



direct line
for business

Professional Indemnity Insurance

All you need to know



Free Business Advice Service

These helplines are provided for Your use whilst Your Policy is in force.

Eurolaw Commercial Legal and UK Tax Advice 0330 100 7901

Unlimited access to a team of legal advisors, for confidential legal advice and guidance on any commercial legal problem such as:

- Employment
- VAT
- Prosecution
- Contract disputes
- Landlord and tenant disputes

Please note that advice on motoring matters is not available.

Eurolaw Commercial Legal advice can only be offered in respect of matters subject to the laws of and within the jurisdiction of courts or tribunals of:

- England, Scotland, Wales and Northern Ireland
- the Channel Islands and the Isle of Man
- any other member country of the European Union
- Switzerland and Norway

Tax advice can only be offered in respect of matters subject to the laws of the United Kingdom.

Specialist legal advice is provided 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, You will be called back the next working day between 9am and 5pm.

Tax advice is provided by tax advisors 9am – 5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, You will be called back the next working day between 9am and 5pm.

This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Limited all calls are recorded.

Stress Counselling Helpline 0345 878 5029

Available 24 hours each day, seven days every week, all year round.

A confidential counselling service for any employee (and their family) over the telephone, assisting issues such as:

- Stress
- Relationship
- Depression
- Bereavement
- Family

This service can also help with:

- Onward referral to relevant voluntary, self-help groups or professional services
- Availability of planned (weekly) telephone counselling sessions, time to suit caller
- Details of face to face counsellors in Your area

Any costs arising from the use of these referral services will not be paid by DAS.

This helpline is provided on Our behalf by DAS Legal Expenses Insurance Company Ltd, all calls are recorded.

DAS will not accept responsibility if the telephone helpline services operated by them are unavailable for reasons they cannot control.

In addition to these helplines, DAS offer on Our behalf access to the DAS Employment Manual.

Employment manual

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit www.das.co.uk and select Employment Manual. All the sections of this web-based document can be printed off for Your own use.

Contact DAS at employmentmanual@das.co.uk with Your email address, quoting Your policy number and DAS will contact You by email to inform You of future updates to the information.

Contents

Free Business Advice Service	2
Contents	3
Definitions	4
Insuring clauses	5
Exclusions	6
Notification and Claims Conditions	8
General Conditions	8
Important Information	11
Direct Line for Business Privacy Notice	12

Definitions

Titles and Headings in this **Policy** are descriptive only and are used solely for convenience of reference and will not be deemed in any way to limit or affect the provisions to which they relate.

Any words or expressions in the **Policy** which have a specific meaning appear in bold print and each word begins with a capital letter and has the same meaning whenever it appear in the **Policy** (whether expressed in the singular or in the plural, male, female or neutral) unless expressly stated otherwise.

Circumstance

will mean any circumstance, incident, occurrence, fact, matter, act, omission state of affairs or event which is likely to give rise to a claim against **You** or a claim by **You** under the Policy.

Computer system

will mean any computer, data processing equipment, media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or any computer software (including but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode, or any electronic documents utilised in the ownership, security and management of **Your** electronic communications system, world-wide website, internet site, intranet site, extranet site or web address(es).

Damages

will mean monetary relief.

Defence costs and expenses

will mean all reasonable costs and expenses incurred, with **Our** prior written consent, in the investigation, defence and settlement of any claim first made against **You** or of any **Circumstance** first notified during the **Period of insurance**. It does not include **Your** own overhead costs and expenses.

Documents

will mean digitised data, information recorded or stored in a format for use with a computer, microcode, deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates, written or printed documents or forms of any nature whatsoever (excluding any bearer bonds or coupons, bank or currency notes, share certificates, stamps or other negotiable paper).

Employee

is:

- a** any person employed by **You** under a contract of service, training or apprenticeship; and
- b** any voluntary worker; and
- c** any locum, seasonal or temporary personnel; and
- d** any self-employed person, who is not an independent contractor; and
- e** any person supplied or remunerated through a contract hire company or agency, who is not an independent contractor but is employed by the contract hire company on a supply only basis, working as a member of **Your** staff;
but only if such person is working under **Your** direction, control and supervision.

Excess

is the first amount paid in respect of each claim as stated in the Schedule. The **Excess** is not payable in respect of **Defence costs and expenses**. The Indemnity limit is additional to the **Excess**.

Financially associated person or entity

will mean:

- a** any business controlled or managed by **You** or in which **You** have an executive interest;
- b** any company in which **You** directly or indirectly owns or controls more than 15% of the issued share capital;
- c** any person having an executive or managerial role in **Your** firm or who would be considered to be a shadow director (as defined in s.251 of the Insolvency Act 1986);
- d** any company that directly or indirectly owns or controls any of the issued share capital of **Your** firm or any of whose issued share capital is directly or indirectly owned or controlled by any other company or person who directly or indirectly owns or controls any of the issued share capital.

Indemnity limit

will mean Our total liability to pay **Damage** and claimant's costs, and will not exceed the sum(s) stated in the Schedule in respect of any one claim or series of claims arising out of one originating cause regardless of the number of persons claiming an indemnity from **Us** under the terms of this Policy.

Jurisdiction

will mean the jurisdiction stated in the Schedule. Where no jurisdiction is stated in the schedule then the Jurisdiction will be Worldwide but excluding the United States of America (including its territories and /or possessions) and Canada.

Period of insurance

is that as stated in the Schedule.

Personal appointment

is any individual appointment of a professional nature arising out of the ordinary professional activities of **You** other than any appointment as a director or officer of a company or as a trustee.

Professional business

is the business of **Yours** as stated in the Schedule including the holding of any **Personal appointment**.

Virus

will mean any unauthorised executable code uploaded to, or replicated through, a **Computer system** or network whether termed a virus or known by any other name and whether it is self-replicating or non-replicating which causes damage or loss to data or the **Computer system**.

We / Us / Our

U K Insurance Limited and/or such other authorised Insurer as U K Insurance Limited may contract to underwrite any part of this Policy.

You / Your / Yours

is any person or firm stated in the Schedule and includes any current or previous partner, director, principal, member or **Employee** of any firm or company stated in the Schedule and any other person who becomes a partner, director, principal, member or **Employee** of the firm.

Insuring Clauses

In consideration of the premium having been paid to **Us**, **You** are indemnified as follows:

1 Indemnity

Up to the **Indemnity limit** for **Damages** and claimant's costs for which **You** are legally liable to pay resulting from claims first made against **You** during the **Period of insurance** and arising out of the ordinary course of the **Professional business**, in consequence of:

- a breach of professional duty;
- b dishonest, fraudulent or malicious act or omission of any former or present **Employee** (which term, for the purpose of this clause alone, will not include any principal, partner, member or director of **Yours**) provided that no indemnity will be given under this Policy in the event that any principal, partner, member or director of **Yours** conspired to commit or condoned any such dishonest, fraudulent or malicious act or omission;
- c libel, slander or defamation;
- d confidentiality or other invasion, misuse of private information, infringement or interference with rights of privacy or publicity including false light and the public disclosure of private facts including misuse of any information which is either confidential or subject to statutory restrictions;
- e unintentional infringement of intellectual property rights except patents;
- f the loss of or damage to **Documents**;
- g any other civil liability not otherwise excluded.

2 Legal defence costs and expenses

We will pay in addition to any indemnity under Insuring Clause 1, all **Defence costs and expenses** provided that:

- a if the amount paid or agreed to be paid by or on behalf of **You** to dispose of a claim exceeds the **Indemnity limit** **We** will only be liable for that proportion of the **Defence costs and expenses** which the **Indemnity limit** bears to the amount paid or agreed to be paid;
- b in the event that **We** elect to make a payment to **You** pursuant to Notification and Claims Condition 2.2 then **We** will have no liability to pay **Defence costs and expenses** incurred after the date upon which such payment is made.

3 Costs for prosecuting infringement of Your intellectual property rights

Up to a maximum of £ 25,000 in the aggregate in the **Period of insurance**, for the reasonable and necessary costs and expenses incurred by **You**, with **Our** prior written consent, in the pursuance of any claim first made by **You** against a third party during the **Period of insurance**, for infringement of intellectual property rights first discovered by **You** during the **Period of insurance** where the ownership of such rights is vested in **You** or the purposes of this Insuring Clause **We** will only give prior consent where **You** have provided, at **Your** expense, an opinion from a solicitor, barrister or suitably qualified intellectual property agent

evidencing the existence of **Your** intellectual property rights, the infringement of those rights, a measurable loss and a reasonable prospect of success.

4 Costs for representation

All reasonable and necessary legal costs incurred by **You** with **Our** prior written consent for representation at any inquiry or other proceeding which has, in **Our** sole opinion, a direct relevance to any claim, **Circumstance** or event which could form the subject of indemnity under this Policy. For the avoidance of doubt Costs for Representation cover does not apply to Insuring Clause 3.

5 Irrecoverable fees

Up to the **Indemnity limit** for amounts owed to **You**, including amounts legally owed by **You** to sub-contractors or suppliers, due to the refusal of **Your** client to pay for work done by **You** for them where such client has reasonable grounds for being dissatisfied with the work and threatens to bring a claim for more than the amount owed, and which would otherwise be covered under Insuring Clause 1, provided that such threat is first made against **You** and notified to **Us** during the **Period of insurance**. In such circumstances, if it is possible to settle the dispute by agreeing not to pursue the outstanding amount, **We** will agree to pay the amount owed if they consider that it will avoid a legitimate claim for a greater amount. If, following this, a claim under **Insuring Clause 1** still arises then the amount paid under this section will be deducted from the **Indemnity limit**. If **You** eventually recovers part or all of the debt then such recovered amount paid by will be repaid to **Us** less **Your** reasonable expenses of recovering the debt due.

6 Data protection defence costs

Up to a maximum of £250,000 in the aggregate in the **Period of insurance**, for reasonable and necessary legal costs and expenses incurred by **You** with **Our** prior written consent, in the defence of any criminal proceedings brought against **You**, during the **Period of insurance**, under the Data Protection Act 1998 or amending or superseding legislation provided always that:

- a the act, error or omission giving rise to the proceedings will have been committed by **You** in the ordinary course of the **Professional business**;
- b **We** will be entitled to appoint solicitors and counsel to act on **Your** behalf;
- c **We** will have no liability to pay costs incurred subsequent to a plea or finding of guilt on **Your** part, or in the event that counsel should advise that there are no reasonable prospects of successfully defending the proceedings, except for costs incurred solely for the purpose of making a plea in mitigation before sentencing or costs incurred in making an appeal if counsel will advise that the prospects of a successful appeal following a finding of guilt are reasonable;

Exclusions

We will not be liable to indemnify You against any claim:

1 Employers liability

arising directly or indirectly from bodily injury, sickness, disease, psychological injury, emotional distress, nervous shock or death sustained by any **Employee** arising out of or in the course of their employment by **You**, or for any breach of any obligation owed by **You** as an employer to any partner, principal, director, member or **Employee** or applicant for employment;

2 Bodily injury/property damage

for bodily injury, sickness, disease, psychological injury, emotional distress, nervous shock or death sustained by any person or any loss, damage or destruction of property unless such claim arises directly from negligent advice, design, specification, formula or other breach of professional duty by **You**;

3 Land, buildings etc

arising directly or indirectly from the ownership, possession or use by **You** or on **Your** behalf of any land, buildings, aircraft, watercraft, vessel or mechanically propelled vehicle;

4 Dishonesty

arising directly or indirectly from any dishonest, fraudulent, malicious or illegal act or omission of **Yours**, except as covered by Insuring Clause 1b;

5 Contractual liability

arising directly or indirectly from any breach or alleged breach of any contractual duty or duty of care owed or alleged to have been owed by **You** to any third party but only to the extent that such duty is more onerous than any duty that would otherwise be implied by common law or statute;

6 Products

arising out of or relating to:

- a goods or products sold, supplied, repaired, altered, manufactured, installed or maintained; or
- b buildings, building works or physical structures constructed, repaired, installed, erected, removed or demolished;

by **You** or any related company or sub-contractor of **Yours**;

7 Insolvency/bankruptcy of You

arising out of or relating directly or indirectly to the insolvency, liquidation, receivership or bankruptcy of **You**;

8 Seepage and pollution

based upon, arising out of or relating directly or indirectly to, in consequence of or in any way involving seepage, pollution or contamination of any kind;

9 Claims or Circumstances known at inception

arising directly or indirectly from any Claim or **Circumstance** of which **You** were, or ought reasonably to have been, aware prior to inception of this Policy, whether notified under any other insurance or not.

10 Other insurance

in respect of which **You** are, or but for the existence of this **Policy** would be, entitled to indemnity under any other insurance except in respect of any excess beyond the amount which is payable under such other insurance;

11 Geographical limits

in respect of work carried out outside the Geographical limits stated in the Schedule;

12 Legal action

in respect of an action for **Damages**:

- a brought outside the **Jurisdiction** (including the enforcement within the **Jurisdiction** of a judgment or finding of another court or tribunal that is not within the **Jurisdiction**);
- b in which it is contended that the governing law is outside the **Jurisdiction**;
- c brought outside the **Jurisdiction** to enforce a judgment or finding of a court or other tribunal in any other jurisdiction.

13 Fines and penalties

for penalties, fines, multiple, exemplary, liquidated or other non-compensatory **Damages** awarded other than in actions brought for libel, slander or defamation in so far as they are covered by this Policy;

14 Claims by financially associated persons or entities

made against **You** by any **Financially associated person or entity** whether alone or jointly with any other person or entity. However, this exclusion will not apply to any claim brought against such **Financially associated person or entity** by an independent third party which would, but for this exclusion, be covered by this Policy;

15 Retroactive date

made by or against **You** arising from any act or omission that occurred prior to the Retroactive date stated in the Schedule;

16 Radioactive contamination or explosive nuclear assemblies

directly or indirectly caused by or contributed to by or arising from:

- a ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- b the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

17 Excess

for the amount of or less than the **Excess**. The **Excess** will be deducted from each and every claim paid under this Policy;

18 War

arising directly or indirectly out of, happening through or in consequence of, war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;

19 Terrorism

arising directly or indirectly out of, happening through or in consequence of any act or acts of force or violence for political, religious or other ends directed towards the overthrowing or influencing of any government, or for the purpose of putting the public in fear by any person or persons acting alone or on behalf of or in connection with any organisation.

In the event of any dispute as to whether or not this exclusion applies **You** will have the burden of proving that this exclusion does not apply;

20 Asbestos

arising directly or indirectly out of or resulting from or in consequence of or in any way involving asbestos or any materials containing asbestos in whatever form or quantity.

21 Other appointments

made against any **You** in their capacity as:

- a directors or officers of **You** or of any other company or arising out of the management of **You** or of any other company; or
- b trustees of any trust or as officers or employees of any pension fund or any other employee benefit scheme, whether for the benefit of members or **Employees of You** or otherwise;

22 Trading losses

arising out of:

- a any trading loss or trading liability incurred by any business managed or carried on by **You** (including the loss of any client account or business);
- b loss caused by **You** in consequence of a share or asset sale to any prospective purchaser, associated business, merger partner, joint venture partner or similar because of any misstatement or misrepresentation made by **You**;
- c the actual or alleged over-charging or improper receipt of fees by **You**;

23 Virus

arising directly or indirectly from any **Virus**;

24 Patents

arising directly or indirectly from the infringement of any patent;

25 Obscenity

arising directly or indirectly from any obscenity, blasphemy or pornographic material;

26 Libel slander or defamation

for libel, slander or defamation arising statements made or published by **You** unless **You** can demonstrate that it neither knew nor ought reasonably to have known that the statement was defamatory at the time that it was published;

27 Restricted recovery rights

where **Your** right of recovery from any third party in respect of that claim has been restricted by the terms of any contract entered into by **You**;

28 Contractual remedies

for any award of, or liability to pay, compensation or Damages where **You** have assumed an obligation to pay compensation or Damages in excess of any amount that would otherwise be awarded under statute or common law;

29 Financial advice

arising directly or indirectly from the provision by **You** of any investment or financial advice or arrangements made by or on **Your** behalf in respect of any finance, credit or leasing agreement;

30 Employee benefit schemes / stocks and shares

arising directly or indirectly from the operation or administration of any pension or other employee benefit scheme or trust fund, or the sale or purchase or dealing in any stocks, shares or securities or the misuse of any information relating to them or the breach of any related legislation or regulation;

31 Taxation, competition, restraint of trade

arising directly or indirectly from the breach of any taxation, competition, restraint of trade or anti-trust legislation or regulation;

32 Official action or investigation

arising from any official action or investigation by or decision or order of any public, local or government body or authority; except to the extent covered by Insuring Clause 6 (Data protection defence costs);

33 Loss, damage or destruction of bearer bonds or coupons

arising from the loss, damage or destruction of any bearer bonds, coupons, bank or currency notes, share certificates, stamps or other negotiable paper;

34 Deliberate acts

arising directly or indirectly from any deliberate or reckless breach, act, omission or infringement committed, condoned or ignored by **You**, except as covered under Insuring Clause 1b.

35 Utility provider

arising out of the failure of the service provided by an internet service provider, any telecommunications provider or other utility provider.

36 Costs and expenses incurred without prior consent

for costs and expenses incurred without **Our** prior consent.

Notification and Claims Conditions

1 Claim/circumstance notification

As conditions precedent to **Your** right to be indemnified under this Policy **You**;

- 1.1 Will inform **Us**, in writing, as soon as possible, and in any event within 28 days of the receipt, awareness or discovery during the Period of insurance of
 - a any claim made against **You**;
 - b any notice of intention to make a claim against **You**;
 - c any **Circumstance**;
 - d the discovery of reasonable cause for suspicion of dishonesty or fraud.

Provided always that such notification is received by **Us** before the expiry of the Period of insurance, or if **You** renew this Policy with **Us**, within 7 days after its expiry.

Such notice having been given as required in b, c or d above, any subsequent claim arising out of such notified matters will be deemed to have been made during the **Period of insurance**;

- 1.2 will not, in respect of any of the matters specified in 1.1 a) to 1.1 d) above to, admit liability, make any offer for or settle any claim, or incur any costs or expenses in connection with any such claim or **Circumstance**, without **Our** prior written consent; and
- 1.3 will, as soon as practicable given the circumstances, give all such information and assistance as **We** may require and provide **Your** full co-operation in the defence or settlement of any such claim.

Every letter of claim, writ, summons or process and all documents relating thereto and any other written notification of claim will be forwarded, unanswered, to **Us** immediately they are received. **You** will at all times, in addition to **Your** obligations set out above, afford such information to and co-operate with **Us** to allow **Us** to be able to comply with such relevant Practice Directions and Pre-Action Protocols as may be issued and approved from time to time by the Head of Civil Justice.

2 Conduct of claims

- 2.1 Following notification under condition 1. above **We** will be entitled at **Our** own expense to take over and within **Our** sole discretion to conduct in **Your** name the defence and settlement of any such claim.

Nevertheless neither **You** nor **Us** will be required to contest any legal proceedings unless a Queens Counsel (to be mutually agreed upon by **You** and **Us**) will advise that such proceedings should be contested.

- 2.2 **We** may at any time in connection with any claim made, pay to **You** the **Indemnity limit** (after deduction of any sums already paid) or any lesser sum for which, in **Our** sole opinion the claim can be settled and upon such payment being made **We** will relinquish the conduct and control of and have no further liability in connection with the claim. For the avoidance of doubt **We** will have no liability to pay **Defence costs and expenses** incurred after the date upon which any such payment is made.

General Conditions

1 Policy construction and disputes

This Policy and the Schedule will be interpreted in accordance with the laws of England and Wales. The Policy and the Schedule will be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule will bear such specific meaning wherever it may appear.

Any dispute concerning the interpretation of the terms, Conditions or Exclusions contained herein is understood and agreed by **You** and **Us** to be subject to the laws of England and Wales. Each party agrees to refer any such dispute to a mediator to be agreed between **You** and **Us** within 14 working days of any dispute arising under the Policy. If a mediator is not agreed then either party may apply to the Centre for Effective Dispute Resolution ('CEDR') for the appointment of a mediator. The parties agree to share equally the costs of CEDR and of the mediator and that the reference of the dispute to mediation will be conducted in confidence.

You and **Us** agree to perform their respective continuing obligations under this Policy while the dispute is resolved unless the nature of the dispute prevents such continued performance of those obligations. If any such dispute is not resolved by mediation or **You** and **Us** cannot agree upon the appointment of a mediator or the form that the mediation will take the dispute will be submitted to the exclusive jurisdiction of any court of competent jurisdiction within England and Wales and each party agrees to comply with all requirements necessary to give such court jurisdiction. All matters arising hereunder will be determined in accordance with the law and practice of such court.

2 Waiver of subrogation against employees

We will not exercise any right of subrogation against any former or present **Employee**, unless **We** will have made a payment caused or contributed to by any act or omission of the **Employee** or former **Employee** which was dishonest, fraudulent or malicious or the **Employee** or former **Employee** conspired to commit or condoned any such dishonest, fraudulent or malicious act or omission.

3 Dishonest or fraudulent act or omission

In the event of a loss or claim which involves the dishonest, fraudulent or malicious act or omission of any former or present **Employee**, **You** will take all reasonable action (including legal proceedings) to obtain reimbursement from the **Employee** concerned (and from any **Employee** who may have conspired to commit or have condoned such act) or from the estate or legal representatives of such **Employee**. Any monies which but for such dishonest, fraudulent or malicious act or omission would be due to such **Employee** from **You** or any monies held by **You** for such **Employee** will be deducted from any amount payable under this Policy.

4 Fraudulent claims

In the event of any claim under the Policy being submitted which in any respect is intentionally exaggerated or fraudulent or if any fraudulent means or devices are used by **You** or anyone acting on **Your** behalf to obtain benefit under this Policy, **We**:

- a will not be liable to pay the claim;
- b may recover from **You** any sums paid by **Us** to **You** in respect of the claim; and
- c may (despite the references to notice period and the refunding of premiums in General Condition 5 Cancellation by us) by notice to **You** at **Your** last known address treat this Policy as having been cancelled with effect from the time of the fraudulent act and may:
 - i refuse all liability to **You** under this Policy in respect of any event that gives rise to Our liability occurring after the time of the fraudulent act; and
 - ii retain any premiums paid under this Policy.

5 Contracts (Rights of Third Parties) Act 1999

You and **Us** are the only parties to this contract and no other person has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act. **You** will not assign or transfer **Your** rights under the Policy without **Our** written agreement.

6 Cancellation

- a We may cancel the Policy by sending 14 days' written notice to **Your** last known address. **We** will refund any premium paid for the remaining **Period of Insurance** as long as **You** have not notified any **Circumstance** or made any claim under the Policy up to the date of cancellation.
- b If, after buying **Your** policy, **You** decide that the cover does not meet **Your** needs please return all your documents within 14 days of receiving them or of the start date of the policy (whichever is later) to Customer Relations Team at Direct Line for Business, PO Box 106, 37 Broad Street, Bristol BS99 7NQ and **We** will refund any premium **You** have paid, providing that **You** have not notified any **Circumstance** or made any claim under the Policy up to the date of cancellation. If **You** cancel **Your** policy after that time we will refund any premium paid for the remaining **Period of insurance** on a pro rata basis, providing that **You** have not made **You** have not made any **Claim** or are aware of any **Circumstance** during the current **Period of insurance**.

7 Invalidity

If any provision of this Policy is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable this will not affect the other provisions of this Policy which will remain in full force and effect.

8 Notices

Notice will be deemed to be duly received in the course of post if sent by pre-paid letter post properly addressed to:

- a in the case of **You**, to **Your** last known address;
- b in the case of **Us**, to U K Insurance Limited and/or such other authorised insurer as U K Insurance Limited may contract to underwrite any part of this Policy.

9 Reasonable steps to avoid loss

Without prejudice to the Notification and Claims Conditions in this Policy, **You** will take all reasonable steps to avoid or mitigate any loss, damage or liability that may result in any claim or **Circumstance** notifiable under this Policy.

10 Sanctions and Embargo

We will not be deemed to provide cover and will not be liable to pay any claim or provide any benefit hereunder 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 United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Japan, United Kingdom or United States of America.

11 Fair Presentation of the Risk

- a **You** have a duty to make to **Us** a fair presentation of the risk before:
 - i the inception of this Policy;
 - ii an alteration made to this Policy, concerning changes in the risk which are relevant to the proposed alteration; and
 - iii the renewal of this Policy; and
- b In the event of a breach of such duty, if the breach is:
 - i deliberate or reckless, **We** may:
 - a in relation to an alteration made to this **Policy**, (despite the references to notice period and the refunding of premiums in General Condition 1 by notice to **You** at **Your** last known address treat this **Policy** as cancelled with effect from the time when the alteration was made and retain any premiums paid;
 - b in relation to inception or renewal of this **Policy**, avoid this **Policy** and refuse all claims and retain any premiums paid;
 - ii neither deliberate nor reckless and **We** would not have:
 - a in relation to an alteration made to this **Policy**, agreed to the alteration on any terms, **We** may treat this **Policy** as if the alteration was never made, but in that event **We**:
 - i will return any extra premium paid; or
 - ii may (where the total premium was reduced as a result of the alteration), reduce proportionately the amount to be paid on a claim arising out of events after the alteration. **We** will pay on such claim a percentage of what **We** would otherwise have been liable to pay (whether on the original terms, or as varied), based on the total premium actually charged compared to the original premium charged; or
 - b entered into this **Policy** on any terms, **We** may avoid this **Policy** and refuse all claims but will return any premiums paid; or

iii neither deliberate nor reckless and **We**:

a would have entered into this **Policy** or agreed to the alteration made to this **Policy**, but on different terms (other than terms relating to the premium), this **Policy** or the alteration (as applicable) will be treated as if it had been entered into on those different terms if **We** require; and

b in respect of an alteration made to this **Policy**:

i would have agreed to the alteration, but would have charged an increased premium by more than **We** did or (in the case of an unchanged premium) would have increased the premium, **We** may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.

We will pay on such claim a percentage of what **We** would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item b iii a above), based on the total premium actually charged compared to the premium that **We** would have charged;

ii (where the total premium was reduced as a result of the alteration), would have agreed to the alteration and **We** would have increased the premium, would not have reduced the premium, or would have reduced it by less than **We** did, **We** may reduce proportionately the amount to be paid on a claim arising out of events after the alteration.

We will pay on such claim a percentage of what **We** would otherwise have been liable to pay (whether on the original terms, or as varied, or under the different terms provided for by virtue of item b iii a above), based on the total premium actually charged compared to the original premium if **We** would not have changed it, and otherwise the increased or (as the case may be) reduced total premium **We** would have charged.

c would have entered into this **Policy** (whether the terms relating to matters other than the premium would have been the same or different), but would have charged a higher premium, **We** may reduce proportionately the amount to be paid on a claim.

We will pay on such claim a percentage of what **We** would otherwise have been liable to pay (making provision for any different terms referred to in item b iii a above), based on the premium actually charged compared to the higher premium.

c **We** will be entitled to vary the premium and any terms in respect of any ongoing acceptance of cover (where agreed by **Us**), in relation to a breach of the duty to make to **Us** a fair presentation of the risk.

12 Assignment

This policy of insurance (including any benefits it confers provides) are not assignable to any third party without the express approval of **Us** confirmed. in writing by **Us**.

13 Change of control

In the event that **You** merges into or consolidates with or sells all or substantially all of its assets or shares to a third party (whether a company, corporation or any other legal entity or person) or there is any acquisition of more than fifty percent (50%) of the voting share capital of **You** by a third party (whether a company, corporation or any other legal entity or person) **You** will give written notice of such event prior to its execution. Upon receipt of such notice, **We** may at our absolute discretion agree to continuation of the policy of insurance, to be confirmed by way of a written endorsement to the policy. In the absence of such agreement.

Important Information

How to make a claim

Professional Indemnity Claims are managed in partnership with HCC International

To make a claim, email dl4bpiclaims@hccint.com

How to complain

If you need to complain, please call us on our priority number **0800 051 0538/01239 636082**. If your complaint is about a claim please contact your claims handler whose details will be shown in your claims documents.

If you want to complain in writing, send your letter to one of the following:

- a** For complaints about claims, the Technical Operations Manager at the address shown in your claims documents
- b** For other complaints, the Customer Relations Team at Direct Line for Business, Churchill Court, Westmoreland Road, Bromley BR1 1DP.

If we cannot settle the matter with you, you may refer your complaint to the Financial Ombudsman Service (FOS). Their address is: Exchange Tower, London E14 9SR phone number **0800 023 4567** or **0300 123 9123**.

Details about our Regulator

U K Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 202810. The Financial Conduct Authority website, which includes a register of all regulated firms, can be visited at www.fca.org.uk, or the Financial Conduct Authority can be contacted on **0800 111 6768**.

Whoever you are contacting, please always quote your Policy Number as it will help your enquiry or complaint be dealt with promptly.

Details of Financial Services Compensation Scheme

Under the Financial Services and Markets Act 2000, should the company be unable to meet all its liabilities to policyholders, compensation may be available. Insurance advising and arranging is covered for 90% of the claim without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Information can be obtained on request, or by visiting the Financial Services Compensation Scheme website www.fscs.org.uk

Automatic Renewals

We may automatically renew your policy on the renewal date. If we plan to automatically renew your policy, we will let you know we are planning to do this before your cover ends together with sending you details of the renewal premium. If you do not want to renew this policy, you should let us know before the renewal date.

English Language

Under European Law, you and we may choose which law will apply to this contract. English Law will apply unless both parties agree otherwise. We have supplied this Agreement and other information to you in English and we will continue to communicate with you in English.

Statement of Needs

We have not given you a personal recommendation as to whether this policy is suitable for your specific needs.

Direct Line for Business Privacy Notice

Privacy Notice

This privacy notice tells you what we do with information we collect about you. It's relevant to anyone who uses our services, including policyholders, prospective policyholders, website users and beneficiaries under our policies, such as named drivers. We refer to all these individuals as "customers" or "you" in this notice.

1 Who "we" are

We are U K Insurance Limited ("we", "us" or "our") and you will know us by our brand name:

Churchill, Direct Line, Privilege and Green Flag.

2 What information do we collect about you?

Information collected from you and cookies policy

Where we have collected information directly from you it will usually be obvious what this is, as you will have given it to us. This might not be the case where we have used cookies to collect information from your computer or portable electronic devices. Please see our cookies policy for more information.

Information collected from others

We can collect information about you from others. This includes information from:

- **Joint policyholders or policy beneficiaries.** Where you are named on a joint policy or a beneficiary of that policy we may collect information about you from any named policyholder. We will ask them to confirm that they have your permission to give us this information about you.
- **Fraud prevention, law enforcement or government agencies and other data sources used to prevent or detect fraud or provide details to us about criminal convictions or offences.**
- **HM Treasury and other authorities in relation to regulatory issues** e.g. where someone is subject to a financial sanction they will appear on HM Treasury's asset freezing list.
- **Credit reference agencies** e.g. credit searches that are made when we produce a quotation for a new policy or at renewal. (Note that the results of these searches are automatically deleted after 12 months and do not affect your ability to obtain credit.) Please also see section 4 below.
- **External sources** such as **no claims discount databases**, the electoral roll and insurance comparison websites to help us decide what the risk is in selling the policy **and from companies that hold information about insurance renewal dates, marital status, household residents, vehicle details, employment status and household income** to help us work out which information we should provide to you about our other products and services.

Sensitive personal information

We collect information that is sensitive, such as information about children, health or geo-location (which may be sensitive personal information because, for example, it can pinpoint your location at a hospital), and information related to unspent past criminal convictions or offences. We also collect your sensitive personal information for specific types of policy or applications, for example when offering you a travel policy or a driving application e.g. Telematics. We obtain this from your mobile devices for driving applications and the following people:

- The main policyholder will provide most of the information we collect about health (including confirming whether hospital treatment is being sought) and unspent criminal convictions or offences, including on behalf of others named on the insurance policy e.g. medical screening to support a travel policy;
- Fraud prevention or law enforcement agencies may provide details to us about criminal convictions or offences;
- Witnesses to an accident may provide medical information to us if there is an investigation of a claim;
- We may use information about a child, for example, where the child is a beneficiary under a policy or if involved in an accident.

We collect and use this information as part of your insurance quotation or contract with us, or where it is necessary for a legal obligation, or as part of the establishment or defence of a legal claim.

3 What do we do with information we collect about you and why may we do this?

We use your personal information in order to meet our obligations in our contract of insurance with you. We and other companies within our group of companies use your personal information in the following ways:

A Provide insurance services

When you request us to provide you with a quote for one of our insurance policies or you purchase an insurance policy from us, we use information about you:

- To decide what the risk might be in selling you the policy, to quote for, and provide you with, a premium for that policy and any special terms that may apply to that policy (noting that we may use automated decision making to make this assessment – see section 9 below);
- To administer your policy and monitor the payment of instalments if you pay your premium in this way;
- To contact you about the policy (e.g. for billing or renewal purposes); and
- To provide the agreed service if you make a claim (e.g. sending someone to assist you in a roadside breakdown situation or to provide you with medical assistance if you are injured or unwell when overseas).

We cannot provide the services unless we use the information about you in this way.

B Do what we are required to do by law

As part of our duty as an insurer providing insurance services, sometimes we are required by law to use information about you:

- To help make sure our customers are being treated fairly (e.g. to assist our regulators where we have a legal duty to do so);
- To deal with complaints;
- To help prevent and detect crime (including, for example, the prevention or detection of fraud); and
- To comply with a legal or regulatory obligation.

We can use your personal information in this way because we are required to do so by law.

C Prevent fraud occurring

Fraud has an impact on all customers as it increases costs for everyone. We use your personal information to check for signs that customers might be dishonest (e.g. if someone has behaved dishonestly in the past it may increase the risk they will do so in future).

We may use your personal information in this way because it is in our interests to detect fraud and in all our customers' interests to ensure that they are not prejudiced due to increased premiums as a result of a few customers acting dishonestly.

D Recover debt

If you owe us money we will use your personal information to help us recover it.

We can use your personal information in this way because it is a necessary part of the contract of insurance. We need to ensure that premiums are paid so that the majority of our customers do not suffer (e.g. through increased premiums) due to the actions of a small minority of customers.

E To inform you about and promote products (marketing)

At the time when your personal information was collected, we asked you to indicate your marketing preferences. These preferences can be revisited at any time by contacting our Data Protection Officer. Please see section 10 for contact details.

We may use your personal information to offer you suggestions about products and services you might want to buy. We may use external companies to do this on our behalf.

We can use your personal information in this way because it is in our legitimate interests to provide you with the right information at the right time, so that we may look at ways of extending our relationship that we have with you. We will always ensure that we keep the amount of your personal information that we collect and the extent of any processing to the absolute minimum to meet this legitimate interest.

Where we have a legitimate interest to do so or, where necessary you have given us your consent, we may pass your personal information to third parties including:

- U K Insurance Business Solutions Limited, a member of the U K Insurance Limited group of companies, that introduces our customers to products and services. We may send you marketing from them where we believe you will have an interest in their communications, and/or
- External companies such as digital content providers to display adverts about our products and services.

If you have chosen not to opt out of marketing we will send you information about our products and services by email, post, telephone or SMS unless you tell us not to. If your information has been provided to us by a third party for marketing purposes we will rely on the consent you have provided to them to conduct direct marketing.

If at any time you do not wish us to use your personal information for this purpose, you may ask us not to do so. See section 10 below for how to contact us. However, we will keep a note of your earlier marketing preferences for 6 years. We will not contact you unless you change your mind and tell us that you would like to receive marketing again.

F Where your or another person's life may be at risk

We will use your personal information to assist where your or another person's life or health is in danger and obtaining your permission is not possible (e.g. arranging emergency medical treatment in a remote location).

G To administer and improve our services

To administer our services we will share information with others (including to people or organisations that may be based overseas):

- In order to enable us to process your claim or administer your insurance policy more cost effectively;
- To help develop our products, services and systems to deliver you a better sales and claims experience in the future; and
- To understand how our prospective customers make decisions about which insurance policy is the optimal policy.

We may also process your personal data to better understand you as a customer, including to determine how best to retain your custom, and to ask you to provide feedback on the service we provide to you.

We can use your personal information in this way because it is in our legitimate interests to provide the services in the most efficient way. We will always ensure that we keep the amount of your personal information that we collect and the extent of any processing to the absolute minimum to achieve this efficiency.

4 Who do we share your personal information with and why do we do it?

We may share your personal information with third parties and other companies within our group of companies for the purposes mentioned in section 3 above. A list of our group companies can be found at www.u-k-insurance.co.uk/group-companies.html. Alternatively, you can contact the Data Protection Officer for a list of them. Please see section 10. You should make sure everything you tell us is correct because your records may be checked in the following circumstances:

- When you apply for insurance, financial services, or work;
- By police and other law enforcement agencies.

In particular we share information with:

- **Fraud prevention agencies that provide databases and services**, such as CIFAS, National Hunter, SIRA and ENI, to prevent or detect fraud.

- Fraud prevention agencies will process this personal information in order to assist our prevention of fraud and money laundering, and to verify your identity and may also process your personal information in order to prevent fraud and money laundering by other people.
- Fraud prevention agencies will hold your personal information for up to 1 year, or up to 6 years if you're considered to pose a fraud or money laundering risk.
- If we or a fraud prevention agency determine that you pose a fraud or money laundering risk, we may refuse to provide the services and/or financing you have requested.

A record of this risk will be retained by the fraud prevention agencies, and may result in others refusing to provide services or financing to you. If you have any questions about this, please contact the appropriate fraud prevention agency.

- **Law enforcement or government agencies** we and fraud prevention agencies may permit law enforcement or government agencies to access and use your personal information, if they request it.
- **Credit reference agencies** help us decide whether to offer you credit if you choose to pay your premium by instalments. We share this information when you first take a policy with us and at each renewal. We may exchange your personal information with credit reference agencies to reflect your credit application (as payment by instalments means that there will be a credit agreement between us). We will let you know before we do this. This will be visible to other credit providers. Failure by you or anyone who pays for your policy to keep up the monthly payments due under your credit agreement will be reflected in your credit score, not theirs. The identities of the credit reference agencies and the ways in which they use and share personal information are explained in more detail at www.experian.co.uk/CRAIN. Alternatively, you can call us and we will send you a copy.
- **Your spouse or partner** who calls us on your behalf, provided they are named on the policy. Please tell us who they are when you take out your policy. If you would like someone else to deal with your policy on your behalf on a regular basis please let us know. In some exceptional cases, we may also deal with other people who call on your behalf, but only with your permission. If at any time you would prefer us to deal only with you, please let us know.
- **Other insurance companies** to help settle any insurance claim or to verify that the information you have provided is correct (e.g. we will check the amount of No Claims Discount you have told us with your previous insurer).
- **Insurance industry bodies** such as The Motor Insurance Database to meet our obligations under the Road Traffic Act.

- **Insurance industry databases**, such as the Claims and Underwriting Exchange where you make a claim so that insurers can check that your claims history is correct, the Insurance Fraud Register and, for commercial policies, the Employers' Liability Tracing Office.
- **Government bodies**, such as the Driver and Vehicle Licensing Agency.

5 Will we send your personal information overseas?

We may send your personal information overseas to any part of the world. The protections given to your personal information in other parts of the world will often not be as strong as in the UK. Where possible, we will put in place agreements with the people we send your personal information to, to require them to treat your personal information with the same protections that we apply ourselves. Our agreements may include standard terms provided by the EU called EU Model Clauses or may require the other party to be signed up to government standards that are recognised as providing the right level of protection such as "privacy shield" in the USA. But it is possible that regardless of what is set out in the agreement this would not stop a government in any part of the world from accessing your personal information, as they can often have power to overrule any agreements we make.

In some cases we might need to share information to carry out the services we have promised to carry out, for example if you require urgent assistance abroad. In such an urgent situation we may not always have the time to put in place the type of agreement we would normally want to.

6 How long may we keep your personal information for?

We are only allowed to keep your personal information if we need it for one of the reasons we describe in section 3 above.

As a general rule, we will keep it for 6 years from the end of your relationship with us, as it is likely that we will need the information for regulatory reasons or to defend a claim. For example, should you wish to bring some form of legal action relating to your relationship with us, this would generally need to be done within 6 years from the end of that relationship. However there may be exceptions where we need to keep your personal information for longer, such as where a claim has involved a minor.

We will also retain data in an anonymous form for statistical and analytical purposes, for example, to assess risk of flood damage occurring.

7 When can you ask us to stop using your information?

If we rely on your consent to collect and process your personal information, you can ask us to stop using your personal information at any time by withdrawing that consent and we will stop using your personal information for those purposes. We may rely on your consent to tell you about products or services which may be of interest to you or to use computers to make decisions about you to improve our services or develop our products (see section 9).

At any time, you can tell us to stop using your personal information to tell you about products or services that may be of interest to you or allowing computers to make decisions about you in order to improve our services or develop our products (see section 9). To find out how to do this, see section 10.

8 What happens if you don't give us some of your personal information?

Where you do not provide the personal information we need in order to provide the service you are asking for or to fulfil a legal requirement, we will not be able to provide the service that you are asking us to give you.

We will tell you about why we need the information when we ask for it.

9 When do we use computers to make decisions about you?

We will collect information about you and put this into our computer systems. The computer systems will make certain automated decisions about you which will be based on comparing you with other people. This will have an impact in terms of the level of premium or product that we offer to you or the products or services that we decide to tell you about. We may also use automated decision making to conduct an identity verification check.

For example, if you are under 25 years of age, the computer system may determine that you are more likely to have a car accident. This is because the computer system has been told that more people aged under 25 have car accidents. Another example is that, if you are under 25, the computer system may determine that you are going to be interested in a travel policy which covers high risk activity, such as skiing. Therefore, we would proactively seek to tell you about such policies as we would consider them to be of interest to you.

This is important because:

- **In providing insurance services** it helps us decide what price you should pay for your policy and understand any risks associated with that policy;
- **In identity verification** it helps us to check that you are who you say you are and to prevent others from imitating you;
- **In selling you other products** it helps us decide which other products might be useful to you.

We also use computer systems to carry out modelling. Sometimes using your personal information and sometimes using data in anonymised form. We conduct this modelling for a variety of reasons, for example, for risk assessment purposes to make decisions about you, such as your likelihood to claim. However, we may also use your personal information in that modelling to make decisions about how we improve and develop our products and services, or our pricing and underwriting, or to better understand how our prospective customers make decisions about which policy is the optimal policy (i.e. we are not making decisions directly about you).

10 How to contact us about this privacy notice

Our Data Protection Officer is in charge of answering questions about this privacy notice or your requests to exercise your rights which are set out below. The Data Protection Office may be contacted at U K Insurance Limited, Churchill Court, Westmoreland Road, Bromley BR1 1DP.

You may contact us at the address above for one or more of the following reasons:

- 1 To ask us to fix information about you that is wrong or incomplete, or to delete personal information about you (the so-called "Right to be Forgotten").
- 2 To tell us you no longer agree to, that you object to, or that you wish to restrict us using information about you and ask us to stop.
- 3 To tell us to stop using your personal information to tell you about products or services that may be of interest to you (direct marketing).
- 4 A right of access, namely to ask us to provide you with a copy of all of the personal information that we have about you. To receive this information please write to the Data Rights Team, U K Insurance Limited, Churchill Court, Westmoreland Road, Bromley BR1 1DP.
- 5 A "data portability" right, namely to obtain and reuse the information that you have provided to us for your own purposes across different services. You may ask for this information to be provided directly to you or directly to another organisation. We will provide the information in a machine readable format so that another organisation's software can understand that information.
- 6 To ask us not to use information about you in a way that allows our computer systems to make decisions about you (as explained in section 9).

Sometimes we will not be able to stop using your personal information when you ask us to (e.g. where we need to use it because the law requires us to do so or we need to retain the information for regulatory purposes).

In other cases, if we stop using your personal information, we will not be able to provide services to you, such as administering your insurance policy or servicing your claim.

We will tell you if we are unable to comply with your request, or how your request might impact you, when you contact us.

Complaints

If you have any concerns about the way in which we are using your personal information, please contact our Data Protection Officer in the first instance and we will endeavour to resolve your concern.

However, you do also have the right to complain about how we treat your personal information to the Information Commissioner's Office ("**ICO**"). The ICO can be contacted at:

ICO website: <https://ico.org.uk/global/contact-us/>

ICO telephone: 0303 123 1113

ICO textphone: 01625 545860

essential cover for
professionals

Information Helpline: 0345 878 5555

Our lines are open 8am-8pm Monday to Friday,
9am-5pm Saturday and 10am-4pm Sunday

Buy online at **directlineforbusiness.co.uk**

Direct Line shall also be happy to send you any of our brochures, letters or statements in Braille, large print or audio, upon request.

Direct Line insurance policies are underwritten by U K Insurance Limited. Registered office: The Wharf, Neville Street, Leeds LS1 4AZ. Registered in England and Wales, Company No. 1179980. U K Insurance Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Calls may be recorded.

DLFB481 0418

DLFB Professional Indemnity Policy (Civil)



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