



**PROFESSIONAL INDEMNITY INSURANCE
ACCOUNTANTS (ICAEW / ICAS / CAI)
POLICY WORDING**

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Introduction

Your Policy

Thank you for choosing Arch Insurance. This **Policy** has been prepared according to **Your** instructions. It is a single legal contract and comprises this **Policy** Wording, the **Statement of Fact**, the **Schedule** and any endorsements.

Please read **Your Policy** documents carefully to ensure that:

1. all details are accurate;
2. the **Policy** meets **Your** needs;
3. **You** are familiar with **Your** obligations under the **Policy**; and
4. **You** understand the rights and remedies available to us if **You** do not comply.

You should contact **Your** insurance agent immediately if:

1. **You** have questions about any aspect of the insurance;
2. **You** require a printed copy of **Your Policy** documents;
3. any information recorded in the **Policy** documents is inaccurate;
4. any change takes places which might affect the **Policy**;
5. **You** are unable to comply with any term of the **Policy**; or
6. the **Policy** does not meet **Your** needs.

Changes and cancellation

If **You** provide new information or request a change to the **Policy**, **We** will advise of any alterations which **We** require to terms, conditions and premium. No changes will take effect until **We** confirm them in writing.

If **You** wish to cancel the **Policy**, please refer to the General Conditions.

Policy terms and conditions

It is important that **You** are familiar with the terms of the **Policy** and what is required of **You**. In the event of **Your** non-compliance with any obligation, **We** are entitled by law and the **Policy** to exercise certain remedies. Depending on the particular term with which **You** have failed to comply, these remedies may include:

1. avoiding the **Policy** or any relevant variations or renewals;
2. terminating the **Policy** or applying different terms; and/or
3. refusing to pay, or reducing the amount to be paid on, a claim.

This is a claims made policy. It only covers Claims or Losses first made against You and reported to Us during the Period of Insurance.

Our Promise to You

Our goal is to provide excellent service to all **Our** customers but sometimes things go wrong. **We** take complaints seriously and aim to resolve **Our** customers' problems promptly. If **You** are unhappy with the service that **You** receive, please tell **Us** straight away. Information about how to complain is shown in the How to Complain section at the end of the **Policy**.

Insurer

This **Policy** is underwritten by Arch Insurance (UK) Limited in consideration of payment of the premium by **You**, as set out in the **Schedule**.

Arch Insurance (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. FCA Register No 229887. Registered Office: 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN. Registered in England and Wales: No. 04977362.

You can check this information on the Financial Conduct Authority register by visiting the FCA's website www.fca.org.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768. Information relating to the Prudential Regulation Authority can be found at www.bankofengland.co.uk/pru



Steve Bashford
For the Insurer
Chief Executive of Arch UK Regional Division
A division of Arch Insurance (UK) Limited

Telling Us about a Claim or Circumstance

Your insurance agent should be able to help **You** to notify **Us** of a claim or incident.

To report a **Claim** or notify an incident or **Circumstance**, email or post full details, including **Your Policy** number to:

Email: Piclaims@archinsurance.com

Registered Post: Arch Insurance (UK) Ltd,
Claims Department,
4th Floor
10 Fenchurch Avenue
London EC3M 5BN

If possible, please include:

1. A copy of **Your Policy**;
2. A copy of the complaint/claim;
3. Copies of any contractual documentation setting out **Your** role/involvement;
4. A summary of the background including dates; and
5. The identity of the potential claimant and any other parties involved.

If **You** have additional needs, please contact **Us** on 020 7621 4500 and ask to speak to someone in the Professional Indemnity Claims team. **We** can then note **Your Policy** records which will enable **Us** to provide **You** with the appropriate assistance.

Failure To Make a Fair Presentation

Part 2 of the Insurance Act 2015 requires **You** to make a fair presentation of the risk before the commencement of the cover and the agreement of any variations or renewals.

A fair presentation of the risk includes, but is not limited to:

1. ensuring that every material representation as to a matter of fact is substantially correct;
2. ensuring that every material representation as to a matter of expectation or belief is made in good faith; and
3. disclosing to **Us** every material circumstance which **You** know or ought to know.

If **You** are in doubt as to any aspect of **Your** duties under the Insurance Act 2015, **You** should speak to **Your** insurance agent.

If **You** are in doubt as to the materiality of a representation or **Circumstance**, **You** should disclose it to **Us**.

If **You** fail to make a fair presentation of the risk, the Insurance Act 2015 entitles **Us** to exercise remedies which include:

1. avoiding the **Policy** or any relevant variations or renewals;
2. applying different terms; and/or
3. reducing the amount to be paid on a **Claim**.

If **We** avoid the **Policy**, **We** will usually return the premium unless **Your** conduct has been deliberate or reckless.

Interpretation

In this **Policy**:

1. reference to a statute, order or regulation includes reference to that instrument as revised or replaced;
2. reference to an entity created by statute, order or regulation includes a successor to that entity;
3. words importing the singular include the plural and vice versa;
4. reference to persons includes corporate and unincorporated entities;
5. reference to a gender includes all genders;
6. if a term, condition, exclusion or endorsement or part of the **Policy** is invalid or unenforceable, the remainder of the **Policy** will remain in full force and effect; and
7. headings are for reference only and must be disregarded when interpreting the **Policy**.

Definitions

The following Definitions apply to the whole **Policy**. These words and phrases have the meanings shown below where they appear capitalised and in bold.

Alternate

Any individual practitioner, partnership, limited liability partnership, Isle of Man limited liability company or company who or which is acting in connection with the arrangements to cover the incapacity or death of a sole practitioner.

Authorised Work

The meaning given by the Probate Regulations of the **Relevant Institute**, in force at the date of the inception of this **Policy**.

Circumstance

An incident, occurrence, fact, matter, act or omission that might give rise to a **Claim**.

Claim

A written or oral demand for compensation or damages from, or the assertion of a right against, any **Insured**, including any complaint or reference to any **Ombudsman**.

Claimant

A person or entity which has made or may make a **Claim** including (without limitation) for contribution or indemnity and includes a complainant to the **Ombudsman**.

Computer System

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

Cyber Act

An unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof, involving access to, processing of, use of or operation of any **Computer System**.

Data

Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**.

Data Protection Law

Any applicable data protection and privacy legislation or regulations in any country, province, state, territory or jurisdiction which govern the use, confidentiality, integrity, security and protection of personal data relating to

personal data issued by any data protection regulator or governmental authority from time to time (all as amended, updated or re-enacted from time to time).

Defence Costs

Costs, disbursements and expenses incurred by **You** in:

1. defending any **Claim** or any proceedings relating to any **Claim**;
2. conducting any proceedings for an indemnity, contribution, damages or other recovery relating to a **Claim**;
3. investigating, reducing, avoiding or settling any actual or potential **Claim**; or
4. investigating any circumstance which is notified to **Us** in accordance with the terms of this **Policy**.

Director

Shall have the meaning given by sections 250 and 251 of the Companies Act 2006, section 2 of the Companies Act 1963 of the Republic of Ireland or section 27 of the Companies Act 1990 of the Republic of Ireland (as appropriate) or any amendment or re-enactment thereof.

Documents

Deeds, wills, agreements, maps, plans, records, books, letters, policies, computer system records, forms and documents of whatsoever nature whether written, printed or reproduced by any other method (other than bearer bonds, coupons, bank notes, currency notes and negotiable instruments) which are **Your** property or in **Your** custody or control.

Employee

Any person, including any trainee or consultant, other than a **Director, Member, Partner** or principal in the **Insured** named in the **Schedule**, who is or has been under a contract of service or apprenticeship with **You**, and is or has been under **Your** control and supervision in connection with the **Professional Business**.

Excess

The amount specified in the **Schedule** or any applicable endorsement for which **You** are responsible.

Extended Period of Insurance

The period starting from the day immediately following the expiration of the original **Period of Insurance** and ending with the earliest to occur of:

1. the date that **You** obtain a replacement insurance policy that complies with the provisions of the **Professional Indemnity Insurance Regulations** of the Relevant Institute; or
2. 30 days from receipt by the **Relevant Institute** of written notice from **Us** of the commencement of the **Extended Period of Insurance**.

Financial Services Work

Regulated activities as more fully described in the Financial Services and Markets Act 2000 or the Central Bank and Financial Services Authority of Ireland Act 2004 or similar or successor legislation and regulations made thereunder.

Insurance Mediation Work

Shall have the meaning given by the Designated Professional Body (Investment Business) Handbook of the **Relevant Institute**, in force at the date of the inception of this **Policy**.

Insured/You/Your

Each and all of the following persons, each of whom will be severally insured hereunder:

1. the **Insured** named in the **Schedule** and, save for the purposes of part 5. of the Excess Clause, the predecessors in business of the said entity as disclosed to **Us**;
2. those persons named in the last completed **Proposal Form** and any other person or persons who have subsequently become **Director/Partner/principal/Member** in the **Insured(s)** named in the **Schedule** prior to the expiry of the **Period of Insurance**;
3. any former **Director/Partner/principal/Member** of the **Insured** named in the **Schedule** including any **Director/Partner/principal/Member** remaining as consultants to the **Insured** named in the **Schedule**;
4. any **Employee**;

5. any person who is or has been under a contract for services with the **Insured** named in the **Schedule**, save that such person will only be an **Insured** for the purpose of this **Policy** if and insofar as any **Claim** or loss arises out of **Professional Business** carried on by such person for or on behalf of the **Insured** named in the **Schedule**;
6. the estates and/or legal representatives of any **Insured Person** noted under b., c., d. or e. hereof in the event of their death, incapacity, insolvency, or bankruptcy; and
7. any person who is acting on behalf of the **Insured** named in the **Schedule** as an **Alternate**.

Insured Person

Any natural person insured under this **Policy**.

Insurers/Us/We/Our

The Insurer as set out in the section of the **Policy** headed Insurer.

Limit of Indemnity

The amount specified in the **Schedule** being the maximum amount payable (excluding costs and expenses payable under Insuring Clause 3) by **Us** in respect of any one **Claim** or **Loss** in any **Period of Insurance**, irrespective of the number of claimants or number of **Insureds**, provided that in respect of **Professional Business** connected with **Financial Services work**, the maximum amount payable (including costs and expenses payable under Insuring Clause 3) by **Us** will be in the aggregate in any **Period of Insurance**.

Loss

Damages, compensation and interest, including claimants' costs and expenses, payable by **You** whether by judgment, arbitration award or agreed in any settlement.

Member

A member of a limited liability partnership, including, without limitation, a designated member.

Ombudsman

The Financial Ombudsman Service appointed pursuant to the provisions of the Financial Services and Markets Act 2000 or any amendment or re-enactment thereof, or any other Ombudsman to whose jurisdiction the **Insured** is subject by virtue of contract or law.

Partner

The meaning given by the Partnership Act 1890 or any amendment or re-enactment thereof.

Period of Insurance

The Period of Insurance specified in the **Schedule**.

Pollution

Contamination by naturally occurring or man-made substances, forces or organisms or any combination of them whether permanent or transitory and however occurring.

Policy

The following documents which together comprise the contract of insurance:

1. this policy wording;
2. the **Proposal Form** and/or **Statement of Fact**;
3. the **Schedule**; and
4. any amendments and endorsements.

Professional Business

1. Professional services performed for or professional advice given to a third party by or on **Your** behalf of in relation to the activities declared in the **Proposal Form**;
2. professional services performed or professional advice given by **You** whilst holding an individual appointment, but whilst holding an appointment as company secretary or registrar or **Director** of a company which is not an **Insured** only in relation to **Services**; and/or

3. the provision, sale, licence, lease, amendment or adaptation by **You** of any computer software, hardware, solution, package or publication.

Professional Indemnity Insurance Regulations

The Professional Indemnity Insurance Regulations of the **Relevant Institute**, in force at the date of the inception of this **Policy**.

Proposal Form / Statement of Fact

All the information supplied by **You** to **Us** upon which this **Policy** is based.

Qualifying Insurance

Shall have the meaning given by the **Professional Indemnity Insurance Regulations**.

Relevant First Party Loss

That part of any costs, disbursements or expenses incurred by **You** in investigating, reducing, avoiding or settling any potential **Claim** or **Circumstance** for which there is cover under Insuring Clause 3.

Relevant Institute

The Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants of Scotland or the Chartered Accountants Ireland as applicable.

Schedule

The **Schedule** attached to this **Policy**.

Services

The services provided or advice given by **You** in connection with tax matters, secretarial work, share registration, financial advice to management, book-keeping, management accounting, financial investigation and reports, the negotiation and settlement of financial claims, company formations, investment advice, insurance and pension scheme advice and computer consultancy.

Insuring Clauses

In consideration of payment of the premium shown in the **Schedule** and subject to all terms, conditions and exclusions of this **Policy**, **We** will provide the insurance described in this **Policy** provided that **We** will not pay more than the **Limit of Indemnity**.

1. Civil Liability

We will pay up to the **Limit of Indemnity** for a **Loss** arising from a **Claim** first made against **You** during the **Period of Insurance** in respect of any civil liability incurred in the course of the **Professional Business**.

2. Ombudsman Awards

We will pay up to the **Limit of Indemnity** for amounts that an **Ombudsman** requires **You** pay, or the costs of any steps that an **Ombudsman** directs or recommends that **You** take in relation to a **Claim** first made against **You** and notified to **Us** during the **Period of Insurance** and which arises in the course of the **Professional Business**.

3. Defence Costs and Expenses

We will pay for reasonable costs and expenses incurred with **Our** prior written consent in the defence or settlement of any **Claim** which falls to be dealt with under Insuring Clause 1 or 2, provided that if a payment in excess of the **Limit of Indemnity** has to be made to dispose of such a **Claim**, **Our** liability for such costs and expenses will be the same proportion as the **Limit of Indemnity** bears to the amount paid to dispose of that **Claim**.

4. Loss of Documents

We will pay for reasonable and necessary costs and expenses incurred by **You** with **Our** prior written consent in replacing or restoring **Documents**, having been discovered during the **Period of Insurance** to have been destroyed, damaged, lost or mislaid and which after diligent search by **You** cannot be found, provided that:

- a. in respect of any **Data**, a back- up copy has been made and stored separately off site; and
- b. the maximum **We** will pay for all costs and expenses will be GBP 50,000 for any one claim and GBP 150,000 in the aggregate during the **Period of Insurance**, which will be included and not in addition to the **Limit of Indemnity**.

5. Legal Representation Costs

We will pay for reasonable and necessary costs and expenses incurred with **Our** prior written consent, which are not otherwise payable under Insuring Clause 3, for representation at any properly constituted hearing, tribunal or proceeding having the power to compel **Your** attendance, and notified to **Us** during the **Period of Insurance**, provided that:

- a. **We** reasonably believe that representation could protect **You** against a **Claim** or **Loss** or assist **You** in the defence of any subsequent or concurrent **Claim**, which would otherwise be covered under the **Policy**; and
- b. the maximum **We** will pay for all costs and expenses will be GBP 100,000 in the aggregate in any **Period of Insurance** which will be included and not in addition to the **Limit of Indemnity**.

6. Compensation For Court Attendance

We will pay compensation to **You**:

- a. If **Your** legal advisers with **Our** prior written consent require any **Director**, **Partner**, principal of **Yours** or an **Employee** to attend any court tribunal, arbitration, adjudication, mediation or other hearing as a witness; or
- b. If **We** request the attendance of any **Director**, **Partner**, principal of **Yours** or **Employee** as an interested party at any mediation in connection with a **Claim** made against **You** and notified under this **Policy**.

We will provide compensation to **You** at the following rates for each day on which attendance is required:

- i. **Directors, Partners** or principals GBP 250
- ii. **Employees** GBP 100

Excess Clause

1. **We** will only pay for that part of each and every **Claim** or **Loss** which exceeds the **Excess**.

2. **You** will reimburse **Us** on demand for any such amount of the **Excess** paid by **Us**.
3. The **Excess** will be as specified in the **Schedule** for Insuring Clauses 1 and 2, provided that:
 - a. the **Excess** will apply to each and every **Claim** or **Loss** in respect of Insuring Clause 1, unless connected with **Financial Services Work** where the **Excess** will apply to each and every **Claimant**. The **Excess** will not be applicable to defence costs payable under Insuring Clause 3;
 - b. the **Excess** will apply to each and every award or determination under Insuring Clause 2, unless connected with **Financial Services Work** where the **Excess** will apply to each and every **Claimant**. The **Excess** will not be applicable to defence costs payable under Insuring Clause 3;
 - c. notwithstanding the amount of the **Excess** the maximum amount to be paid by **You** during the **Period of Insurance** under Insuring Clauses 1 and 2 will not exceed the maximum calculated in accordance with the relevant provisions of the **Professional Indemnity Insurance Regulations**.
4. In respect of Insuring Clauses 4, and 5 the **Excess** will be GBP 1,000 which will apply to each and every loss under Insuring Clause 4 and each and every hearing, tribunal or proceeding under Insuring Clause 5.
5. In respect of Insuring Clause 6 the **Excess** will be nil.

Exclusions

We will not pay for:

Death or Injury

A **Claim** or **Loss** arising out of:

1. the death of or bodily injury to or disease of or psychological injury to or emotional distress or anguish or shock or sickness of any **Insured Person**
2. the death, disease, illness or bodily or mental injury (other than emotional distress arising from any libel or slander), of any person (not being an **Insured Person**).

This exclusion will not apply where such **Claim** or **Loss** arises from any actual or alleged breach of duty in the performance of (or failure to perform) activities covered under **Professional Business**.

Directors and Officers and Trustees Liability

A **Claim** against any **Insured** in their capacity as a **Director, Member**, officer or trustee in respect of the performance or non-performance of their duties as a **Director, Member**, officer or trustee unless the **Claim** or loss is in respect of the performance (or non-performance) of **Services**.

Dishonesty and/or Fraud

A **Claim** or **Loss** in respect of dishonest or fraudulent acts or omissions committed by any person after discovery of reasonable cause for suspicion of fraud or dishonesty on the part of that person.

No indemnity will be afforded to any person committing or condoning such dishonesty or fraud ; and in the event of a **Claim** or **Loss** being sustained as a result of any dishonest or fraudulent act or omission, the amount of indemnity under this **Policy** will be reduced by an amount equal to the sum of any monies which but for such dishonesty or fraud would be due to any person from **You** or any monies of such person held by **You**, will be deducted from any amount payable under this **Policy**.

No dishonest or fraudulent act or omission will be imputed to a body corporate unless it was committed or condoned by, in the case of a company, all **Directors** of that company, or in the case of an LLP, all **Members** of that LLP.

Employment

A **Claim** or **Loss** arising out of any dispute between **You** and any present or former **Employee** or any person who has been offered employment with **You**, in connection with such employment.

Failure or Interruption of Services

A **Claim** directly or indirectly caused by, directly or indirectly resulting from or directly or indirectly arising out of any failure or interruption of service provided:

1. to **You** or any other party acting on **Your** behalf by an internet service provider, telecommunications provider or cloud provider but not including the hosting of hardware and software owned by **You**;
2. by any utility provider, but only where such failure or interruption of service impacts a **Computer System** owned or controlled by **You** or any other party acting on **Your** behalf.

This exclusion will not apply to any **Claim** for loss or damage which arises from any actual or alleged breach of duty in the performance of (or failure to perform) activities covered under **Professional Business**.

Fines Penalties and Punitive Damages

Fines, penalties, punitive, exemplary or aggravated damages where such damages have been identified separately within any award of a court or the multiple portion of any **Claim**.

This exclusion will not:

1. apply to any **Claim** relating to any actual or alleged defamation arising out services performed in the course of the **Professional Business** carried on by, or on **Your** behalf; and / or

2. operate to exclude or limit (or be construed as excluding or limiting) the scope of the indemnity afforded by Insuring Clause 2.

Goods and Software

A **Claim** or **Loss** arising directly from goods sold, supplied, repaired, altered, manufactured, constructed, installed or maintained by **You** or any person, acting for or on **Your** behalf.

This exclusion will not apply where such **Claim** or **Loss** arises from any actual or alleged breach of duty in the performance of (or failure to perform) the activities covered under **Professional Business**.

Insured V's Insured

A **Claim** by one **Insured** against another **Insured** except as provided for under Claims Condition: Dishonesty and Fraud, and/or General Condition: Subrogation.

Land and Vehicles

A **Claim** or **Loss** arising directly or indirectly from **Your** ownership, possession or use of land, buildings, aircraft, watercraft, vessels or mechanically propelled vehicles.

Jurisdictional and Territorial Limits

A **Claim** or **Loss**:

1. which is the subject of legal proceedings brought against **You** in the United States of America or Canada or their territories or possessions (whether for enforcement of judgement brought in another jurisdiction or otherwise) or in which it is contended that the laws of any country state or political sub-division of the United States of America or Canada or their territories and possessions Canada should apply; or
2. arising from **Professional Business** carried out from any office of **Yours** situated in the United States of America or Canada.

This exclusion will not apply if there was no reasonable basis for **You** to believe or suspect there was any prospect of such proceedings arising from the **Professional Business**. In such circumstances, then (but only to the extent of such cover) the following additional terms will apply:

- a. **Limit of Indemnity** will mean the amount specified in the **Schedule** being the maximum amount payable by **Us** irrespective of the number of claimants or number of **Insureds** under Insuring Clauses 1 and 2 (including costs and expenses payable under Insuring Clause 3) in the aggregate in any **Period of Insurance**;
- b. Any payment by **Us** will erode the **Limit of Indemnity**; and
- c. **We** will not pay for :
 - i. any **Claim, Circumstance, Loss** or liability based upon the Employment Retirement Income Security Act of 1974 (or similar legislation) and any amendments thereto, or any rules or regulations promulgated thereunder;
 - ii. any **Claim, Circumstance, Loss** or liability arising out of any actual or alleged violations of the Racketeer Influenced and Corrupt Organisation Act 18 USC Sections 1961 et seq (or similar legislation) and any amendments thereto, or any rules or regulations promulgated thereunder;
 - iii. any **Claim, Circumstance, Loss** or liability arising out of any actual or alleged violation of any of the provisions of the Securities Act of 1933, the Securities Exchange Act of 1934 (or similar legislation) or any amendments thereto, or any rules or regulations promulgated thereunder;
 - iv. any punitive or exemplary damages; and/or
 - v. any seepage, **Pollution** or contamination of any kind.

Pollution

A **Claim** or **Loss** (including loss of value) arising directly or indirectly from **Pollution**.

This exclusion will not apply where such **Claim** or **Loss** arises from any actual or alleged breach of duty in the performance of (or failure to perform) the activities covered under **Professional Business**.

Prior Awareness

A **Claim** or **Circumstance** that may give rise to a **Claim** or **Loss** which has been notified under any policy of insurance attaching prior to the inception of this **Policy**.

Property

A **Claim** or **Loss** arising out of physical loss of or damage to property.

This exclusion will not apply where such **Claim** or **Loss** arises from any actual or alleged breach of duty in the performance of (or failure to perform) the activities covered under **Professional Business**.

Radiation

A **Claim** or **Loss** whether directly or indirectly caused by, or contributed to, or arising from:

1. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

Relevant First Party Loss

1. **Relevant First Party Loss** caused by, resulting from, or arising out of:
 - a. a **Cyber Act**;
 - b. partial or total unavailability or failure of any **Computer System**, provided the **Computer System** is owned or controlled by **You** or any other party acting on **Your** behalf in either case; or
 - c. the receipt or transmission of malware, malicious code or similar by **You** or any other party acting on **Your** behalf;
2. **Relevant First Party Loss** for breach of **Data Protection Law** in respect of **Data** by **You** or any other party acting on **Your** behalf.

Retroactive Date

A **Claim** or **Loss** where the cause of such **Claim** or **Loss** occurred or was alleged to have occurred prior to the Retroactive Date specified in the **Schedule** provided always that the Retroactive Date complies with at least the minimum required by the **Professional Indemnity Insurance Regulations**.

In the absence of a Retroactive Date specified on the **Schedule**, this exclusion will not apply.

Terrorism

A **Claim** or **Loss** connected with the action, threat of action, or attempt at action, by individual(s) or group(s) of individuals or body/bodies or organisation(s), whether acting alone, on behalf of, or in concert with any other body, organisation, or government, where such action, threat, or attempt is designed to influence, intimidate, or coerce, a government or international governmental organisation or the population or a section of the population, or a community, and the action, threat, or attempt, is made for the purpose of advancing a political, religious, or ideological cause. Including, but not limited to:

1. the use of violence against a person;
2. the causing of loss of, or damage to, property;
3. acts which endanger a person's life;
4. acts involving the use of biological or chemical materials or weapons, or a nuclear device, nuclear material, or radioactive substance;
5. acts which create a risk to the health of an individual, the public, or a section of the public; and
6. acts designed or intended to interfere with, disrupt, or cause the malfunction of, electronic or mechanical equipment.

Trading Losses

A **Claim** or **Loss** arising out of or in connection with any trading losses or trading liabilities incurred by any business managed by or carried on by **You**.

This exclusion will not apply to any **Claims** made against **You** for negligence in the normal course of **Your** conduct of any receivership or procedures under the Insolvency Act 1986, the Bankruptcy & Diligence (Scotland) Act 2007, the Insolvency (Northern Ireland) Order 1989 or in the Republic of Ireland any receivership or insolvency procedures under the Companies Acts 2014 or the Bankruptcy Act 1988 or any amendment or re-enactment thereof.

War and Government Action

A **Claim** or **Loss** connected with:

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution or military or usurped power; and/or
2. any action taken in controlling, preventing suppressing or in any way relating to war or the acts described in 1. above; and/or
3. martial law, confiscation, nationalization, requisition or destruction of property by or under the order of a government or local authority; and/or
4. civil commotion in Northern Ireland.

Warranties and Guarantees

A **Claim** or **Loss** arising:

1. out of the giving of any express or implied warranty or guarantee relating to the financial return of any investment or portfolio; and /or
2. directly from any liability assumed by **You** under any express warranty or guarantee unless **You** would be liable at law despite such express warranty or guarantee.

Special Conditions

Extended Period of Insurance

The **Period of Insurance** will be extended by the **Extended Period of Insurance** where **You** have not, prior to the expiration of the original **Period of Insurance**, obtained **Qualifying Insurance**, incepting on and with effect from the day immediately following the expiration of the original **Period of Insurance**. This special condition will not apply to policies of insurance issued by the Assigned Risks Pool which will have the meaning given by the **Professional Indemnity Insurance Regulations**.

Run -Off Cover

If the **Insured** named in the **Schedule** ceases during or on expiration of the **Period of Insurance** or, if applicable, the **Extended Period of Insurance**, **We** will provide run-off cover in accordance with the **Professional Indemnity Insurance Regulations** for a minimum of two years from the date of cessation.

The provision of run-off cover may be conditional on payment of an additional premium by a specified date. In the event that run-off cover does not incept for reasons of non-payment, **We** will give notice to the **Relevant Institute** within 7 days and **You** will be deemed to consent to such notification being made.

Series Conditions

Where a series of **Claims** or **Losses** arise from a breach of or repeated breaches of a single duty or identical duties owed and arising from a single cause, all **Claims** and **Losses** within that series will be treated as a single claim for the purpose of the **Limit of Indemnity** and the **Excess**.

Claims Conditions

We will not pay a **Claim** or **Loss** unless **You** comply with the following conditions:

Admission of Liability

You will not admit liability for, or settle, any **Claim**, **Loss** or **Circumstance**, or incur any costs or expenses for such **Claim**, **Loss** or **Circumstance**, without **Our** prior written consent (such consent not to be unreasonably withheld or unreasonably delayed).

Claims Control

1. **We** will be entitled, but not obliged, at any time to take over and conduct the defence, investigation or settlement of a **Claim** or **Circumstance** in **Your** name.
2. If a common course of action with regard to the contesting of any legal proceedings (whether defence or prosecution) cannot be agreed between **Us** and **You**, the dispute will be resolved by reference to King's Counsel of the English Bar, or in the Republic of Ireland a Senior Counsel, to be mutually agreed between **Us** and **You**, who will advise whether such proceedings should be contested with a probability of success of more than 50%.
3. In the event of disagreement regarding the appointment of King's Counsel, the King's Counsel will be appointed by the President of the **Relevant Institute**.

Co-operation

1. **You** will give to **Us** all such information and assistance as **We** may reasonably require and is in **Your** power to provide.
2. **You** will co-operate with **Us** and **Our** appointed representatives:
 - a. by providing all such information, assistance, signed statements or depositions as may be required to facilitate compliance with all and any Civil Procedure Rules, Practice Directions and Pre-Action Protocols as may be issued;
 - b. by assisting them to present the best possible defence of a **Claim**;
 - c. by ensuring access to all and any information that **We** or **Our** representatives may require in the defence of a **Claim** or in the investigation of any **Circumstance** or **Loss**, whether or not privileged;

- d. by making payment on demand of the **Excess** in order to comply with the terms of any settlement agreed by **Us**;
- e. by providing all such information, assistance, signed statements or depositions as may reasonably be required to permit **Us** to exercise rights of subrogation; and
- f. by ensuring that all documents of any description (whether kept in paper, magnetic or electronic form) relevant to any **Claim, Circumstance** or **Loss** are preserved in their entirety.

Defence and Settlement of Claims

If **We** feel it is necessary, **We** will appoint our adjuster, solicitor or other appropriate person to deal with a **Claim**. If you ask **Us**, **We** may agree to appoint **Your** solicitor, but only if **We** are satisfied that **Your** solicitor has the necessary expertise to undertake this work, only on a similar fee basis as **Our** solicitor and only for work done with **Our** prior written approval.

Dishonesty and Fraud

1. At **Our** request and expense, **You** will take all reasonable steps to recover from any person, or from their estates or legal representatives, committing or condoning any dishonest or fraudulent act or omission.
2. Where **You** have recovered monies from the person or persons, or their estates or legal representatives, committing or condoning dishonest or fraudulent acts or omissions, and **You** have paid such recovered amounts to a **Claimant**, **We** will only be liable for the balance of any civil liability in excess of such amounts recovered.
3. In the event of any delay or inability outside of **Your** control in recovering such monies described above, and subject always to the **Limit of Indemnity**, **We** will pay in full any amount payable to a **Claimant** in respect of **Your** civil liability, and **You** will reimburse **Us** in respect of such monies as and when such monies are recovered.
4. If **You** make any fraudulent claim under this **Policy**, **We** may:
 - a. recover from **You** any sums that **We** have already paid to **You** in respect of the fraudulent claim, and
 - b. by notice to **You**, treat this **Policy** as terminated with effect from the date of the fraudulent act and need not return any of the premium paid.

If **We** exercise our rights under a. and b. above, **We** will not be liable to **You** in respect of a genuine **Claim, Circumstance** or **Loss** which occurs after the time of the fraudulent act and **We** and need not return any of the premium paid.

Notification

1. As soon as reasonably practicable and in any event not later than the last day of the **Period of Insurance**, **You** will give notice to **Us** in writing of:
 - a. any **Circumstance** or **Loss** of which **You** first become aware during the **Period of Insurance**,
 - b. an awareness or suspicion of dishonesty or fraud on the part of a present or past **Director, Partner**, principal, **Member, Employee, Alternate** of **Yours** whether giving rise to a **Claim** or **Loss** or not,
 - c. the receipt of notice of the intention to institute proceedings (including, but not limited to, legal proceedings, dispute resolution proceedings or disciplinary proceedings) against **You** or requiring **You** to attend any hearing, tribunal or proceedings.
2. As soon as reasonably practicable and in any event within 30 days of expiry of the **Period of Insurance**, **You** will provide **Us** with details in writing if:
 - a. **You** receive any **Claim** made against **You** or any **Insured** during the **Period of Insurance**;
 - b. **You** become aware of any potential requirement to make a claim under any Insuring Clause.

Notifications made under 1 and 2 above which subsequently give rise to a **Claim** or **Loss** will be deemed to have been notified to **Us** during the **Period of Insurance**.

General Conditions

Advancement of Defence Costs and Expenses

1. Notwithstanding the provisions of part 3.b. of the Excess Clause and Exclusion: Dishonesty and Fraud, **We** will pay costs and expenses under Insuring Clause 3 as and when they are incurred, including costs and expenses incurred on behalf of an **Insured** who is alleged to have committed or condoned a dishonest or

fraudulent act or omission, provided that **We** will not be liable for costs and expenses incurred on behalf of such Insured after the earlier of:

- a. the **Insured** admitting to **Us** the commission or condoning of such dishonest or fraudulent act or omission; or
- b. a final and unappealable judgment or adjudication establishes that the **Insured** was guilty of such dishonest or fraudulent act or omission.

Each **Insured** who makes such admission or where guilt is established will reimburse **Us** in respect of costs and expenses advanced on that **Insured's** behalf.

2. In the event of any dispute concerning **Our** liability (including without limitation a dispute as to the policy year or insurer under which a **Claim** or **Circumstance** might fall to be dealt with), **We** agree to pay costs and expenses under Insuring Clause 3 and pay for a **Claim** or **Loss** under Insuring Clause 1 or 2 pending the resolution of any such dispute.

Choice of Law and Jurisdiction

This **Policy** will be governed by and construed in accordance with the laws of England and Wales/Scotland/Ireland.

Cancellation

This **Policy** may not be cancelled unless **You** and **We** mutually agree in writing to cancel the **Policy**. In the event of such agreement and within 7 days of the date of the agreement, **We** will write to:

1. **You** at the address shown in the **Schedule** notifying **You** that the **Policy** will be cancelled with effect from a date not less than 30 days after the date of the agreement; and
2. the **Relevant Institute** notifying it of the agreement, the effective date of the cancellation and the name of the **Insured**.

Compliance with Ombudsman

Any compliance by **You** with any rules, requirements, directions or guidance of any **Ombudsman** will not constitute a breach of any clause of this **Policy**, provided that **You** provide **Us** with copies of any documentation if **We** request copies.

Compliance with Minimum Terms / Difference in Conditions

1. The cover provided by this **Policy** will, notwithstanding any **Policy** wording to the contrary be, in each and every respect and in respect of each and every **Claim** and in the aggregate, no less favourable and provide no less protection to **You** than the Approved Minimum Wording as defined in the **Professional Indemnity Insurance Regulations**.
2. The **Limit of Indemnity** for **Claim(s)** or losses (excluding costs and expenses payable under Insuring Clause 3) arising out of **Authorised Work** in any **Period of Insurance**, will be no less than the minimum level of Professional Indemnity Insurance cover required under the Probate Regulations unless a higher amount is specified in the **Schedule**.
3. The limit of indemnity for **Claim(s)** or losses (excluding costs and expenses payable under Insuring Clause 3) arising out of **Insurance Mediation Work** in any **Period of Insurance** will be no less than the minimum level of Professional Indemnity Insurance cover required under the Designated Professional Body Handbook unless a higher amount is specified in the **Schedule**.
4. If the insurance offered by this **Policy** exceeds that provided by the Approved Minimum Wording then, notwithstanding any **Policy** wording to the contrary, the limit of indemnity in respect of that additional indemnity will be in addition to the limit of indemnity provided by the Approved Minimum Wording. However the additional indemnity will only operate when any insurance excess of the primary insurance has been exhausted by reason of claims.
5. In any dispute as to whether the cover under this **Policy** is in any respect or in the aggregate less favourable or gives less protection to **You** than the Approved Minimum Wording would do, an arbitrator who will be agreed between **Us** and **You**, or failing such agreement will be selected at the request of either **Us** or **You** by the President for the time being of the **Professional Indemnity Insurance Regulations**, will be appointed to resolve the dispute. The arbitrator will base his decision on the general intention of **Us** and **You** as stated under 1 above and insofar as is possible on general principles of justice and equity. The arbitrator's decision will be binding on both **Us** and **You**.

Contracts (Rights of Third Parties) Act 1999

A person or entity not a party to the **Policy** has no right under the Contracts (Rights of Third Parties) Act 1999 or any equivalent legislation in the Republic of Ireland or any amendment or re-enactment thereof to enforce any terms of this **Policy**.

Disputes and Jurisdiction

1. Any dispute arising between **You** and **Us**:
 - a. as to the correct interpretation of this **Policy**;
 - b. regarding the application of the Failure to Make a Fair Presentation Condition; or
 - c. concerning liability to indemnify **You** (including without limitation a dispute as to the policy year under which any **Claim** or **Circumstance** might fall to be dealt with between (a) **Us** and (b) any insurer(s) subscribing to the policy corresponding to this **Policy** in respect of a previous period of insurance),will be referred for arbitration by either party to a King's Counsel (or in the Republic of Ireland a Senior Counsel), to be agreed upon by both parties, whose decision will be final and binding on both parties.
2. In the event of disagreement regarding the appointment of King's Counsel, the King's Counsel will be nominated by the President of the **Relevant Institute**. **We** agree to pay the costs of such referral except in those instances where indemnity has been denied and the King's Counsel (or in the Republic of Ireland a Senior Counsel) upholds **Our** decision.
3. The Courts of England and Wales/Scotland as applicable will have exclusive jurisdiction for hearing and determining any litigation arising out of or in connection with the interpretation of this **Policy** and any arbitration proceedings will be heard and determined solely in England/Wales/Scotland as applicable and in accordance with the laws and procedures of England and Wales or Scotland.

Entity to act as Agent

All persons falling within the definition of the **Insured** agree that the first entity named in the **Schedule** is their agent for all purposes in connection with this **Policy**. This **Policy** may be varied or rescinded by agreement between **Us** and this entity without the consent of any other person falling within the definition of the **Insured**.

Insured entitled to information and documentation

You will be entitled to any and all information and/or documentation regarding the defence, investigation or settlement of any **Claim** and/or the investigation into any **Circumstance** as **You** may reasonably request from **Us**.

No set-off

1. Any amount payable by **Us** by way of indemnity under this **Policy** in respect of **Your** civil liability to a **Claimant** will be paid only to the **Claimant**, or at the **Claimant's** direction.
2. Subject to Claims Condition: Dishonesty and Fraud, **We** are not entitled to set off any payment due to **Us** from any **Insured** against any sums which are payable under this **Policy**. This includes, without limitation, any payment of premium or any payment due to **Us** by way of reimbursement. This Condition will not apply where the **Claimant** confirms in writing that **You** have paid in full any civil liability direct to the **Claimant**, or **You** provide evidence to **Us** of such payment.

Other Insurance

Our liability under this **Policy** is not reduced or excluded by reason of the existence or availability of any other insurance. This clause does not affect **Our** right to claim contribution from any other insurer which is also liable to indemnify any **Insured**.

Relinquish Control by Payment of Claim

We may at any time free ourselves from further liability for a **Claim** or **Loss** under this **Policy** by paying the **Limit of Indemnity** to **You** or lesser amount for which a **Claim** can be settled, after deducting payments already made. **We** will pay costs and expenses incurred with **Our** prior written consent up to the date of such payment.

Sanctions

The provision of any cover, the payment of any **Claim** and the provision of any benefit will be suspended, to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Us** to any sanction, prohibition or restriction under any:

1. United Nations' resolution(s); or

2. the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Such suspension will continue until such time as **We** would no longer be exposed to any such sanction, prohibition or restriction.

Subrogation

We will not exercise any right of subrogation in the name of any **Insured** against any other **Insured** except as provided in Claims Condition: Dishonesty and Fraud.

VAT

All payments to **You** under this **Policy** will be exclusive of VAT unless **You** are unable to reclaim VAT from HMRC.

How to Complain

Our aim is to ensure that all aspects of **Your** insurance are dealt with promptly, efficiently and fairly. **We** are committed to providing the highest standard of service at all times.

If **You** have an enquiry about **Your Policy**, please contact **Your** insurance agent who arranged the **Policy** for **You**.

If **You** have cause to make a complaint, **You** can do so at any time by contacting **Us**:

Email: complaints@archinsurance.com

Tel: 0333 207 2268

Post: Complaints Manager
Arch Insurance (UK) Limited
4th Floor
10 Fenchurch Avenue
London EC3M 5BN

If **We** do not succeed in resolving **Your** complaint, or if **You** have not received a final response within 8 weeks of the complaint being made, **You** may have the right to refer **Your** complaint to the Financial Ombudsman Service (FOS).

You can contact the FOS at:

Tel: 0800 023 4567 (calls to this number are free from “fixed lines” in the UK)

or

0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK)

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

Web: www.financial-ombudsman.org.uk/make-complaint

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

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. **You** can find more information on the FOS at www.financial-ombudsman.org.uk.

Following this procedure does not affect **Your** right to take legal action.

Financial Services Compensation Scheme (FSCS)

Arch Insurance (UK) Limited is covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation from FSCS if **We** are unable to meet our obligations to **You** under this insurance.

If **You** are entitled to compensation from the FSCS, the level and extent of compensation will depend on the nature of this insurance. Further information about FSCS is available on their website: www.fscs.org.uk or **You** can write to them at PO Box 300, Mitcheldean, GL17 1DY.

Privacy Notice

Arch Insurance (UK) Limited (“Arch”) is committed to safeguarding the privacy and security of all personal information held by **Us**. This notice explains who **We** are, the types of personal information **We** hold, how and why **We** use it, who **We** share it with, how long **We** keep it and **Your** data protection rights. Further details can be found within **Our** full privacy notice which is available on **Our** group website www.archcapgroup.com/privacy.

Who We are

Arch is part of the Arch Capital Group Ltd. group of companies and is registered with the Information Commissioner’s Office, registration number Z2421416. Arch is the Data Controller of the information **You** provide to **Us** for the products and services **We** provide to **You**.

Further information about Arch can be found at **Our** website listed above.

What personal information we collect about You

We will collect personal information which may include **Your** name, telephone number, email address, postal address, occupation, date of birth, prior insurance history (including previous claims), details of the insurance product or service **You** wish to use and payment details (including bank account number and sort code). **We** may collect credit and anti-fraud information such as **Your** credit history.

We may also need to request and collect sensitive personal information about **You**, such as details of relevant criminal offences and convictions or **Your** medical history. **We** will only collect and process sensitive personal data where it is critical for the delivery of a product or service and without which the product or service cannot be provided.

How and why We use Your personal information

We will use **Your** personal information to:

- Provide quotations and set up **Your** policy.
- Manage **Your** policy and provide the products or services **You** have requested.
- Process claims, including the defence or prosecution of legal claims, and to investigate and prevent fraud.
- Develop new products and services.
- Undertake statistical analysis.

We may process **Your** personal information for the following reasons:

- For the purpose of managing **Your** insurance and any claims **You** make.
- It is necessary to meet the terms of an insurance contract with **You** or a third party on **Your** behalf.
- It is necessary to meet an obligation **We** have by law.
- It is in **Our** or a third party’s legitimate interest, such as to prevent and detect fraud, performing data analytics for risk modelling purposes and for any sale, merger or takeover of all or part of Arch.

How We collect Your personal information

We may collect information about **You** from various sources, including:

- **You** or a representative such as a family member, **Your** insurance agent or employer.
- Other insurance companies or their representatives.
- Credit reference agencies.
- Anti-fraud databases or sanctions lists providers.
- Government agencies such as HM Revenue & Customs and the Driver and Vehicle Licensing Agency.
- Publicly available sources such as court judgments and electoral registers.
- Third-party service providers (such as a loss adjustor) or any third parties involved with a claim.

Who We share Your personal information with

We may share **Your** information with:

- Third parties who help **Us** deliver **Our** products and services to **You**. This can include claims handlers, loss adjustors, legal representatives and data-storage providers.
- **Your** insurance agent/broker.

- Other insurers and reinsurers.
- Credit reference bureaus and other financial firms involved in any financial payments.
- National anti-fraud databases and fraud prevention agencies including the Claims and Underwriting Exchange and the Motor Insurers Anti-Fraud and Theft Register.
- Auditors, regulators, police or law enforcement bodies and statutory or regulatory authorities, including but not limited to the Employer's Liability Tracing Office and the Motor Insurers' Bureau
- Companies within the Arch Capital Group Ltd group of companies to help deliver **Our** products and services.

When **We** use third parties to deliver **Our** products and services, **Your** personal information will only be used for the provision and administration of the services provided to **You**. We require third parties to take all steps which are reasonably necessary to ensure that **Your** data is treated securely and in accordance with this notice.

The data **We** collect about **You** may be transferred to, and stored at, a destination outside of the United Kingdom ("UK") or the European Economic Area ("EEA"). We will ensure that such transfers of personal information are protected by appropriate contractual clauses and that the transfer of information complies with all relevant data protection laws.

How long We keep Your personal information for

We will not keep **Your** personal information for any longer than is necessary for the purpose for which it was provided, unless **We** are required to by law.

We will normally keep information for at least seven years after the termination or cancellation of a product, contract or service that **We** provide. In certain cases, **We** will keep **Your** information for longer, particularly for types of insurance for which a claim could potentially be made by **You** or a third party at a future date, even after **Your** contract with **Us** has ended.

Your rights relating to Your personal information

Under data protection law **You** have several data protection rights. These include the right to request a copy of **Your** personal information, request to have **Your** information updated or corrected, request to have **Your** information deleted (right to be forgotten), object to how **We** are using **Your** information (including **Our** legitimate interests mentioned above), or request to have **Your** information sent directly to a third party.

These rights may not apply in all cases or there might be restrictions to how these apply. If **You** wish to exercise any of **Your** rights, please contact **Our** Data Protection Officer whose contact details are below.

If **You** have any concerns about how **We** may use or have used **Your** personal information, please contact **Us** and **We** will try to resolve **Your** concerns. **You** may also contact the UK Data Protection Regulator - the Information Commissioner's Office, whose details can be found on their website www.ico.org.uk.

How to contact Us

You can contact **Us** for any data protection queries by email: DPO@archinsurance.com or by writing to The Data Protection Officer, 4th Floor, 10 Fenchurch Avenue, London, EC3M 5BN.