



Commercial legal expenses insurance

Arranged by:
Qdos Broker & Underwriting Services Limited

Underwritten by:
UK General Insurance Limited on behalf of Ageas Insurance Limited

UPGRADE AVAILABLE

For an additional premium, you are able to upgrade the Forum of Private Business Legal Expenses Insurance, which is provided as a benefit of your membership, to **Forum of Private Business Enhanced Legal Expenses Insurance**, which provides cover for the following:

Tax protection - Aspect Enquiry cover

The tax protection provided under the standard Forum of Private Business Legal Expenses Insurance Policy is extended to include cover in respect of Aspect Enquiries. Cover is extended to indemnify the insured against professional fees incurred in defence of an HMRC investigation into one or more specific aspects of the insured's self-assessment tax return. The Enhanced Legal Expenses Insurance Policy allows the insured to choose whether they are represented by their own accountant (subject to insurer's acceptance) or by Qdos in the event of a tax enquiry.

Debt recovery

Provides cover for legal fees incurred in the pursuit of legal proceedings arising from a dispute with a customer in respect of an uncontested debt that arises from the sale or provision of goods or services.

Contract disputes

Provides cover for legal fees incurred in the pursuit or defence of legal proceedings made by or brought against you in a contractual dispute relating to a contract for the sale or hire of goods, or a contract for the supply of a service.

Restrictive covenants

Provides cover for legal fees incurred in pursuit of legal proceedings against an employee or former employee who has breached restrictions contained within their written contract of employment.

Motor disputes

Provides cover for legal fees incurred in pursuit or defence of legal proceedings between you and a customer/supplier relating to the hire, purchase, lease, service, repair or test of a motor vehicle for which you are legally responsible, and any pursuit to recover damages following a road traffic accident.

Insolvency fees

Provides cover for the fees of an insolvency practitioner where the insured has insufficient assets to cover such fees. Cover is limited to a maximum of 50% of fees in the event of personal insolvency and £10,000 in the case of limited company insolvency.

**For further information and to take out
Forum of Private Business
Enhanced Legal Expenses Insurance,
visit www.fpb.org/enhancedLEI.**

How to use your legal expenses insurance

Important information

These notes are intended as guidelines. The full terms and conditions can be found within the Policy Wording. Should you have any queries, please do not hesitate to contact the Forum.

Legal information

You can obtain telephone legal information on UK law by telephoning the helpline service. The telephone number can be found on your Forum of Private Business membership documentation. You will need to quote your Forum membership number.

Information can be sought on a wide range of areas of law, including employment, tax, health and safety and contract. The information is provided by qualified HR consultants, solicitors and tax experts, and is confidential and impartial. Conversations may be recorded in the interests of quality of information and training.

The helpline service is not authorised to give advice on the admissibility of any *Claim* under this policy. If you wish to make a *Claim* or have a query about the policy cover you must contact our Claims Department.

Claims

Claims should be made by contacting the helpline service, or by writing to Qdos Broker & Underwriting Services Limited at the following address:

Claims Department
Qdos Broker & Underwriting Services Limited
Qdos Court
Rossendale Road
Earl Shilton
Leicestershire
LE9 7LY

Telephone: 01455 850000 Fax: 01455 841000

You should provide your Member Number and a description of the circumstances of the *Claim*. A Claim Form will then be provided, which you should complete and return without delay. Please note that, in certain circumstances, Qdos Broker & Underwriting Services Limited will choose suitable legal representation to act upon your behalf.

Special conditions

Employment disputes

We will only agree to cover your *Claim* if you have sought and followed information from the helpline service and obtained their authorisation:

1. prior to carrying out any disciplinary procedure or action or suspension of an *Employee*;
2. prior to dismissal of an *Employee*;
3. prior to instituting a redundancy programme and prior to making an *Employee* redundant;
4. immediately an *Employee* walks out with or without written notice;
5. upon notification formally or informally of a grievance from an *Employee* or *Ex-employee*;
6. upon receipt of an appeal from an *Employee* or *Ex-employee* against a decision taken as a result of a disciplinary or grievance procedure or a decision to dismiss.
7. prior to any adverse variation of the terms and conditions of employment (including alteration of place or time or hours worked or demotion or deduction from or reduction in an *Employee's* remuneration);
8. upon notification - formally or informally - of a complaint of sexual, racial or religious discrimination, or discrimination relating to disability, age or sexual orientation.

The helpline service is a telephone information service.

Cooling-off period

If you are acting for purposes outside of your trade, business or profession then you have the right to change your mind and cancel this insurance with effect from inception. You may change your mind within 14 days of insuring or within 14 days of receiving full policy documents, whichever is the latter, by writing to Qdos Broker & Underwriting Services Limited requesting cancellation and returning the policy documentation to:

Qdos Broker & Underwriting Services Limited
Qdos Court
Rossendale Road
Earl Shilton
Leicestershire
LE9 7LY

No charge will be made and any premium you have paid will be refunded.

Legal expenses insurance policy wording

This Policy has been arranged by Qdos Broker & Underwriting Services Limited and is underwritten by UK General Insurance Limited on behalf of:

Ageas Insurance Limited, Registered in England No. 354568. Registered Office: Ageas House, Tollgate, Eastleigh, Hampshire SO53 3YA.

Qdos Broker & Underwriting Services Limited, UK General Insurance Limited, and Ageas Insurance Limited are authorised and regulated by the Financial Services Authority. This can be checked on the FSA's register by visiting the FSA's website at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

This is a 'claims made' insurance Policy. This insurance only covers *Claims* which arise and are notified to the *Coverholder* during the *Period of Insurance*.

The *Insured* has submitted a written proposal, declaration or renewal declaration to the *Insurer* it is agreed this shall form the basis for the issue of this Policy.

The *Insurer* agrees in consideration of the premium to indemnify the *Insured* to the extent and in the manner provided within this Policy in connection with activities within the scope and extent of the business activities of the *Insured*.

Unless expressly stated nothing in this Policy will create rights pursuant to the Contract (Rights of Third Parties) Act 1999.

Definitions

Each of the words or phrases listed below will have the same meaning wherever they appear in the Policy.

Any one claim

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

Appointed representatives

A solicitor, accountant or other appropriately qualified person or firm as nominated by the *Coverholder* or as approved by the *Insurer* who is appointed to represent the *Insured* in accordance with the terms of this Policy.

Awards of compensation

Basic and Compensatory Awards and compensation for unlawful discrimination made against the *Insured* by an Employment Tribunal or settlement thereof subject to the consent of the *Coverholder* but not including Additional Awards, Protective Awards, Interim Relief, Arrears of Pay, or Awards of Damages under the Equal Pay Act or arising out of failure to comply with awards in respect of reinstatement or re-engagement. The *Insurer* will not pay any fine, awards or damages incurred by deliberately avoiding a payment or liability under statutory requirements. The *Insurer* will not pay any redundancy payment or monies due or properly payable arising under or from a contract of employment, service agreement or related document or from any related implied or incorporated terms of contract service.

Claim

A *Claim* under the Policy for *Legal Expenses, Professional Expenses, Awards of Compensation, Jury Service Allowance* or *Witness Attendance Allowance*.

Consequential loss

Any other costs that are directly or indirectly caused by the event which led to your claim unless specifically stated in this Policy.

Contracting party

A person, firm or company domiciled within the *Territorial Limits* with whom the *Insured* has a direct contractual relationship.

Coverholder

Qdos Broker & Underwriting Services Limited, who administers and manages this insurance on behalf of the *Insurer*.

Employee

Any person under contract of service with the *Insured*.

Excess

The amount the *Insured* must pay in respect of *Legal Expenses* and/or *Professional Expenses* and/or *Awards of Compensation* in respect of *Any One Claim* before the *Insurer* shall be liable to make any payment.

Nil *Excess* applies in respect of the first *Claim* made against this Policy during the *Period of Insurance*.

An *Excess* of £1,000 per *Claim* applies in respect of the second and all subsequent *Claims* made against this Policy during the *Period of Insurance*.

The *Increased Excess* shall apply where the *Insured* instructs an alternative *Appointed Representative* to the one chosen by the *Coverholder*.

HMRC investigation

(a) Business Self-Assessment Full Enquiry

The investigation which takes place when an officer of HM Revenue and 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 Disputes

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.

(c) 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 incorrect declaration penalties.

Increased excess

The amount the *Insured* must pay in respect of *Legal Expenses* and/or *Professional Expenses* and/or *Awards of Compensation* in respect of *Any One Claim* before the *Insurer* shall be liable to make any payment if the *Insured* instructs an alternative *Appointed Representative* to the one chosen by the *Coverholder*. An *Increased Excess* of £2,500 shall apply to *Claims* made against this Policy.

Injury

Physical bodily *Injury* or death.

Insured

The company, firm, partnership, or trading individual which has full membership of the Forum of Private Business and, at the *Insured's* request, any *Employee* including a director or partner of the *Insured*.

Insured event

An event, act or omission giving rise to a *Claim* against the Policy.

Insurer

UK General Insurance Limited on behalf of Ageas Insurance Limited. UK General Insurance Limited is an agent of Ageas Insurance Limited and in the matters of a *Claim* act on their behalf.

Jury service allowance

The amount of money the *Insured* is liable to pay the *Employee* each day they attend on jury service less any recovery from the Court.

Legal expenses

(a) Fees: Any professional fees, expenses and other disbursements reasonably incurred by the *Appointed Representative* with the consent of the *Coverholder*; and any costs incurred by other parties insofar as the *Insured* is held liable to pay such costs under a settlement made with another party with the consent of the *Coverholder* 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 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. Indemnity limited to £100 per day and a maximum of £1,000 in *Any One Claim*.

Legal proceedings

The pursuit or defence of *Legal Proceedings* in a court of suitable jurisdiction made by or brought against the *Insured*, including appealing or defending an appeal against a judgment made in proceedings funded by this insurance, within the jurisdiction of a court or other body within the *Territorial Limits*.

Limit of indemnity

The maximum amount payable by the *Insurer* in respect of *Any One Claim* and in aggregate for all *Claims* made during any one *Period of Insurance* in respect of any one *Insured*.

The following *Limits of Indemnity* apply to this Policy:

Sections 1, 2, 3, 4, 5, 7, 8, 9, 10: £50,000

Section 6: £100 per day, £1,000 maximum per *Claim*.

Period of insurance

Cover under this Policy shall commence on the inception date of the *Insured's* membership of the Forum of Private Business and will continue for as long as the *Insured* remains a paid-up member of the Forum. If the *Insured's* membership is cancelled, expires or is not renewed, all cover under this Policy shall cease.

Professional expenses

Any fees, expenses and other disbursements reasonably incurred by the *Appointed Representative* with the

consent of the *Coverholder* 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.

Property

Land and/or buildings owned or occupied by the *Insured* or otherwise for which the *Insured* is legally responsible.

Statutory licence

A licence or certificate of registration issued under statute, statutory instrument or Government or local authority to the *Insured* provided that such licence or certificate is necessary to engage in the business activities of the *Insured* and the licence or certificate has been declared to the *Insurer* in the proposal form or renewal declaration.

Territorial limits

The United Kingdom of Great Britain and Northern Ireland.

Sections of cover

The *Insurer* will indemnify the *Insured* against *Legal Expenses* incurred by the *Appointed Representative* when undertaking work on the *Insured's* behalf in respect of an *Insured Event* covered by this Policy. Provided that the time of occurrence is within the *Period of Insurance* and provided that the *Claim* is notified to the *Insurer* during the *Period of Insurance* and the *Claim* falls within the *Territorial Limits*.

Section 1

Employment disputes

The *Insurer* agrees to indemnify the *Insured* against *Legal Expenses* and *Awards of Compensation* incurred by the *Insured* in defending *Legal Proceedings* brought against the *Insured* by an *Employee*, *Ex-employee* or prospective *Employee* in respect of their contract of employment with the *Insured* or a breach of employment related legislation.

It is a condition precedent to the *Insurer's* liability that the *Insured* has sought and followed all the information from the helpline service as to the process and procedure to be adopted, and has received specific authorisation from the helpline service:

1. prior to carrying out any disciplinary procedure or action or suspension of an *Employee*;
2. prior to dismissal of an *Employee*;
3. prior to instituting a redundancy programme and prior to making an *Employee* redundant;
4. immediately an *Employee* walks out with or without written notice;
5. upon notification formally or informally of a grievance from an *Employee* or *Ex-employee*;
6. upon receipt of an appeal from an *Employee* or *Ex-employee* against a decision taken as a result of a disciplinary or grievance procedure or a decision to dismiss;
7. prior to any adverse variation of the terms and conditions of employment (including alteration of place or time or hours worked or demotion or deduction from or reduction in an *Employee's* remuneration);
8. upon notification formally or informally of a complaint of sexual, racial or religious discrimination, or discrimination relating to disability, age or sexual orientation.

Exclusions to Section 1

The *Insurer* will not pay:

1. any benefit due under a Contract of Employment;
2. any payment due in respect of redundancy;
3. any compensatory award made against the *Insured* relating to or arising from Trade Union activities including membership or non membership;
4. any award made because of the *Insured's* failure to provide written reason for dismissal;
5. any compensatory award specified in a re-instatement or re-engagement order;
6. any awards to the extent that they relate to contractual rights accruing to the *Employee, Ex-employee* or prospective *Employee* prior to the actual or alleged breach of the actual or alleged Contract of Employment;
7. any award made as a result of the failure of the *Insured* to issue the *Employee* with a written statement of the terms of employment or to issue the *Employee* with compliant written details of the employer's disciplinary and grievance procedures;
8. any defence of an action for damages in respect of personal *Injury* including stress related matters or loss of or damage to *Property*;
9. any *Claim* where the *Insured* did not seek advice from the helpline service.

Section 2

Health and safety prosecutions

The defence of a criminal prosecution arising from:

1. health and safety at work and occupational hygiene including but not limited to the Health and Safety at Work etc Act 1974.
2. food safety hygiene and food legality including but not limited to the Food Safety Act 1990.
3. occupational hygiene including but not limited to the COSHH and CHIP regulations.
4. supply of safe goods including but not limited to the Consumer Protection Act 1987 the Food Safety Act 1990 and the Health and Safety at Work etc Act 1974.
5. the Carriage of Dangerous Goods Regulations provided that the *Insured* is contracted to the *Appointed Representative* to provide a Dangerous Goods Safety Advisor as requested by the transport of Dangerous Goods (Safety Advisors) Regulations 1999.
6. an appeal against the service of an Improvement Notice or a Prohibition Notice under the Health and Safety at Work etc Act 1974 or the Health and Safety (Northern Ireland) Order 1978 and their supporting Regulations.

Exclusions to Section 2

The *Insurer* will not pay *Legal Expenses* arising from or relating to the defence of a criminal prosecution:

1. deliberately or intentionally solicited by the *Insured*, or where an alleged offence involves dishonesty or intentional threatened or actual violence by the *Insured* unless he is subsequently acquitted of such offence.
2. where the *Insured* has pleaded guilty and/or admitted liability.
3. which does not arise out of the normal business activities of the *Insured*.

4. disputes relating to the Corporate Manslaughter and Corporate Homicide Act 2007.
5. relating to the ownership possession hiring or use of a motor vehicle aircraft or watercraft, including offences:
 - (a) brought under Road Traffic and Transport Acts (not including the Regulations relating to dangerous goods).
 - (b) brought as a result of unsafe motive power rolling stock or incidents on railway property.
 - (c) relating to any substance in Class 7 (radioactive substances).
 - (d) relating to workplaces on or in a ship within the meaning of S.313 (1) of the Merchant Shipping Act 1995.

Section 3

Tax protection

A full enquiry by H M Revenue & Customs (HMRC) into the *Insured's* self-assessment return following the issue of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or Schedule 18, paragraph 24 of the Finance Act 1998 which includes a request to examine all the *Insured's* books and records, including *Legal Expenses* incurred in respect of preparation and representation of the *Insured* at a HMRC Commissioners' Hearing.

Fees incurred in respect of any dispute with HMRC regarding the accuracy or completeness of returns submitted in accordance with the PAYE regulations following a compliance review by HMRC into the operation of PAYE, including *Legal Expenses* incurred in respect of preparation and representation of the *Insured* at a HMRC Commissioners' Hearing.

An appeal, including the local review procedure, to a VAT and Duties Tribunal, against an assessment or written decision issued by HMRC relating to the *Insured's* VAT affairs.

Exclusions to Section 3

The *Insurer* will not pay *Legal Expenses* arising from or relating to:

1. any tax avoidance scheme undertaken by the *Insured*.
2. an enquiry undertaken under Section 60 or 61 of the VAT Act 1994 or enquiry by the Investigations Division, the Board's Investigation Office or the Special Compliance Offices of HMRC.
3. 'Aspect enquiries' where HMRC's investigation into the *insured's* self assessment return does not include a request to examine full books and records.
4. any dispute or enquiry that commenced prior to the inception of this policy.
5. any work in connection with the normal reconciliation of the annual accounts and VAT returns where such reconciliation has not been undertaken prior to the dispute or enquiry arising.
6. the *Insured's* actual or alleged misstatement with intent to deceive contained in any relevant business books, records or returns. If such intent is shown the *Insurer* shall be entitled to recover such indemnity as it has actually provided.
7. any issue of law practice or procedure not directly connected with the particular enquiry or dispute which is the subject of the *Claim*.
8. any dispute or enquiry where the accounts submitted

are being investigated solely because earlier books, records or returns have been investigated or are already under enquiry.

9. any *Claim* arising from an enquiry into an *Insured's* tax return or an amendment to an *Insured's tax return* or any other statutory return that was not submitted within the statutory time limits. In order for the statutory return to be regarded as having been submitted within the statutory time limits, HMRC must have deemed this to be the case and the filing date must not allow HMRC the right to extend their enquiry window beyond the normal time limit of 12 months after the due filing date. Where an amendment to a *Insured's* tax return or an amendment to any other statutory return is submitted within the 12 months after the due filing date and HMRC execute an enquiry into the return within that 12 months period then this exclusion will not apply.
10. any criminal prosecution.
11. any dispute or enquiry where dishonesty, fraud or fraudulent intent is alleged unless, at the culmination of such dispute or enquiry, it is proved that the *Insured* was found not guilty of dishonesty, fraud or fraudulent intent.

Section 4 Criminal prosecution defence

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

1. defending a prosecution against the *Insured* in a court of criminal jurisdiction;
2. an appeal by the *Insured* against the service of an Improvement or Prohibition Notice under the Health & Safety at Work etc Act 1974 or the Food Safety Act 1990.

Exclusions to Section 4

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

1. any prosecution for criminal damage;
2. any prosecution for offences against the person, including offences of a sexual nature;
3. any prosecution relating to or arising from investigations by HMRC;
4. any prosecution alleging dishonesty;
5. failure to insure a motor vehicle as required by law;
6. an allegation of speeding or driving whilst under the influence of alcohol and/or drugs;
7. any prosecution for non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions;
8. any alleged deliberate or intentional act unless the charges are dismissed or the *Insured* is acquitted;
9. any legal proceedings where the *Insured* has pleaded guilty and/or admitted liability;
10. any proceedings, which do not relate to the business activities of the *Insured*.

Section 5 Statutory Licence Protection

An appeal or representation to the relevant statutory or regulatory Licence Protection authority, Court, Tribunal or other mandatory body following an act, or omission or alleged act or omission which leads to the suspending,

revoking, altering the terms of or refusing to renew any of the *Insured's* licences.

Exclusions to Section 5

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

1. driving licences;
2. any *Claim* relating to an original application or renewal or in respect of which an appeal or representation was made in the 12 months immediately preceding the inception of this insurance, except in the case of renewal or continuation of existing insurance arrangements;
3. any disciplinary or internal procedures conducted by authorities charged with the regulation of the *Insured* in the performance of their business activities or for any appeal following such procedures;
4. any costs incurred to comply with a notice or order;
5. an alteration or refusal to renew a *Statutory Licence* which is imposed by an *Act of Parliament*.

Section 6 Jury service allowance

The *Insurer* agrees to indemnify the income, salary or wages of the *Insured* or any director of, partners in or *Employee* of the *Insured*, in respect of that individual's obligations to attend court for jury service insofar as it is not recoverable from the relevant Court up to a maximum of £100 per day and limited to a maximum of £1,000 for *Any One Claim*.

Exclusions to Section 6

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

Any *Claim* arising from a jury service request served prior to the commencement of this insurance or where the juror has received such a request within the two years immediately preceding this insurance and has been able to postpone the effect of the jury service request except in the case of a renewal or continuation of existing insurance arrangements.

Section 7 Property disputes

The *Insurer* agrees to indemnify the *Insured* against *Legal Expenses* Incurred in any dispute or *Legal Proceedings* made by or brought against the *Insured*:

1. over the physical possession of the *Property* provided that all statutory and contractual notices have been correctly served by the *Insured*;
2. over the terms of a tenancy agreement between the *Insured* and a *Contracting Party* relating to the use or maintenance of the *Property* including dilapidations;
3. other than with a tenant over the actual or alleged negligence, damage or nuisance to the *Property*.

provided that the *Insured* will suffer financial loss if the *Insured* fails to pursue or defend the dispute or *Legal Proceedings*.

Exclusions to Section 7

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

1. any dispute relating to the payment of rent, service charges or any other payments due under the terms of the lease, licence or tenancy agreement between the *Insured* and his landlord;
2. the renewal of the lease, licence or tenancy agreement between the *Insured* and his landlord or any dispute arising during a rent review period;
3. any dispute relating to planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority;
4. any dispute where the *Insured* has failed to maintain in full force and effect during a tenancy agreement buildings insurance covering the standard range of perils if the *Insured* was contractually obligated to have such insurance in force;
5. a contract dispute other than that of a tenancy agreement with a *Contracting Party*;
6. a dispute over subsidence or heave howsoever caused.

Section 8 Data protection

The *Insurer* agrees to indemnify the *Insured* against any *Legal Expenses* incurred in defending any civil proceedings brought against the *Insured* for compensation under Section 13 of the Data Protection Act 1998 provided that the *Insured* is already registered with the Data Protection Commissioner.

Exclusions to Section 8

The *Insurer* will not be liable to indemnify the *Insured* in respect of *Claims* arising out of or in connection with any legal action concerning the grant and/or execution of a warrant of entry.

Section 9 Personal injury

The *Insurer* agrees to indemnify the *Insured* against any *Legal Expenses* incurred in pursuit of *Legal Proceedings* to recover damages for death of, or bodily *Injury* to that of the *Insured* or any director of, partner in or *Employee* of the *Insured*.

Exclusions to Section 9

The *Insurer* will not be liable to indemnify the *Insured* in respect of *Claims* arising out of or in connection with any *Claim* alleging clinical negligence or any illness, naturally occurring condition or degenerative process, which develops gradually and is not caused by a specific sudden accident.

Section 10 Wrongful arrest defence

The *Insurer* agrees to indemnify the *insured* against *Legal Expenses* incurred in defending civil proceedings against the *Insured* with regard to allegations of wrongful arrests or malicious prosecution.

Exclusions to Section 10

The *Insurer* shall not be liable to indemnify the *Insured* in the respect of any *Claim* arising out of or in connection with allegations made by or against or on behalf of an *Employee* or *Ex-Employee* or any other person working or contracting for the *Insured* whether or not an *Employee*.

General conditions

A. Arbitration

Any dispute or difference of any kind between the *Insurer* and the *Insured* will be referred to arbitration by a single arbitrator who will be either a barrister or solicitor. If the parties are unable to agree on the appointment of an arbitrator, all parties agree to accept an arbitrator nominated by the Law Society, the Bar Council or appropriate professional body within England and Wales. The apportionment of costs shall be determined by the arbitrator and their decision will be final and binding on all parties.

B. Cancellation

This Policy may be cancelled in writing at any time by the *Insured* by giving immediate written notice to the *Insurer*. The *Insurer* may also cancel this Policy by giving 30 days written notice to the *Insured*. In the event of cancellation the *Insured* will be entitled to a full refund of premium if the Policy is cancelled within the first 14 days or refund of a proportionate part of the premium corresponding to the un-expired *Period of Insurance* where the Policy is cancelled after the first 14 days. There will be no refund of premium if the *Insured* has notified a *Claim* during the *Period of Insurance*.

C. Cooling off

If the *Insured* is an individual acting for purposes outside of your trade, business or profession then the *Insured* has the right to change their mind and cancel this insurance with effect from inception. The *Insured* may change their mind within 14 days of insuring or within 14 days of receiving full policy documents by writing to Qdos Broker & Underwriting Services Limited requesting cancellation and returning the policy documentation to Qdos Broker & Underwriting Services, Qdos Court, Rossendale Road, Earl Shilton, Leicestershire LE9 7LY. No charge will be made and any premium you have paid will be refunded.

D. Insured's responsibilities

The *Insured* must notify the *Insurer* as soon as is reasonably possible of any change in the information given to them which may affect this insurance or any circumstances which may give rise to a *Claim*. Failure to do so may invalidate the *Insured's* insurance or may result in cover not operating fully. The *Insurer* reserves the right to alter the terms, charge an additional premium or cancel this insurance should they become aware of any fact, which may affect the cover provided by this insurance. The *Insured* must:

- (i) observe the terms and conditions of this insurance;
- (ii) try to prevent any incident that may give rise to a *Claim*;
- (iii) take all reasonable steps to minimise the amount payable by the *Insurer*.

E. Assignment

This Policy of insurance is between and binding upon the *Insurer* and the *Insured* and their respective successors in title; however, the Policy may not be otherwise assigned by the *Insured* without prior written consent.

F. Waiver

If the *Insurer* fails to exercise or enforce any rights conferred on them by this insurance, the failure to do so will not be deemed to be a waiver, nor will it bar the exercise or enforcement of such rights at any such time.

G. Governing law

The parties are free to choose the law applicable to this insurance contract. Unless specifically agreed to the contrary this insurance shall be subject to the Laws of England and Wales.

H. Data Protection Act

It is agreed by the *Insured* that any information provided to the *Insurer* regarding the *Insured* will be processed by the *Insurer* or the *Coverholder* in compliance with the provisions of the Data Protection Act 1998 for the purposes of providing insurance and handling *Claims*, if any, which may necessitate providing such information to third parties.

General exclusions

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

1. An *Insured Event* reported more than 90 days after its *time of occurrence*.
2. An *Insured Event* reported outside the *Period of Insurance*.
3. Any dispute, *Legal Proceedings* or *HMRC Investigation* made, brought or commenced outside the *Territorial Limits*.
4. Any *Claim* relating to or arising from any cause event or circumstance occurring prior to or existing at inception of this 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. Fees costs and disbursements incurred prior to the written acceptance of a *Claim*.
6. Patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
7. *Legal Expenses* arising from any expense, *consequential loss*, legal contamination liability or any loss or damage, to *Property* directly or indirectly caused by, contributed to, by or arising from:
 - a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
 - b) The radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly.You are not covered for any other costs that are directly or indirectly caused by the event which led to your claim unless specifically stated in this policy.
8. *Legal Expenses* arising directly or indirectly from the

failure of computer, data processing and any other electrical equipment or component, including microchips, integrated circuits and similar devices and or any software to recognize, interpret or process any data as its true calendar date.

9. Disputes relating to written or verbal remarks, which damage the *Insured's* reputation.
10. Causes of action intentionally brought about by the *Insured*.
11. Any *Claim* which, in the *Insurer's* opinion, or the *Appointed Representative's* opinion, is believed not to have good prospects of achieving the result for which *Legal Proceedings* are contemplated.
12. *Legal Expenses* incurred before the *Insurer* agrees to pay them or where the *Insured* pursues or defends a case without the agreement of the *Insurer* or in a different manner to or against the advice of the *Appointed Representative* or fails to give proper instructions in due time to the *Insurer*, *Appointed Representative* or to Counsel or other persons instructed by the *Appointed Representative* or where the *Appointed Representative* refuses to act on behalf of the *Insured* for any reason other than a conflict of interest or in respect of witnesses, experts or agents interviewed, engaged or called on as witness without the prior written approval of the *Insurer*.
13. Any *Claim* where the *Insured*, in the reasonable opinion of the *Insurer*, acts in a manner which is prejudicial to the case, including being responsible for any unreasonable delay, withdrawing instructions from the *Appointed Representative* or withdrawing from the case.
14. *Legal Expenses* which can be recovered by the *Insured* under any other insurance or which would have been covered if this policy did not exist except for any amount in *Excess* of that which would have been payable under such other insurance.
15. Fines, damages or other penalties, which the *Insured* is ordered to pay by a Court or other authority.
16. *Legal Expenses* relating to any judicial review.
17. Any *Claim* for *Legal Expenses* when the *Insured* is bankrupt, or in receivership, liquidation, administration, has made an arrangement with creditors, has entered into a Deed of Arrangement or part or all of the *Insured's* affairs or property are in the care or control of a receiver or an administrator.
18. Any dispute with the *Insurer* or *Qdos*.
19. Please note that the rights conferred by the Third Parties (Rights Against Insurers Act) 1930 are specifically excluded from applying to this policy.
20. The defence of the *Insured* in civil *Legal Proceedings* arising from:
 - a. *Injury* or disease including psychiatric *Injury* or stress;
 - b. Loss, destruction, or damage of or to *Property*;
 - c. Alleged breach of professional duty;
 - d. Any tortious liability (other than specified in Section 7. Property disputes.)
21. Disputes relating to the Corporate Manslaughter and Corporate Homicide Act 2007.
22. Any loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with (including any action taken in controlling, preventing, suppressing or in any way relating to) any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - a. War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution,

insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

- b. Any act of terrorism.

For the purposes of this exclusion an act of terrorism means an act including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any government(s), religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear or danger.

Claims conditions

A. Reporting a claim

The *Insurer* should, as soon as possible be notified in writing of any potential *Claim* and be provided with any written or other evidence relevant to the issues giving rise to the *Claim*. The *Insured* will be required to provide the names of any possible witnesses and details, of any costs incurred prior to the *Insurer* accepting the *Claim*, including any action already taken.

Claims should be made by contacting the helpline service, as soon as is reasonably practical, or by writing to Qdos Broker & Underwriting Services Limited at the following address:

Claims Department
Qdos Broker & Underwriting Services Limited
Qdos Court
Rossendale Road
Earl Shilton
Leicestershire
LE9 7LY

Telephone: 01455 850000 Fax: 01455 841000

B. Coverholder'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 *Coverholder* on behalf of the *Insurer*, if the *Insured* can satisfy the *Coverholder* that:

1. It is reasonable to incur *Legal Expenses* or *Professional Expenses* having regard to the proportionality between remedy claimed and the *Legal Expenses* or *Professional Expenses* to be incurred;
2. Where the *Insured* is:
 - (i) pursuing, there are good prospects of proving the other party's legal liability and of recovering the damages claimed or other legal remedies sought
 - or
 - (ii) defending, the other party does not have good prospects of proving the *Insured's* legal liability
 - or
 - (iii) In respect of criminal prosecution and where the *Insured* pleads guilty there are good prospects of significant mitigation of the *Insured's* sentence or fine.

Should during the course of a *Claim* the *Insured* ceases to satisfy the *Coverholder* in respect of 1 and 2 of *Coverholder's* Consent indemnity will be withdrawn. For a

decision to be made on granting or withholding consent the following must be received by the *Coverholder*:

- A completed insurance Claim Form
- The documentation and information reasonably requested by the *Coverholder*
- Any advice the *Coverholder* may deem necessary to take
- A legal opinion from the *Appointed Representative* as to 1 and 2 of *Coverholder's* Consent

The *Coverholder* 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.

The *Coverholder* at its discretion may require the *Insured* to seek an opinion from Counsel, at the *Insured's* expense, as to the merits of the *Claim*. Such opinion is to have regard to the same issues that the *Coverholder* has in assessing the merits of any legal action. If based upon such an opinion the *Coverholder* is satisfied in respect of 1 and 2 of *Coverholder's* Consent the *Legal Expenses* and *Professional Expenses* in obtaining that opinion will be paid by the *Insurer* within the *Limits of Indemnity*.

If after consent has been granted it is shown that the particular *Claim* or *Legal Proceedings* have not been brought within the terms and conditions of this Policy, the *Coverholder'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* and any other Allowances previously paid.

If the *Insured* elects to proceed with the pursuit or defence of a *Claim* or *Legal Proceedings* to which the *Coverholder's* consent has been refused through lack of good prospects as required in 1 and 2 of *Coverholder's* Consent 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 conditions of this Policy.

In granting its consent the *Insurer* undertakes to provide indemnity to the *Insured* subject to the terms and conditions of this Policy but such consent does not imply that all *Legal Expenses* or *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* or *Legal Proceedings* shall be deemed by the *Insurer* to fall outside the indemnity provided by this Policy.

C. Choice of appointed representative and counsel

The *Coverholder* will choose an *Appointed Representative* to act on behalf of the *Insured* in any *Claim* under certain Sections of this Policy.

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 *Coverholder* 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 *Coverholder* in writing. The *Coverholder* will accept such nomination provided the *Coverholder* is satisfied the proposed *Appointed Representative* will cooperate and enable the *Insured* to comply with the terms and conditions of this policy and provided the proposed *Appointed Representative's* charging rates are fair and reasonable in regard to the particular *Legal Proceedings*.

A dispute arising from the *Insured's* choice may be referred to Arbitration in accordance with General Condition A. The *Insured* must not, without the written consent of the *Coverholder*, enter into any agreement with the *Appointed Representative* as to the basis of calculation of *Legal Expenses*. The *Coverholder* 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 other *Claims* the *Coverholder* will choose the *Appointed Representative* subject to the *Excess*.

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 *Coverholder* for consent to the proposed instruction which will not be unreasonably withheld.

D. Disclosure

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

1. The *Insured* must give to the *Appointed Representative* and the *Coverholder* 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.
2. The *Coverholder* is entitled to receive from the *Appointed Representative* and *Insured* any information, documentation or advice in connection with any *Claim* or *Legal Proceedings* even if privileged. In addition the *Insured* must instruct the *Appointed Representative* to provide the *Coverholder* with regular updates on the progress of any *Claim* or *Legal Proceedings* and inform the *Coverholder* immediately if and when any circumstance adversely impacts the factors taken into account in granting *Coverholder's* consent. On request the *Insured* will give to the *Appointed Representative* any instructions necessary to secure the required access.

Cover may be withdrawn if the *Insured* fails to cooperate at all or within a reasonable time with the *Coverholder's* or the *Appointed Representative's* requests.

E. Offer of settlement

It is a condition precedent to the liability of the *Insurer* that the *Insured* must inform the *Coverholder* 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* or *Professional Expenses* 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 *Coverholder* (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 *Coverholder* recommends acceptance of or makes an offer which the *Coverholder* 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*.

F. Payment of legal expenses, professional expenses and awards of compensation

All bills relating to any *Claim* or *Legal Proceedings* which the *Insured* receives from the *Appointed Representative* should be forwarded to the *Coverholder* without delay. If the *Coverholder* 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* or *Professional Expenses* or *Awards of Compensation*. The *Insurer* may settle these directly if requested by the *Insured* to do so. The payment of some *Legal Expenses* or *Professional Expenses* does not imply that all *Legal Expenses* or *Professional Expenses* or *Awards of Compensation* will be paid.

G. Appeal procedure

If, following *Legal Proceedings* to which the *Coverholder* 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 *Coverholder* through the *Appointed Representative* immediately or as soon as practicable so that the *Coverholder* 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 *Coverholder* has consented, the *Insured* must notify the *Coverholder* immediately in order that cover shall continue. The *Coverholder* will inform the *Appointed Representative* of its decision. If, the *Coverholder* so requires it the *Insured* must co-operate in an appeal against the judgment or decision of a Court or Tribunal.

H. 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.

I. Fraudulent claims

If the *Insured* makes any request for payment under this Policy knowing it to be fraudulent or false in any respect or ought reasonably in the circumstances to know it to be fraudulent or false or where there is collusion between any parties to the dispute, this Policy shall become void and any premiums paid hereunder shall be forfeited and the *Insurer* shall be entitled to recover any *Legal Expenses* or *Professional Expenses* or *Awards of Compensation* previously paid.

J. Insolvency or liquidation of the insured

If the *Insured* becomes insolvent or is placed in liquidation during the course of any *Claim* or *Legal Proceedings* to which the *Coverholder's* consent has been given the *Coverholder* reserves the right to withdraw that consent. The *Insured* shall be deemed insolvent or in liquidation upon the appointment of an office holder within the meaning given by the Insolvency Act 1986 or upon the appointment of a receiver within the meaning laid down in the Companies Act 1985.

K. Duty to minimise

The *Insured* must take all reasonable precautions to avoid and prevent *Claims*, *Legal Proceedings* and disputes.

The *Insured* must use every endeavour and take all reasonable measures to minimise the cost and effect of any *Claim* or *Legal Proceedings* under this *Policy*.

L. 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*.

Complaints

It is the intention to give you the best possible service but if you do have any questions or concerns about this insurance or the handling of a claim you should in the first instance contact:

The Chief Executive Officer
Odos Broker & Underwriting Services Limited
Odos Court
Rossendale Road
Earl Shilton
Leicestershire
LE9 7LY

Tel: 01455 850000
Fax: 01455 841000

Please ensure your policy number is quoted in all correspondence to assist a quick and efficient response.

In the event you remain dissatisfied and wish to make a complaint, you can do so by contacting the following:

The Customer Relations Manager
UK General Insurance Limited

Cast House
Old Mill Business Park
Gibraltar Island Road
Leeds
LS10 1RJ

Tel: 0845 218 2685
Email: customerrelations@ukgeneral.co.uk

If it is not possible to reach an agreement, you have the right to make an appeal to the Financial Ombudsman Service. This also applies if you are insured in a business capacity and have an annual turnover of less than €2 million and fewer than ten staff. You may contact the Financial Ombudsman Service at:

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

Tel: 0845 080 1800

The above complaints procedure is in addition to your statutory rights as a consumer. For further information about your statutory rights contact your local authority Trading Standards Service or Citizens Advice Bureau.

Financial Services Compensation Scheme

Ageas Insurance Limited is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme, if they cannot meet their obligations. This depends on the type of business and the circumstances of the claim. Most insurance contracts are covered for 90% of the claim with no upper limit. You can get more information about compensation scheme arrangements from the FSCS or visit www.fscs.org.uk.

Data Protection Act 1998

Please note that any information provided to us will be processed by us and our agents in compliance with the provisions of the Data Protection Act 1998, for the purpose of providing insurance and handling claims, if any, which may necessitate providing such information to third parties.