is required by any road traffic legislation to be the subject of compulsory insurance or other security
3. liability in respect of **Injury** to any **Employee** who is working in or on any **Offshore Installation** or any support vessel for any **Offshore Installation** or whilst in transit to or from any **Offshore Installation** or support vessel

SECTION 2 – EMPLOYERS’ LIABILITY CONTINUED

Conditions

1. Certificate of Employers’ Liability Insurance

If this Policy or Section is cancelled any Certificate of Employers’ Liability Insurance is similarly cancelled from the same date

2. Compulsory Insurance Legislation

The indemnity granted by this Section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to **Employees** in the **Territorial Limits** but the **Insured** shall repay to the **Insurer** all sums paid by the **Insurer** which the **Insurer** would not have been liable to pay but for the provisions of such law

3. Discharge of Liability

The **Insurer** may at any time pay to the **Insured** in connection with any claim or series of claims

- a) the amount of the Limit of Indemnity or
- b) any lesser amount for which such claim or claims can be settled less any sum or sums already paid as compensation claimant’s costs and expenses **Legal Costs** and **Solicitors’ Fees** recoverable prior to the date of such payment

On payment the **Insurer** shall relinquish the conduct and control of and be under no further liability in connection with such claim or claims except for the payment of costs and expenses incurred prior to the date of such payment

4. Other Insurances

If any claim under this Section is also covered in whole or in part by any other existing insurance or by an indemnity from any other source the liability of the **Insurer** shall be limited to any excess beyond the amount which would have been payable under such other insurance or from such other source had this Section not been effected

SECTION 3 – TOOLS AND BUSINESS EQUIPMENT

This Section of the Policy is operative only if stated in the Schedule

The **Insurer** will indemnify the **Insured** against **Damage** occurring within the **Territorial Limits** during the Period of Insurance to

- a) Portable tools and equipment including portable electronic equipment the property of the **Insured** and/or **Employees** or hired in for which the **Insured** and/or **Employees** are responsible under a written contract of hire whilst being used by the **Insured** and/or **Employees** during the course of the **Business**
- b) Materials and other goods (other than portable tools and equipment) relating to the trade or **Business** the property of the **Insured** or held by the **Insured** in trust or on commission being carried by the **Insureds** motor vehicle(s)

for an amount not exceeding

- i. £500 any item
- ii. £1500 any one occurrence or series of occurrences attributable to one original cause or source

Extension to Section 3

Temporary Employees

Employees shall include temporary **Employees** provided that the total number of days during which all such temporary **Employees** are employed does not exceed 50 days during any one Period of Insurance

For the purpose of this extension the total number of days employed shall mean the combined total of days employed for all temporary **Employees**

Exclusions

The **Insurer** will not be liable for

1. Damage

- a) not attributable to an identifiable occurrence
- b) whilst any tools or equipment are let out on hire
- c) to **Money** documents or title deeds bonds bills of exchange promissory notes precious stones bullion gold or silver articles and jewellery
- d) caused by inadequate packing
- e) due to wear and tear moths vermin insects deterioration rust exposure to weather conditions or any other gradually operating cause (unless consequent upon accident to the conveyance fire or explosion) depreciation delay or the carriage of explosives mechanical or electrical breakdown or failure
- f) due to any process of cleaning repair or restoration
- g) to glass other than arising from the explosion or theft or accident to the conveying vehicle
- h) for any consequential losses or any costs of replacing or reinstating data or re-writing documents
- i) to constructional plant equipment machinery site huts and caravans

SECTION 3 – TOOLS AND BUSINESS EQUIPMENT CONTINUED

2. Theft

- a) by an **Employee** of the **Insured**
- b) from open sided or open backed vehicles or trailers
- c) of constructional plant equipment machinery site huts and caravans
- d) of any tools or equipment (including accessories) from an unattended motor vehicle or trailer unless such theft results from forcible and violent entry to the vehicle or trailer
- e) from any unattended motor vehicle or trailer between the hours of 20:00 and 07:00 unless the vehicle or trailer
 - i. is in a securely locked garage or
 - ii. any vehicle security devices are fully operational and
 - iii. there is evidence of forcible and violent entry to the vehicle or trailer

Conditions

It is a condition precedent to the liability of the **Insurer** that

1. all losses involving theft or disappearance shall be reported immediately to the police
2. the **Insured** shall provide all help assistance and cooperation required by the **Insurer** in connection with any claim
3. the **Insurer** shall be entitled
 - a) on the happening of any **Damage** to take and keep possession of the property and to deal with the salvage in a reasonable manner but property may not be abandoned to the **Insurer**
 - b) to indemnify the **Insured** by
 - i. payment of the amount of the loss or
 - ii. a replacement or repair of the property or any part thereof insofar as it is practicable to do so and the **Insured** shall at no cost to the **Insurer** produce such plans documents books and information as the **Insurer** may reasonably require
4. if at the time of any **Damage** to **Property** there is any other insurance covering the same **Property** the Insurer shall not be liable for more than its rateable proportion of any claim for such **Damage**

SECTION 4 – LEGAL EXPENSES

The **Insurer** will only indemnify the **Insured** for **Claims** where the dispute legal proceedings and **HMRC Investigation** are or would be within the **Territorial Limits** and the **Claim** is notified to the **Insurer's Representative** during the **Period of Insurance**

Section Definitions

LV= Legal Line

As specified in the Schedule

Acts of Parliament

All Acts of Parliament referred to in this policy shall include any subsequent amendments re-enactments or regulations and equivalent legislation enforceable within the **Territorial Limits**

Any One Claim

All **Claims** consequent upon the same original cause event or circumstance

Appointed Representative

A consultant solicitor barrister or other appropriately qualified person appointed to act for the **Insured** in accordance with the terms of this policy

Claim

A claim under this policy for **Legal Expenses** or **Professional Expenses**

Excess

Nil

HMRC Investigation

Inland Revenue Investigations and **VAT Disputes**

Increased Excess

The amount for which the **Insured** is responsible for each and every **Claim** or loss as specified in the schedule if the **Insured** instructs an alternative **Appointed Representative** to the one chosen by the **Insurer's Representative**

Inland Revenue Investigations

- a) Business Self Assessment Full Enquiry
The investigation which takes place when an officer of HM Revenue & Customs ("HMRC") makes a request to examine all of the **Insured's** business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998
- b) Employer Compliance Dispute
The enquiries which take place following an expression of dissatisfaction with the **Insured's** PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the **Insured's** P11Ds or P9Ds

SECTION 4 – LEGAL EXPENSES CONTINUED

Insurer's Representative

Abbey Legal Protection a trading division of Abbey Protection Group Limited, who administers and manages Section 4 – Legal Expenses of this policy on behalf of the **Insurer**

Legal Expenses

- a) Fees
 - i. Any professional fees, expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer's Representative**; and
 - ii. Any costs incurred by other parties insofar as the **Insured** is held liable in court or tribunal proceedings to pay such costs or becomes liable to pay such costs under a settlement made with another party with the consent of the **Insurer's Representative** but excluding any costs which the **Insured** may be ordered to pay by a court of criminal jurisdiction
- b) Witness Attendance Allowance

The amount of money per day the **Insured** is liable to pay the **Employee** each day they are required by the **Appointed Representative** to attend as a witness at a court or tribunal hearing. This indemnity is limited to £100 per day and a maximum of £1,000 in **Any One Claim**

Period of Insurance

From the Effective Date to the Expiry Date shown in the Schedule

Professional Expenses

Any fees, expenses and other disbursements reasonably incurred by the **Appointed Representative** with the consent of the **Insurer's Representative** but excluding any tax or VAT additional tax or VAT interest or penalties demanded, assessed or required by the relevant authorities or other penalties imposed by a court of criminal jurisdiction

VAT Disputes

The enquiries which take place following a written decision assessment or statement of alleged arrears made by HMRC into the **Insured's** Value Added Tax Return and/or any related Value Added Tax default surcharges and misdeclaration penalties

Sub-Section A – Criminal Prosecution

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in

- a) defending a prosecution against the **Insured** in a court of criminal jurisdiction
- b) an appeal by the **Insured** against the service of an Improvement or Prohibition Notice under the Health & Safety at Work Act 1974 or the Food Safety Act 1990

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of **Claims** arising out of or in connection with

- a) any prosecution relating to or arising from investigations by HMRC
- b) any prosecution for offences against the person including offences of a sexual nature
- c) any prosecution for criminal damage
- d) any prosecution alleging dishonesty
- e) any prosecution for non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions
- f) an allegation of speeding or driving whilst under the influence of alcohol and/or drugs
- g) failure to insure a motor vehicle as required by law

SECTION 4 – LEGAL EXPENSES CONTINUED

Sub-Section B – Tax Protection

Sub-Section B1 – Inland Revenue Investigations

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in respect of representation of the **Insured** in an **Inland Revenue Investigation** including representation at an HMRC tribunal or Commissioners' hearing and at an appeal against a decision following such a hearing or tribunal provided that in the case of an Employer Compliance Dispute there is a reasonable prospect of reducing the liabilities alleged by HMRC

Sub-Section B2 – VAT Disputes

The **Insurer** agrees to indemnify the **Insured** against **Professional Expenses** incurred in representation of the **Insured** in a **VAT Dispute** in respect of

- a) the local review procedure in order to reach agreement with HMRC
- b) a VAT and Duties Tribunal or other HMRC hearing or tribunal including an appeal

provided that there is a reasonable prospect of reducing the liabilities alleged by HMRC

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

- a) technical or routine treatment of matters not connected with nor arising out of an expression of dissatisfaction with the **Insured's** affairs
- b) the defence of any criminal prosecution
- c) taxation proceedings which arise out of negligent mis-statements or omissions made by or on behalf of the **Insured** in respect of returns or accounts or where there has been a lack of reasonable care in the keeping of business books and records
- d) any **HMRC Investigation** which results solely from investigation of earlier accounts or records
- e) any **Claim** where the tax return is submitted outside the statutory time limits and/or in a penalty position
- f) the preparation and/or correction of Self Assessment Returns accounts Income Tax Returns P11Ds P35s VAT returns or any other statutory returns
- g) any investigation undertaken by the Special Civil Investigations or Criminal Investigations offices of HMRC or where a Notice 730 or Code of Practice 8 or 9 Notice has been issued by HMRC
- h) an enquiry into the validity of a claim for Working Families Tax Credit or a dispute concerning the payment of the Working Families Tax Credit by an employer
- i) any dispute in connection with the payment of the National Minimum Wage
- j) a dispute or enquiry in respect of IR35 legislation
- k) any **Claim** made where a return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items
- l) an investigation arising out of a voluntary disclosure made to HMRC in respect of omitted tax NIC or VAT liabilities which become due as a result of the **Insured's** deliberate act
- m) an investigation by HMRC into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HMRC has allocated a number for inclusion on the relevant Self Assessment Return

SECTION 4 – LEGAL EXPENSES CONTINUED

Sub-Section C – Data Protection

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in defending any dispute or legal proceedings brought against the **Insured** arising out of the Data Protection Act 1998 including an appeal by the **Insured** against a refusal of an application for registration or alteration of registered particulars or an appeal against an Enforcement Deregistration or Transfer Prohibition Notice. The **Insurer** further agrees to indemnify the **Insured** against compensation awards which the **Insured** is ordered to pay consequent upon the holding loss or unauthorised disclosure of data as defined in Section 13 of the Data Protection Act 1998 provided that any compensation award follows the unsuccessful defence of an action arising out of the Data Protection Act 1998 to which the **Insurer's Representative's** consent has been granted and has not been withdrawn

Sub-Section D – Personal Injury

The **Insurer** agrees to indemnify the **Insured** against **Legal Expenses** incurred in the pursuit of any dispute or legal proceeding for damages for **Injury** to the **Insured** caused by the actual or alleged act or omission of a third party

Exclusions

The **Insurer** shall not be liable to indemnify the **Insured** in respect of

1. the defence of the **Insured** in civil legal proceedings arising from
 - a) injury or disease including psychiatric injury and/or stress
 - b) loss destruction or damage of or to property
 - c) alleged breach of any professional duty
 - d) any tortious liability
2. any dispute legal proceedings or **HMRC Investigation** made brought or commenced outside the **Territorial Limits**
3. **Legal Expenses** or **Professional Expenses** incurred without the prior written consent of the **Insurer's Representative** or in excess of the **Insurer's Representative's** consent
4. any **Claim** relating to or arising from any cause event or circumstance occurring prior to or existing at inception of the Policy and which has or which the **Insured** knew or ought reasonably to have known may give rise to a dispute legal proceedings or **HMRC Investigation** by or against the **Insured**
5. fines or other penalties imposed by a court or tribunal
6. any dispute legal proceedings or **HMRC Investigation** in respect of which the **Insured** is or but for the existence of the Policy would be entitled to indemnity under any insurance policy whether a legal expenses insurance or not or under a legal aid certificate or representation order
7. any **Claim** arising out of the deliberate conscious intentional or negligent disregard by the **Insured** of the need to take all reasonable steps to avoid and prevent **Claims** disputes legal proceedings or **HMRC Investigations**
8. any dispute or legal proceedings with Government or Local Authority departments concerning the imposition of statutory charges
9. disputes or legal proceedings between **Insureds** as specified in the Schedule or any endorsement thereto or with any parent company or subsidiary company or associated company or partner

SECTION 4 – LEGAL EXPENSES CONTINUED

10. any dispute between the **Insured** and the **Insurer** the **Insurer's Representative** the **Appointed Representative** or their insurance broker
11. any dispute or legal proceedings arising out of breach or alleged breach of confidentiality or passing off whether related to intellectual property or not or the use or alleged use of any intellectual property
12. any dispute or legal proceedings arising out of or in connection with actual or alleged defamation or malicious falsehood
13. any **Legal Expenses** or **Professional Expenses** incurred in respect of or in connection with a judicial review
14. appeals arising out of legal proceedings or **HMRC Investigations** to which the **Insurer's Representative's** consent has not been granted
15. any **Claim** consequential loss legal liability or any loss or damage to property directly or indirectly caused by or contributed to by seepage pollution or contamination of any kind
16. any **Legal Expenses** or **Professional Expenses** which the **Insured** should or would have had to incur irrespective of any dispute or legal proceedings

Legal Expenses Claims Conditions

1. Notification of Claims

It is a condition precedent to the liability of the **Insurer** that the **Insurer's Representative** is notified in writing during the **Period of Insurance** immediately the **Insured** is aware of any cause event or circumstance which has given or may give rise to a Claim dispute legal proceedings or **HMRC Investigation** involving the **Insured**

Where such notification has been given the **Insurer** agrees to treat any subsequent **Claim** in respect of the cause event or circumstance notified as though the **Claim** had been notified during the **Period of Insurance**

The **Insurer's Representative** will forward to the **Insured** a claim form that must be completed and returned immediately

2. Insurer's Representative's Consent

It is a condition precedent to the liability of the **Insurer** that their consent to incur **Legal Expenses** or **Professional Expenses** must firstly be obtained in writing. This consent will be given by the **Insurer's Representative** on behalf of the **Insurer** if the **Insured** can satisfy the **Insurer's Representative** that

- a) it is reasonable to incur **Legal Expenses** or **Professional Expenses** having regard to the proportionality between the remedy claimed and the **Legal Expenses** or **Professional Expenses** to be incurred and
- b)
 - i. where the **Insured** is pursuing there are reasonable prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedy sought
 - or
 - ii. where the **Insured** is defending the other party does not have reasonable prospects of proving the **Insured's** legal liability
 - or
 - iii. in respect of a criminal prosecution and where the **Insured** pleads guilty there is a reasonable prospect of a significant mitigation of the **Insured's** sentence or fine

SECTION 4 – LEGAL EXPENSES CONTINUED

If during the course of a **Claim** the **Insured** ceases to satisfy the **Insurer's Representative** in respect of a) or b) above indemnity will be withdrawn in respect of **Legal Expenses Professional Expenses** or **Awards of Compensation**

The decision to grant consent or to withhold it will be taken on receipt of

- A) a fully completed claim form
- B) the information and documentation the **Insurer's Representative** reasonably requests
- C) a legal opinion from the **Appointed Representative** as to a) and b) above
- D) any advice the **Insurer's Representative** may deem it necessary to take

With the agreement of the **Insured** the **Insurer's Representative** may provide assistance in settling disputes the costs of which will be covered under the Policy subject to the payment of the **Excess** or **Increased Excess** within the Limits of Indemnity

The **Insurer's Representative** at its discretion may require the **Insured** to obtain an opinion from Counsel at the **Insured's** expense as to the merits of the subject matter of the **Claim** such opinion to have regard to the same issues that the **Insurer's Representative** has in assessing the merits of any legal action. If based upon such opinion the **Insurer's Representative** is satisfied in respect of a) and b) above the **Legal Expenses** and **Professional Expenses** incurred in obtaining that opinion will be paid by the **Insurer** within the Limits of Indemnity

In granting its consent the **Insurer** undertakes to provide indemnity to the **Insured** subject to the terms and conditions of the Policy and Schedule but such consent does not imply that all **Legal Expenses Professional Expenses** or **Awards of Compensation** will be paid. In particular **Legal Expenses** or **Professional Expenses** for matters that go beyond the immediate scope of the **Claim** shall be deemed by the **Insurer** to fall outside the indemnity provided by the Policy

The **Insurer's Representative** reserves the right to limit its consent by time and/or financial amount of **Legal Expenses** or **Professional Expenses** and/or stage of proceedings to allow for a review of their continued consent

If after consent has been granted it is shown that the **Claim** has not been brought within the terms and conditions of the Policy and Schedule the **Insurer's Representative's** consent will be withdrawn and no indemnity shall be provided. The **Insurer** shall be entitled to recover any **Legal Expenses Professional Expenses Awards of Compensation** or **Jury Service Allowance** previously paid

If the **Insured** elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the **Insurer's Representative's** consent has been refused through lack of reasonable prospects as required in b) i. and ii. above and if the **Insured** is successful in such pursuit or defence the **Insurer** will pay **Legal Expenses** or **Professional Expenses** incurred after such consent had been refused subject to the terms and conditions of the Policy

SECTION 4 – LEGAL EXPENSES CONTINUED

3. Instruction and Choice of Appointed Representative and Counsel

The **Insurer's Representative** will choose an **Appointed Representative** to act on behalf of the **Insured** in any **Claim**

Where recourse is necessary to a lawyer and proceedings are issued the **Insured** is free to choose an **Appointed Representative** to act in the name of and on behalf of the **Insured** in any legal proceedings to which the **Insurer's Representative** has consented subject to the **Increased Excess**. The name and address of the **Appointed Representative** the **Insured** proposes to instruct must be notified to the **Insurer's Representative** in writing. The **Insurer's Representative** will accept such nomination provided the **Insurer's Representative** is satisfied the proposed **Appointed Representative** will co-operate and enable the **Insured** to comply with the terms and conditions of the Policy and provided the proposed **Appointed Representative's** charging rates are fair and reasonable in regard to the particular legal proceedings. In all other **Claims** the **Insurer's Representative** will choose the **Appointed Representative** subject to the **Excess**

The **Insured** must not without the written consent of the **Insurer's Representative** enter into any agreement with the **Appointed Representative** as to the basis of calculation of **Legal Expenses** or **Professional Expenses**. The **Insurer's Representative** may withdraw consent previously given at any time

In selecting the **Appointed Representative** the **Insured** shall have regard to its duty to minimise the cost of any **Claim** or legal proceedings. In all cases the **Appointed Representative** shall be appointed in the name of and on behalf of the **Insured**

If in the course of any **Claim** or legal proceedings the **Appointed Representative** wishes to instruct Counsel or an expert Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the **Insurer's Representative** for consent to the proposed instruction which will not be unreasonably withheld

4. Disclosure

It is a condition precedent to the **Insurer's** liability that

- a) the **Insured** must give the **Appointed Representative** and the **Insurer's Representative** all necessary help and information including a complete and truthful account of the facts of the case and all relevant documentary or other evidence in the **Insured's** possession. The **Insured** must provide obtain or execute all documents as necessary and attend meetings or conferences as requested
- b) the **Insurer's Representative** is entitled to receive from the **Appointed Representative** and **Insured** any information document or advice in connection with any **Claim** and the subject matter of any **Claim** even if privileged. In addition the **Insured** must instruct the **Appointed Representative** to provide the **Insurer's Representative** with regular updates on the progress of the subject matter of any **Claim** and inform the **Insurer's Representative** immediately if and when any circumstance adversely impacts the factors taken into account in granting the **Insurer's Representative's** consent. On request the **Insured** will give to the **Appointed Representative** any instructions necessary to secure the required access

Indemnity may be withdrawn if the **Insured** fails to co-operate at all or within a reasonable time with the **Insurer's Representative's** or the **Appointed Representative's** requests

SECTION 4 – LEGAL EXPENSES CONTINUED

5. Payment of Legal Expenses Professional Expenses

All bills for **Legal Expenses** or **Professional Expenses** which the **Insured** receives from the **Appointed Representative** should be forwarded to the **Insurer's Representative** without delay. If the **Insurer's Representative** so requires the **Insured** must ask the **Appointed Representative** to submit the bill of costs for assessment or certification by the appropriate Law Society court or tribunal

The **Insured** is responsible for payment of all **Legal Expenses Professional Expenses** or **Awards of Compensation**. The **Insurer** may settle these direct if requested by the **Insured** to do so
The payment of some **Legal Expenses** or **Professional Expenses** does not imply that all **Legal Expenses Professional Expenses** or **Awards of Compensation** will be paid

6. Offer of Settlement

It is a condition precedent to the liability of the **Insurer** that the **Insured** must inform the **Insurer's Representative** in writing as soon as an offer to settle a **Claim** or legal proceedings is received and/or the **Insured** proposes to make an offer of settlement. In any settlement the **Insured** must have regard to **Legal Expenses Professional Expenses** or **Awards of Compensation** incurred or likely to be incurred by the **Insurer** and the recovery thereof

No indemnity will be provided if the **Insured** enters into any agreement to settle without the prior written consent of the **Insurer's Representative** (such consent not to be unreasonably withheld) and the **Insurer** shall be entitled to recover any **Legal Expenses Professional Expenses** or **Awards of Compensation** previously paid. If the **Insured** unreasonably rejects an offer of settlement which the **Insurer's Representative** recommends acceptance of or makes an offer which the **Insurer's Representative** does not agree no further indemnity shall be provided

The **Insurer** may at its absolute discretion decide to pay the **Insured** the amount of damages that the **Insured** is claiming or is being claimed against the **Insured** instead of indemnifying the **Insured** for **Legal Expenses Professional Expenses** or **Awards of Compensation**. Where the **Insurer** exercises this discretion the **Insurer** will cease to be liable for any further **Legal Expenses Professional Expenses** or **Awards of Compensation**

7. Recovery of Costs

Whenever the **Insured** is awarded costs or under the terms of any settlement where costs are included those costs are to be repaid to the **Insurer**

The **Insured** and their **Appointed Representative** must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered the **Insured** agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the **Insurer**

Where such a settlement is paid in instalments all costs to the **Insurer** shall be paid first

SECTION 4 – LEGAL EXPENSES CONTINUED

8. Appeal Procedure

If following legal proceedings to which the **Insurer's Representative** has consented the **Insured** wishes to appeal against the judgment or decision of a court or tribunal the grounds for such appeal must be submitted to the **Insurer's Representative** through the **Appointed Representative** immediately or as soon as practicable so that the **Insurer's Representative** may consider whether to consent to such further action. If an appeal is lodged against a judgment or decision of a court or tribunal made in favour of the **Insured** following legal proceedings to which the **Insurer's Representative** has consented the **Insured** must notify the **Insurer's Representative** immediately in order that cover shall continue. The **Insurer's Representative** will inform the **Appointed Representative** of its decision. If the **Insurer's Representative** so requires it the **Insured** must co-operate in an appeal against the judgment or decision of a court or tribunal

9. Duty to Minimise

The **Insured** must take all reasonable precautions to avoid and prevent **Claims HMRC Investigations** legal proceedings and disputes. The **Insured** must use every endeavour and take all reasonable measures to minimise the cost and effect of any **Claim**

10. Insolvency or Liquidation of the Insured

If the **Insured** becomes insolvent or is placed in liquidation receivership administration or bankruptcy or enters into a voluntary arrangement or deed of arrangement or if any application is made to the court or meeting convened for any such purpose the **Insurer** has the right to immediately cease to provide indemnity for **Legal Expenses Professional Expenses** or **Awards of Compensation** notwithstanding any previous consent the **Insurer's Representative** may have granted

11. Value Added Tax

If the **Insured** is registered for VAT the **Insurer** will not pay the VAT element of any **Legal Expenses** or **Professional Expenses**

CLAIMS CONDITIONS

1. Action by the Insured (not applicable to Section 4 – Legal Expenses)

On the happening of any event or circumstance which could give rise to a claim by the **Insured** under the Policy or on receiving verbal or written notice of any claim the **Insured** shall

- a) as soon as reasonably possible give notice to the **Insurer**
- b) immediately notify the Police in respect of any damage caused by thieves or malicious persons
- c) immediately forward to the **Insurer** any writ or summons issued against the **Insured** by a third party
- d) take action to minimise the loss destruction or damage and to avoid interruption or interference with the business and to prevent further loss destruction damage or injury
- e) at their own expense supply full details of the claim in writing to the **Insurer** together with any evidence and information that may be reasonably required by the **Insurer** for the purpose of investigating or verifying the claim and if demanded a statutory declaration of the truth of the claim and any matter connected with it within
 - i. 7 days of damage caused by riot civil commotion strikers locked out workers or persons taking part in labour disturbances or malicious persons
 - ii. 30 days of the event or circumstance in the case of any other claim or of a request from the **Insurer**

No settlement admission of liability payment or promise of payment shall be made to a third party without the prior written consent of the **Insurer**

No claim under the Policy shall be payable unless the terms of this Condition have been complied with

2. Rights of the Insurer

The **Insurer** shall

- a) be entitled at any stage to take over the defence or settlement of any claim made upon the **Insured** by any other party and to prosecute for its own benefit any claim for indemnity or compensation against any other persons in respect of any event insured by the Policy and at no cost to the **Insurer** the **Insured** shall give all assistance as may be reasonably required by the **Insurer**
- b) have the right to enter the premises where the damage has occurred and to keep possession of any property insured without thereby incurring any liability or diminishing any of the **Insurer's** rights under the Policy and to deal with the salvage in a reasonable manner but the **Insured** shall not be entitled to abandon any property to the **Insurer**
- c) at its option indemnify the **Insured** by payment reinstatement replacement or repair in respect of any property lost or damaged or part thereof. If the **Insurer** elects to reinstate or replace any property they shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the Sum Insured thereon

3. Fraud

If any claim submitted under the Policy is in any respect fraudulent or if fraudulent means are used by the **Insured** or anyone acting on behalf of the **Insured** to obtain any benefit under the Policy or if any loss destruction or damage be occasioned by the wilful act or with the connivance of the **Insured** all benefit under the Policy shall be forfeited and all claims paid by the **Insurer** shall be repaid by the **Insured**

CLAIMS CONDITIONS CONTINUED

4. Warranties

Every warranty to which the Policy or any part thereof is or may be subject shall from the time the warranty attaches apply and continue to be in force during the whole currency of the Policy and non-compliance with any such warranty insofar as it increases the risk of loss destruction or damage shall be a bar to any claim in respect of such loss destruction or damage provided that whenever the Policy is renewed a claim in respect of loss destruction or damage occurring during the renewal period shall not be barred by reason of a warranty not having been complied with any time before the commencement of such period

5. Arbitration

If any difference shall arise as to the amounts to be paid under the Policy such difference may at the **Insurer's** option be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Insurer**

Any other difference shall be subject to the exclusive jurisdiction of the courts of England and Wales

6. Claims Co-operation

The **Insured** will provide all help and assistance and co-operation required by the **Insurer** in connection with any claim

USEFUL INFORMATION

Cancellation

If this cover does not meet your requirements you have the right to cancel the Policy from inception. Please return all your documents and any certificate to the Broker Intermediary or Agent who arranged the Policy within 14 days of receipt. We shall return any premium paid in full within 30 days of receipt of your request to cancel

Termination

If you wish to terminate the contract at any other time please contact the Broker Intermediary or Agent who arranged the Policy

How to make a claim

Please contact in the first instance the Broker Intermediary or Agent who arranged the Policy. Alternatively telephone the Claims Helpline on **0845 640 5170**. Please quote your Policy Number

If you need to notify a possible Claim under Section 4 – Legal Expenses please immediately write to the Insurer's Representative (Claims Department, Abbey Legal Protection, Minorities House, 2-5 Minorities, London, EC3N 1BJ) or Fax **0870 600 1481**. If you have any queries please contact Abbey Legal Protection, telephone **0870 600 1480**

How to complain

If you have a complaint arising from your Policy please contact the Broker Intermediary or Agent who arranged the Policy for you quoting the Policy Number in all cases. If you are not satisfied with the way in which a complaint has been dealt with please write to

Managing Director
Liverpool Victoria Insurance Company Limited
County Gates, Bournemouth, BH1 2NF

A copy of LV's complaints handling procedure is available upon request

If we cannot resolve the differences between us you may, within 6 months of receiving our final response letter, refer your complaint to

Financial Ombudsman Service (FOS)
South Quay Plaza, 183 Marsh Wall, London, E14 9SR
Telephone **08000 234567**

Making a complaint does not affect your right to take legal action

Details about our Regulator

Liverpool Victoria Insurance Company Limited is authorised and regulated by the Financial Services Authority. The Financial Services Authority website which includes a register of all regulated firms can be visited at **www.fsa.gov.uk/register** or the Financial Services Authority can be contacted on **0845 606 1234**

USEFUL INFORMATION CONTINUED

Compensation

If we are unable to meet our liabilities to policyholders, you may be able to claim compensation from the Financial Services Compensation Scheme. The level of compensation differs depending on the type of cover:

Compulsory Insurance

100% of the claim

Non-compulsory Insurance

90% of the claim

Further information can be obtained from: Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Portsoken Street, London E1 8BN

Telephone **020 7892 7300**

enquiries@fscs.org.uk

www.fscs.org.uk

