



Commercial Legal Expenses Insurance

Policy Wording

In the event of a claim or advice please contact:

0845 040 5833

We are contactable 24 hours a day all year round.

Commercial Legal Expenses Insurance

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

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

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

Subject to the appropriate premium having been paid the Insurer agrees to cover the Insured as set out in this Policy.

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

This wording should be read in conjunction with Your Policy Schedule which details the name of the Insured, Period of Insurance, the premium the Insured has paid and the applicable Limits of Indemnity.

Important Information

This is a contract of insurance between the Insured and the Insurer. The insurance provided covers Legal Expenses, Professional Expenses and Awards of Compensation, subject to the terms, Limits of Indemnity, exclusions and conditions contained herein in respect of an insured event which occurs within the Territorial Limits and both occurs and is notified to the Insurer during the Period of Insurance for which the Insured has paid or agreed to pay the premium.

Telephone Advice Lines

Advice can be provided on a wide range of areas of legal and associated tax matters including employment and health and safety issues. The advice is provided by qualified consultants and is confidential and impartial. In the interests of monitoring the quality of legal advice given, conversations may be recorded. If You are driving when using the Legal Advice Line please make sure it is safe and legal to do so.

The Advice Line is not empowered to give advice on the admissibility of any Claim under the Policy. If You wish to make a Claim or have a query about the cover provided by this Policy You must contact our Claims Department (see below).

Special Conditions

Employment Disputes

We will only agree to cover Your Claim if You have sought and followed advice from the Advice Line and obtained authorisation from us:

- a) prior to carrying out any disciplinary procedure or action or suspension of an Employee;
- b) prior to dismissal of an Employee;
- c) prior to instituting a redundancy programme and prior to making an Employee redundant;
- d) promptly upon notification formally or informally of a grievance from an Employee or ex-Employee;
- e) promptly upon notification formally or informally of a complaint of sexual, racial or religious discrimination; or, discrimination relating to disability, age or sexual orientation;
- f) prior to any adverse variation of the terms and conditions of employment (including altering hours or time or place worked or demotion or deduction from or reduction in an Employee's remuneration);
- g) immediately an Employee walks out with or without written notice;
- h) upon receipt of an appeal from an Employee or ex-Employee against a decision taken as a result of a disciplinary or grievance procedure or a decision to dismiss.

To help us monitor our service standards, telephone calls may be recorded.

When phoning, please tell us that You are a client of CommercialPlus Legal scheme. Please do not phone the Advice Line to report a general insurance claim.

We will not accept responsibility if the Advice Line services are unavailable for reasons we cannot control.

To contact the Advice Line, phone **0845 040 5833**, quoting the reference **NORW0609**

Commercial Legal Expenses Insurance

This is a “claims made” insurance. This insurance only covers Claims which both occur and are notified to the Coverholder during the Period of Insurance. The Insured has submitted a proposal and declaration or renewal declaration to the Coverholder and it is agreed that this shall form the basis for the issue of this Policy. The Insurer agrees in consideration of the premium to indemnify the Insured to the extent and in the manner provided within this Policy in connection with activities within the scope and extent of the Business Description of the Insured. Unless expressly stated nothing in this Policy will create rights pursuant to the Contracts (Rights of Third Parties) Act 1999.

Definitions

In this Policy, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

Any One Claim

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

Appointed Representative

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

Aspect Enquiry

The enquiry which takes place when an officer of HMRC issues a formal notice under Paragraph 24(1) Schedule 18 Finance Act 1998 or S9A or S12AC of the Taxes Management Act 1970 in order to make an Aspect Enquiry into only certain boxes on the Insured’s Self Assessment Return.

Awards of Compensation

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

Business Description

As specified in the Schedule.

Claim

A Claim under this Policy for Legal Expenses, Professional Expenses or Awards of Compensation.

Compliance Review

The enquiries which take place following an expression of dissatisfaction with the Insured’s PAYE and/or NIC affairs following an employer compliance visit by HMRC or following an expression of dissatisfaction with the Insured’s P11Ds or P9Ds.

Contracting Party

A person, firm or company with whom the Insured has a direct contractual relationship.

Coverholder

Qdos Broker and Underwriting Services Limited and Motorplus Limited, who have been given authorisation by the Insurer to issue this insurance cover and manage claims on behalf of the Insurer.

Date of Occurrence

The date of the event which may lead to a Claim against this Policy. If there is more than one event arising at different times from the same cause, the Date of Occurrence is the date of the first of these events.

Employee

Any person under a contract of service with the Insured.

Excess

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

Full Enquiry

The investigation which takes place when an officer of HM Revenue & Customs ("HMRC") makes a request to examine all of the Insured's business books and records and issues a formal notice under S9A or S12AC of the Taxes Management Act 1970 or under Paragraph 24(1) Schedule 18 Finance Act 1998.

HMRC Investigation

A Full Enquiry, Compliance Review, Aspect Enquiry or VAT Dispute.

Increased Excess

The amount specified in the Policy Schedule the Insured must pay in respect of Legal Expenses and/or Professional Expenses and/or Awards of Compensation in respect of Any One Claim before the Insurer shall be liable to make any payment if the Insured instructs an alternative Appointed Representative to the one chosen by the Coverholder.

Injury

Physical bodily injury or death.

Insured/You/Your

The Company, firm, partnership or trading individual specified in the Schedule and, at the Insured's request, any Employee including a director or partner of the Insured as specified in the Schedule.

Insurer

UK Underwriting Limited on behalf of Ageas Insurance Limited. UK Underwriting Limited are an agent of Ageas Insurance Limited and in the matters of a Claim act on their behalf.

Legal Expenses

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

b) Witness Attendance Allowance

The amount of money per day the Insured is liable to pay the Employee each day they are required by the Appointed Representative to attend as a witness at a court or tribunal hearing. Indemnity limited to £100 per day and a maximum of £1,000 in any one attendance.

Limit of Indemnity

The maximum liability of the Insurer under this Policy is limited to the amounts specified below:

- Any One Claim: £100,000

- The aggregate of all Claims notified during the Period of Insurance: £1,000,000

Period of Insurance

The period for which the Insurer has agreed to provide this insurance as shown on the Policy Schedule.

Unless otherwise agreed by the Coverholder or Insurer in writing, this will be 12 calendar months from the date of issue of this Policy.

Professional Expenses

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

Property

Land and/or buildings and/or contents within the Territorial Limits owned or occupied by the Insured or for which the Insured is otherwise legally responsible.

Territorial Limits

The United Kingdom of Great Britain and Northern Ireland, the Isle of Man and the Channel Islands.

VAT Dispute

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

Sections of Cover

The Sections of Cover applicable are as specified below. The Insurer will only indemnify the Insured for Claims not exceeding the Limit of Indemnity where the Date of Occurrence of the dispute, legal proceedings or HMRC Investigation is within the Period of Insurance and within the Territorial Limits and the Claim is notified during the Period of Insurance.

SECTION 1: CRIMINAL PROSECUTION

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

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

Exclusions to Section 1

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

- a) any prosecution relating to or arising from investigations by HMRC;
- b) any prosecution for offences against the person, or offences of a sexual nature;
- c) any prosecution for criminal damage;
- d) any prosecution alleging dishonesty;
- e) any prosecution for non-endorsable road traffic offences except tachograph prosecutions and weight prosecutions;
- f) an allegation of speeding or driving whilst under the influence of alcohol and/or drugs;
- g) failure to insure a motor vehicle as required by law;
- h) any proceedings which do not relate to the Business Description of the Insured;
- i) any prosecution relating to competition or fair trading legislation.

SECTION 2: TAX PROTECTION

The Insurer agrees to indemnify the Insured against Professional Expenses incurred as a result of:

- a) a Full Enquiry by H M Revenue & Customs (HMRC) into the Insured's self-assessment return following the issue of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or Schedule 18, paragraph 24 of the Finance Act 1998 which includes a request to examine all the Insured's books and records, including Legal Expenses incurred in respect of preparation and representation of the Insured at a HMRC Commissioners' Hearing;
- b) an Aspect Enquiry by HMRC which is limited to one or more specific aspects of the Insured's self-assessment return following the issue of a notice under Section 9A or Section 12AC of the Taxes Management Act 1970 or Schedule 18, paragraph 24 of the Finance Act 1998 which does not include a request to examine all the Insured's books and records;
- c) fees incurred in respect of any challenge in writing by HMRC of the accuracy or completeness of returns submitted in accordance with the PAYE regulations following a Compliance Review by HMRC into the operation of PAYE, including Legal Expenses incurred in respect of preparation and representation of the Insured at a HMRC Commissioners' Hearing;
- d) an appeal, including the local review procedure, to a VAT and Duties Tribunal, against an assessment or written decision issued by HMRC relating to the Insured's VAT affairs.

Exclusions to Section 2

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

- a) any tax avoidance scheme undertaken by the Insured;
- b) an enquiry undertaken under Section 60 or 61 of the VAT Act 1994 or enquiry by the Investigations Division, the Board's Investigation Office or the Special Compliance Offices of HMRC;
- c) any dispute or enquiry that commenced prior to the inception of this Policy;
- d) any work in connection with the normal reconciliation of the annual accounts and VAT returns where such reconciliation has not been undertaken prior to the dispute or enquiry arising;
- e) the Insured's actual or alleged misstatement with intent to deceive contained in any relevant business books, records or returns. If such intent is shown the Insurer shall be entitled to recover such indemnity as it has actually provided;
- f) any issue of law, practice or procedure not directly connected with the particular enquiry or dispute which is the subject of the Claim;
- g) any dispute or enquiry where the accounts submitted are being investigated solely because earlier books, records or returns have been investigated or are already under enquiry;
- h) any Claim arising from an enquiry into an Insured's tax return or an amendment to an Insured's tax return or any other statutory return that was not submitted within the statutory time limits. In order for the statutory return to be regarded as having been submitted within the statutory time limits, HMRC must have deemed this to be the case and the filing date must not allow HMRC the right to extend their enquiry window beyond the normal time

limit of 12 months after the due filing date. Where an amendment to a Insured's tax return or an amendment to any other statutory return is submitted within the 12 months after the due filing date and HMRC execute an enquiry into the return within that 12 months period then this exclusion will not apply;

- i) any criminal prosecution;
- j) any dispute or enquiry where dishonesty, fraud or fraudulent intent is alleged unless, at the culmination of such dispute or enquiry, it is proved that the Insured was found not guilty of dishonesty, fraud or fraudulent intent.

SECTION 3: EMPLOYMENT DISPUTES

Section 3a: Employee Disputes

The Insurer agrees to indemnify the Insured against Legal Expenses and Awards of Compensation incurred by the Insured in defending legal proceedings brought against the Insured by an Employee, ex-Employee or prospective Employee in respect of their contract of employment with the Insured or a breach of employment-related legislation. It is a condition precedent to the Insurer's liability that the Insured has sought and followed all the advice from the Advice Line as to the procedure to be adopted and has received specific authorisation from the Advice Line:

- a) prior to carrying out any disciplinary procedure or action or suspension of an Employee;
- b) prior to dismissal of an Employee;
- c) prior to instituting a redundancy programme and prior to making an Employee redundant;
- d) upon notification formally or informally of a grievance from an Employee or ex-Employee;
- e) upon notification formally or informally of a complaint of sexual racial or religious discrimination or discrimination relating to disability, age or sexual orientation;
- f) prior to any adverse variation of the terms and conditions of employment (including altering the hours or time or place worked or demotion or deduction from or reduction in an Employee's remuneration);
- g) immediately an Employee walks out with or without written notice;
- h) upon receipt of an appeal from an Employee or ex-Employee against a decision taken as a result of a disciplinary or grievance procedure or a decision to dismiss.

Exclusions to Section 3a

The Insurer will not pay:

- a) any benefit due under a Contract of Employment;
- b) any payment due in respect of redundancy;
- c) any compensatory award made against the Insured relating to or arising from Trade Union activities including membership or non membership;
- d) any award made because of the Insured's failure to provide written reason for dismissal;
- e) any compensatory award specified in a re-instatement or re-engagement order;
- f) any awards to the extent that they relate to contractual rights accruing to the Employee, ex-employee or prospective Employee prior to the actual or alleged breach of the actual or alleged Contract of Employment;
- g) any defence of an action for damages in respect of personal Injury including stress related matters or loss of or damage to Property;
- h) any Claim where the Insured did not seek and follow advice from the Advice Line.

Section 3b: Restrictive Covenants

The Insurer agrees to indemnify the Insured against Legal Expenses incurred in the pursuit of Legal Proceedings against an Employee or ex-employee who is in breach of restrictions contained within a written contract of employment signed by the Employee.

SECTION 4: PROPERTY DISPUTES

The Insurer agrees to indemnify the Insured against Legal Expenses incurred in any dispute or legal proceedings made by or brought against the Insured:

- a) over the physical possession of the Property provided that all statutory and contractual notices have been correctly served by the Insured;
- b) over the terms of a tenancy agreement between the Insured and a Contracting Party relating to the use or maintenance of the Property including dilapidations;
- c) other than with a tenant over the actual or alleged negligence, damage or nuisance to the Property; provided in all cases that the Insured will suffer financial loss if the Insured fails to pursue or defend the dispute or legal proceedings.

Exclusions to Section 4

The Insurer shall not be liable to indemnify the Insured in respect of any Claim arising out of or in connection with:

- a) the payment or non payment or review of any tax, rent or service charge;
- b) a dispute relating to planning or building regulations or decisions or compulsory purchase orders or any actual, planned or proposed works by or under the order of any government or public or local authority;
- c) any dispute arising from the negotiation review or renewal of a tenancy agreement or the subsequent purchase of the Property whether or not such purchase is completed;
- d) any dispute where the Insured has failed to maintain in full force and effect during the tenancy agreement buildings' insurance covering the standard range of perils if the Insured was contractually obligated to have such insurance in force;
- e) a dispute over subsidence or heave howsoever caused;
- f) a contract dispute other than where the contract is a tenancy agreement with a Contracting Party.

SECTION 5: DATA PROTECTION

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

Exclusions to Section 5

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

SECTION 6: STATUTORY LICENCE

The Insurer agrees to indemnify the Insured against Legal Expenses incurred in appealing against the suspension, revocation, imposed alteration of or refusal to renew a licence or certificate of registration issued under statute or statutory instrument to the Insured by government department, regulatory body or local authority provided that:

- a) such licence or certificate of registration is necessary to engage in activities within the Business Description of the Insured and has been declared to the Coverholder in the Proposal or Renewal Declaration;
- b) the Insured has sought the advice of the Legal Advice Line as to the procedure to be adopted immediately upon receipt of any verbal or written warning from a person in authority which in any way either directly or indirectly affects or may affect the Insured's licence or certificate of registration and has acted on all such advice with due diligence.

Exclusions to Section 6

The Insurer shall not be liable to indemnify the Insured in respect of any Claim arising out of or in connection with:

- a) any claim or legal proceedings arising out of an alteration or refusal to renew a licence or certificate of registration which is imposed by Act of Parliament;
- b) any costs incurred in complying with a notice or order whether incidental or not;
- c) any claim or legal proceedings arising out of the use or ownership of a motor vehicle;
- d) any claim relating to an original application or renewal or in respect of which an appeal or representation was made in the 12 months immediately preceding the inception of this insurance, except in the case of renewal or continuation of existing insurance arrangements;
- e) any disciplinary or internal procedures conducted by authorities charged with the regulation of the Insured in the performance of their Business Description or for any appeal following such procedures.

SECTION 7: PERSONAL INJURY

The Insurer agrees to indemnify the Insured against Legal Expenses incurred in the pursuit of any dispute or legal proceeding for damages for personal Injury, suffered by the Insured or any director of, partner in or Employee of the Insured caused by the actual or alleged act or omission of a third party arising in the course of the duties carried out on behalf of the Insured.

Exclusions to Section 7

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

General Exclusions

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

1. any dispute arising during the first 90 days of the first Period of Insurance, or during the first 30 days of the first Period of Insurance in respect of HMRC Investigations, unless it can be evidenced that the Insured previously held comparable legal expenses cover with another insurer immediately prior to the inception of this Policy;
2. an Insured Event reported more than 180 days after its Date of Occurrence;
3. an Insured Event reported outside the Period of Insurance;
4. any dispute, legal proceedings or HMRC Investigation made, brought or commenced outside the Territorial Limits;
5. any Claim relating to or arising from any cause, event or circumstance occurring prior to or existing at inception of this Policy and which has or which the Insured knew or ought reasonably to have known may give rise to a dispute, legal proceedings or HMRC Investigation by or against the Insured;
6. Legal Expenses, Professional Expenses and Awards of Compensation including fees costs and disbursements incurred prior to the written acceptance of a Claim;
7. Patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements;
8. Legal Expenses arising from any expense, consequential loss, legal contamination liability or any loss or damage, to Property directly or indirectly caused by, contributed to, by or arising from:
 - a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - b) the radioactive, toxic, or explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;The Insured is not covered for any other costs that are directly or indirectly caused by the event which led to the Claim unless specifically stated in this Policy;
9. Legal Expenses arising directly or indirectly from the failure of computer, data processing and any other electrical equipment or component, including microchips, integrated circuits and similar devices and/or any software to recognize, interpret or process any data as its true calendar date;
10. disputes relating to written or verbal remarks, which damage the Insured's reputation;
11. causes of action intentionally brought about by the Insured;
12. any Claim which, in the Insurer's opinion, or the Appointed Representative's opinion, is believed not to have reasonable prospects of achieving the result for which a Claim is made;
13. Legal Expenses incurred before the Insurer agrees to pay them or where the Insured pursues or defends a case without the agreement of the Insurer or in a different manner to or against the advice of the Appointed Representative or fails to give proper instructions in due time to the Insurer, Appointed Representative or to Counsel or other persons instructed by the Appointed Representative or where the Appointed Representative refuses to act on behalf of the Insured for any reason other than a conflict of interest or in respect of witnesses, experts or agents interviewed, engaged or called on as witnesses without the prior written approval of the Insurer;
14. any Claim where the Insured, in the reasonable opinion of the Insurer, acts in a manner which is prejudicial to the case, including being responsible for any unreasonable delay, withdrawing instructions from the Appointed Representative or withdrawing from the case;
15. Legal Expenses which can be recovered by the Insured under any other insurance or which would have been covered if this Policy did not exist except for any amount in excess of that which would have been payable under such other insurance;
16. fines, damages or other penalties, which the Insured is ordered to pay by a Court or other authority;
17. Legal Expenses relating to any judicial review;
18. any Claim for Legal Expenses when the Insured is bankrupt, or in receivership, liquidation, administration, has made an arrangement with creditors, has entered into a Deed of Arrangement or part or all of the Insured's affairs or property are in the care or control of a receiver or an administrator;
19. any dispute which the Insured has with the Coverholder, the Insurer, the Appointed Representative, the Insured's insurance brokers or the agent of any of these;
20. please note that the rights conferred by the Third Parties (Rights Against Insurers) Act [1930] are specifically excluded from applying to this policy;
21. the defence of the Insured in any matter arising from:
 - a) Injury or disease or psychiatric injury or stress;
 - b) loss, destruction, or damage of or to Property;
 - c) alleged breach of professional duty;
 - d) any other tortious liability (other than specified in Section 4 Property Disputes);
22. any loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following (including any action taken in controlling, preventing, suppressing or in any way relating to) regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
 - a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - b) any act of terrorism;

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

General Conditions

1. Arbitration

Any dispute between the Insured and the Insurer shall be referred to a single arbitrator who shall be either a solicitor or barrister agreed upon by both parties or failing agreement one who is nominated by the President of the appropriate Law Society or by the Bar Council or appropriate professional body within the Territorial Limits. The apportionment of the costs of the arbitration shall be determined by the arbitrator.

2. Cancellation

This Policy may be cancelled at any time on the Insured's written instructions and the premium shall be adjusted on the basis of the Insurer receiving or retaining a pro rata time on risk premium plus 20% of the unexpired premium. Where 75% or more of the Period of Insurance has expired the Insurer shall receive or retain the full premium. This Policy may also be cancelled by the Insurer giving thirty days' notice in writing to the Insured or their insurance broker at either the Insured's or their insurance broker's last known address and the premium hereon shall be adjusted on the basis of the Insurer receiving or retaining pro rata time on risk premium. If the Insured is placed in liquidation, receivership or administration or adjudged bankrupt or if any application is made to the court or meeting convened for any such purpose, this Policy will lapse and the Insured will be entitled to a pro rata return of premium less 20% of the unexpired premium. In all circumstances, no return of premium shall be allowed if the Insured has notified a Claim.

3. Cooling Off

If the Insured is an individual who is acting for purposes outside their trade, business or profession then the Insured may cancel this Policy with effect from inception. The Insured has a right to cancel within 14 days of insuring or within 14 days of receiving full policy documents (if later) by writing to the Coverholder requesting cancellation and returning the policy documents to the Coverholder. No charge will be made and any premium paid by the Insured will be refunded.

4. Alteration of Risk

The Insured must notify the Coverholder immediately in writing of any alteration in risk that materially affects this insurance.

5. Due Observance

The Insured must act with due diligence and at all times act and comply with all the terms, conditions and provisos under this Policy. The Insured must take all reasonable precautions to avoid and prevent Claims, legal proceedings and disputes.

6. Governing Law

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

7. Data Protection Act 1998

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

8. Acts of Parliament

All Acts of Parliament referred to in this Policy shall include any subsequent amendments, re-enactments or regulations and equivalent legislation.

Claims Conditions

1. Notification of Claims

It is a condition precedent to the liability of the Insurer that the Coverholder be notified in writing during the Period of Insurance as soon as reasonably practicable once the Insured becomes aware of any cause, event or circumstance which has given or may give rise to a Claim, dispute, legal proceedings or HMRC Investigation involving the Insured. Where such notification has been given, the Insurer agrees to treat any subsequent Claim in respect of the cause, event or circumstance notified as though the Claim had been notified during the Period of Insurance. The Coverholder will forward to the Insured a claim form which must be completed and returned immediately.

CommercialPlus

Kircam House
Whiffler Road
Norwich
NR3 2AL

Tel: 0845 040 5833

Fax: 01603 420 010

2. Consent

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

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

If during the course of a Claim the Insured ceases to satisfy the Coverholder in respect of a) or b) above, indemnity will be withdrawn in respect of Legal Expenses and Professional Expenses and Awards of Compensation. The decision to grant consent or to withhold it will be taken on receipt of:

- a fully completed insurance claim form;
- the information and documentation the Coverholder reasonably requests;
- a legal opinion from the Appointed Representative as to a) and b) above; and
- any advice the Coverholder may deem it necessary to take.

With the agreement of the Insured, the Coverholder may provide assistance in settling disputes, the costs of which will be covered under this Policy subject to the payment of the Excess or Increased Excess within the Limits of Indemnity. The Coverholder at its discretion may require the Insured to obtain an opinion from Counsel at the Insured's expense as to the merits of the subject matter of the Claim such opinion to have regard to the same issues that the Coverholder has in assessing the merits of any legal action. If based upon such opinion the Coverholder is satisfied in respect of a) and b) above the Legal Expenses and Professional Expenses in obtaining that opinion will be paid by the Insurer within the Limits of Indemnity. In granting its consent the Insurer undertakes to provide indemnity to the Insured subject to the terms and conditions of this Policy and its Schedule but such consent does not imply that all Legal Expenses or Professional Expenses or Awards of Compensation will be paid. In particular Legal Expenses or Professional Expenses for matters that go beyond the immediate scope of the Claim shall be deemed by the Insurer to fall outside the indemnity provided by this Policy.

The Coverholder reserves the right to limit its consent by time and/or financial amount of Legal Expenses or Professional Expenses and/or stage of proceedings to allow for a review of their continued consent. If after consent has been granted it is shown that the Claim has not been brought within the terms and conditions of this Policy and its Schedule the Coverholder's consent will be withdrawn and no indemnity shall be provided. The Insurer shall be entitled to recover any Legal Expenses, Professional Expenses and Awards of Compensation previously paid. If the Insured elects to proceed with the pursuit or defence of a dispute or legal proceedings to which the Coverholder's consent has been refused through lack of reasonable prospects as required in b) i. to iii. above and if the Insured is successful in such pursuit or defence, the Insurer will pay Legal Expenses or Professional Expenses incurred after such consent had been refused subject to the terms and conditions of this Policy.

3. Instruction and choice of Appointed Representative and Counsel

The Coverholder will choose an Appointed Representative to act on behalf of the Insured in any Claim. Where recourse is necessary to a lawyer and proceedings are issued, the Insured is free to choose an Appointed Representative to act in the name of and on behalf of the Insured in any legal proceedings to which the Coverholder has consented subject to the Increased Excess. Where a Claim is made by the Insured named on the Schedule and an Employee (including a director or partner of the Insured) then the Employee must appoint the same Appointed Representative as the Insured. The name and address of the Appointed Representative the Insured proposes to instruct must be notified to the Coverholder in writing. The Coverholder will accept such nomination provided the Coverholder is satisfied the proposed Appointed Representative will co-operate and enable the Insured to comply with the terms and conditions of this Policy and the Coverholder's standard terms of engagement in force at the date the Claim is accepted by the Coverholder in regard to the particular legal proceedings and with particular regard to Claims Condition 5 below. In all other claims the Coverholder will choose the Appointed Representative subject to the Excess. A dispute arising from the Insured's choice may be referred to Arbitration in accordance with General Condition 1.

The Insured must not, without the written consent of the Coverholder, enter into any agreement with the Appointed Representative as to the basis of calculation of Legal Expenses. The Coverholder may withdraw consent previously given at any time. In selecting the Appointed Representative the Insured shall have regard to its duty to minimise the cost of any Claim. In all cases the Appointed Representative shall be appointed in the name of and on behalf of the Insured. If in the course of any Claim the Appointed Representative wishes to instruct Counsel or an expert, Counsel's or the expert's name and an explanation of the necessity for such instruction must be submitted to the Coverholder for consent to the proposed instruction and fee of Counsel or such expert which will not be unreasonably withheld.

4. Disclosure

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

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

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

5. Payment of Legal Expenses, Professional Expenses and Awards of Compensation

All bills for Legal Expenses or Professional Expenses which the Insured receives from the Appointed Representative should be forwarded to the Coverholder without delay. If the Coverholder so requires the Insured must ask the Appointed Representative to submit the bill of costs for consideration by the Coverholder's costs lawyer or costs draughtsman or for assessment or certification by the appropriate Law Society, court or tribunal. The Insured is responsible for payment of all Legal Expenses or Professional Expenses or Awards of Compensation. The Insurer may settle these direct if requested by the Insured to do so. The payment of some Legal Expenses or Professional Expenses does not imply that all Legal Expenses or Professional Expenses or Awards of Compensation will be paid.

6. Offer of Settlement

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

No indemnity will be provided if the Insured enters into any agreement to settle without the prior written consent of the Coverholder (such consent not to be unreasonably withheld) and the Insurer shall be entitled to recover any Legal Expenses or Professional Expenses or Awards of Compensation previously paid. If the Insured unreasonably rejects an offer of settlement which the Coverholder has recommended should be accepted or makes an offer which the Coverholder has not agreed is made, no further indemnity shall be provided.

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

7. Recovery of Costs

Whenever the Insured is awarded costs or under the terms of any settlement where costs are included, those costs are to be repaid to the Insurer. The Insured and their Appointed Representative must make every effort to make a full recovery of costs. Where a settlement purports to be a global or a without costs settlement or where costs are awarded but not recovered, the Insured agrees that a fair and reasonable proportion of that settlement will be deemed costs and due to the Insurer. Where such a settlement is paid in instalments all costs to the Insurer shall be paid first.

8. Appeal Procedure

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

9. Duty to Minimise

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

10. Fraudulent Claims

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

11. Insolvency or Liquidation of the Insured

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

12. Value Added Tax

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

Complaints Procedure

It is the intention to give You the best possible service but if You do have any questions or concerns about this insurance or the handling of a Claim You should in the first instance contact the Chief Executive Officer of Motorplus Limited at the following:

The Chief Executive Officer

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

Tel: 01455 850000

Fax: 01455 841000

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

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

The Customer Relations Manager

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

Tel: 0845 218 2685

Email: customerrelations@ukgeneral.co.uk

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

The Financial Ombudsman Service

South Quay Plaza
183 Marsh Wall
Docklands
London
E14 9SR

Tel: 0845 080 1800

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

Compensation Scheme

Ageas Insurance Limited is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme in the unlikely event that Ageas Insurance Limited cannot meet their financial responsibilities. The FSCS will meet 90% of Your claim, without any upper limit. You can obtain further information about compensation scheme arrangements from the FSCS at www.fscs.org.uk, or by phoning 0207 892 7300.

CommercialPlus and ULR are trading names of MotorPlus Limited
Motorplus Limited is authorised and regulated by the Financial Services Authority.
Regulated by the Ministry Of Justice in respect of regulated claims management activities.