



THIS IS YOUR COMMERCIAL LEGAL PROTECTION POLICY

Any information supplied by **the policyholder** shall be incorporated in the contract.

This policy will cover **the policyholder** in respect of any **insured incident** arising in connection with the business declared to **us** if the premium has been paid.

We agree to provide the insurance in this policy as long as:

- (a) the **date of occurrence** of the **insured incident** happens during the **period of insurance** and within the **territorial limit**; and
- (b) any legal proceedings will be dealt with by a court, or other body which **we** agree to, in the **territorial limit**; and
- (c) in civil claims it is always more likely than not that **the policyholder** will recover damages (or obtain any other legal remedy which **we** have agreed to) or make a successful defence.

For all **insured incidents**, **we** will help in appealing or defending an appeal as long as **the policyholder** tells **us** within the time limits allowed that they want **us** to appeal. Before **we** pay any **legal costs** for appeals, **we** must agree that it is always more likely than not that the appeal will be successful.

If an **appointed representative** is used, **we** will pay the **legal costs** incurred for this.

We will pay Compensation Awards that **we** have agreed to.

The most **we** will pay for all claims resulting from one or more event arising at the same time or from the same originating cause is £50,000.

THE MEANING OF WORDS IN THIS POLICY

1 We, us, our

DAS Legal Expenses Insurance Company Limited.

2 The policyholder

The business declared to **us**.

3 Appointed representative

The lawyer, or other suitably qualified person, who has been appointed to act for **the policyholder** in accordance with the terms of this policy.

4 Period of insurance

The period for which **we** have agreed to cover **the policyholder** and for which the premium has been paid.

5 Date of occurrence

The **date of occurrence** is when the cause of action first accrued.

6 Legal Costs

All reasonable and necessary costs chargeable by the **appointed representative** on a standard basis.

Also the costs incurred by opponents in civil cases if **the policyholder** has been ordered to pay them, or pays them with **our** agreement.

7 Territorial limit

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

INSURED INCIDENTS WE WILL COVER

1 EMPLOYMENT DISPUTES AND COMPENSATION AWARDS

(a) Employment Disputes

We will defend **the policyholder's** legal rights:

- (1) prior to the issue of legal proceedings in a court or tribunal following the dismissal of an employee; or
- (2) in the resolution of unfair dismissal disputes under the ACAS Arbitration Scheme; or
- (3) in legal proceedings in respect of any dispute with
 - (a) an employee or ex-employee or a trade union acting on behalf of an employee or ex-employee which arises out of, or relates to, a contract of employment with **the policyholder**; or
 - (b) an employee, prospective employee or ex-employee arising from an alleged breach of their statutory rights under employment legislation.

What is not covered

- (1) Any employment dispute where the cause of action arises within the first 90 days of the indemnity provided by the policy.
- (2) Any dispute with an employee who was subject to a written or oral warning (formal or informal) within 180 days immediately preceding the inception date of the indemnity provided by the policy if the **date of occurrence** was within the first 180 days of the indemnity provided by the policy.
- (3) Any redundancy or alleged redundancy or unfair selection for redundancy arising within the first 180 days of the indemnity provided by the policy.
- (4) Any claim in respect of damages for personal injury or loss of or damage to property.
- (5) Any claim arising from or relating to any transfer of business which falls within the scope of the Transfer of Undertakings (Protection of Employment) Regulations 1981 as amended by the Collective Redundancies and Transfer of Undertaking Regulations (Protection of Employment) (Amendment) Regulations 1999, or the Acquired Rights Directive 2001 and any amending legislation.

(b) Compensation Awards

We will pay:

- (1) any basic and compensatory award; and/or
- (2) an order for compensation following a breach of **the policyholder's** statutory duties under employment legislation in respect of a claim **we** have accepted under **insured incident 1(a)**.

Provided that

- (1) *In cases relating to performance and/or conduct, **the policyholder** has throughout the employment dispute either:*
 - (a) *followed the ACAS Code of Disciplinary Practice and Procedures in Employment as prepared by the Advisory Conciliation and Arbitration Service; or*
 - (b) *followed equivalent codes of practice issued by the Labour Relations Agency in Northern Ireland; or*
 - (c) *sought and followed advice from **our** legal advice service.*
- (2) *For an order of compensation following **the policyholder's** breach of statutory duty under employment legislation **the policyholder** has at all times sought and followed advice from **our** legal advice service since the date when **the policyholder** should have known about the employment dispute.*
- (3) *For any compensation award for redundancy or alleged redundancy or unfair selection for redundancy, **the policyholder** has sought and followed advice from **our** Claims Department prior to serving notice of redundancy.*
- (4) *The compensation is awarded by a tribunal or through the ACAS Arbitration Scheme, under a judgment made after full argument and otherwise than by consent or default, or is payable under settlement approved in writing in advance by **us**.*
- (5) *The total of the compensation awards payable by **us** shall not exceed £1,000,000 in any one **period of insurance**.*

What is not covered

- (1) Any compensation award relating to the following:
 - trade union activities, trade union membership or non-membership;
 - pregnancy or maternity rights;
 - health and safety related dismissals brought under section 44 of the Employment Rights Act 1996;
 - statutory rights in relation to trustees of occupational pension schemes;
 - statutory rights in relation to Sunday shop and betting work.
- (2) Non-payment of money due under the relevant contract of employment or statutory provision relating thereto.
- (3) Any award ordered as a result of a breach of statutory rights in relation to the provision of relevant records to employees under the National Minimum Wage Act 1998.
- (4) Any compensation award or increase in compensation award ordered by the tribunal for failure to comply with a recommendation it has made, including non-compliance with a reinstatement or re-engagement order.

(c) Service Occupancy

We will negotiate for **the policyholder's** legal rights against an employee or ex-employee to recover possession of premises owned by, or for which **the policyholder** is responsible.

What is not covered

Any claim relating to defending **the policyholder's** legal rights other than defending a counter-claim.

WHAT IS NOT COVERED BY THIS POLICY

- 1 Any claim reported to **us** more than 180 days after the date **the policyholder** should have known about the **insured incident**.
- 2 **Legal costs** incurred before the written acceptance of a claim by **us**.
- 3 Fines, penalties, compensation or damages which **the policyholder** is ordered to pay by a court or other authority other than compensation awards as covered under **insured incident 1(b) Compensation Awards**.
- 4 Any claim relating to patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.
- 5 Any claim relating to franchise rights, or agency rights where **the policyholder** has the legal capacity to alter the legal relations of another.
- 6 Any **insured incident** deliberately or intentionally caused by **the policyholder**.
- 7 A dispute with **us** not otherwise dealt with under Condition 7.
- 8 Any claim relating to a shareholding or partnership share in **the policyholder** unless such shareholding was acquired under a scheme open to all employees of **the policyholder** or a substantial number of them of a certain minimum grade other than the directors or partners of **the policyholder**.
- 9 An application for judicial review.
- 10 Any claim caused by, contributed to by or arising from:
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from burning nuclear fuel;
 - the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear part of it;
 - war, invasion, foreign enemy hostilities (whether war is declared or not), civil war, rebellion, revolution, military force or coup;
 - pressure waves caused by aircraft or any other airborne devices travelling at sonic or supersonic speeds.
- 11 Legal action **the policyholder** takes which **we** or the **appointed representative** have not agreed to or where **the policyholder** does anything that hinders **us** or the **appointed representative**.
- 12 When either at the commencement of or during the course of a claim, **the policyholder** is bankrupt or has filed a bankruptcy petition or winding-up petition, or has made an arrangement with its creditors, or

has entered into a deed or arrangement or is in liquidation or part or all of its affairs or property are in the care or control of a receiver or administrator.

- 13 Any claim directly or indirectly caused by or resulting from any device failing to recognise, interpret or process any date as its true calendar date.
- 14 Any claim relating to any non-contracting party's right to enforce all or any part of this policy. The Contracts (Rights of Third Parties) Act 1999 does not apply to this policy.

CONDITIONS WHICH APPLY TO THE WHOLE POLICY

- 1 **The policyholder** must:
- (a) keep to the terms and conditions of this policy;
 - (b) take reasonable steps to keep any amount **we** have to pay as low as possible;
 - (c) try to prevent anything happening that may cause a claim;
 - (d) send everything **we** ask for, in writing;
 - (e) give **us** full details of any claim as soon as possible and give **us** any information **we** need.
- 2 (a) **We** can take over and conduct in the name of **the policyholder**, any claim or legal proceedings at any time.
We can negotiate any claim on behalf of **the policyholder**.
- (b) If **we** agree to start legal proceedings and it becomes mandatory for **the policyholder** to be represented by a lawyer, or if there is a conflict of interest, **the policyholder** can choose an **appointed representative** by sending **us** the suitably qualified person's name and address.
We may choose not to accept the choice of representative, but only in exceptional circumstances. If there is a disagreement over the choice of **appointed representative**, another suitably qualified person can be appointed to decide the matter.
- (c) Before **the policyholder** chooses a lawyer, **we** can appoint an **appointed representative**.
- (d) An **appointed representative** will be appointed by **us** and represent **the policyholder** according to **our** standard terms of appointment. The **appointed representative** must co-operate fully with **us** at all times.
- (e) **We** will have direct contact with the **appointed representative**.
- (f) **The policyholder** must co-operate fully with **us** and with the **appointed representative** and must keep **us** up-to-date with the progress of the claim.
- (g) **The policyholder** must give the **appointed representative** any instructions that **we** require.
- 3 (a) **The policyholder** must tell **us** if anyone offers to settle a claim and must not agree to any settlement without **our** written consent.
- (b) If **the policyholder** does not accept a reasonable offer to settle a claim, **we** may refuse to pay further **legal costs**.
- (c) **We** may decide to pay **the policyholder** the amount of damages that **the policyholder** is claiming or is being claimed against them instead of starting or continuing legal proceedings.
- 4 (a) If **we** ask, **the policyholder** must tell the **appointed representative** to have **legal costs** taxed, assessed or audited.
- (b) **The policyholder** must take every step to recover **legal costs** that **we** have to pay and must pay **us** any **legal costs** that are recovered.
- 5 If an **appointed representative** refuses to continue acting for **the policyholder** or if **the policyholder** dismisses an **appointed representative**, the cover **we** provide will end at once, unless **we** agree to appoint another **appointed representative**.
- 6 If **the policyholder** settles a claim or withdraws their claim without **our** agreement, or does not give suitable instructions to an **appointed representative**, the cover **we** provide will end at once and **we** will be entitled to re-claim any **legal costs** paid by **us**.
- 7 If **we** and **the policyholder** disagree about the choice of **appointed representative**, or about the handling of a claim, **we** and **the policyholder** can choose another suitably qualified person to decide the matter. **We** must both agree to this in writing. If **we** cannot agree with **the policyholder** about the choice

of the second suitably qualified person, **we** will ask the president of a relevant national law society to choose a suitably qualified person. Whoever loses the disagreement will have to pay the costs of settling it.

- 8 **We** may at **our** discretion require **the policyholder** to obtain an opinion from counsel at **the policyholder's** expense as to the merits of a claim or proceedings. If counsel's opinion indicates that there are reasonable grounds for the pursuit or defence of a claim or proceedings, the cost of obtaining the opinion will be paid by **us**.
- 9 **We** can cancel this policy at any time as long as **we** tell **the policyholder** at least 21 days beforehand. **The policyholder** can cancel this policy at any time as long as **we** are told at least 21 days beforehand.
- 10 **We** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this policy did not exist.
- 11 This policy will be governed by English law.
- 12 All Acts of Parliament within the policy wording shall include equivalent legislation in Scotland, Northern Ireland, the Isle of Man or the Channel Islands as the case may be.

DAS is a member of the General Insurance Standards Council and is authorised and regulated by the Financial Services Authority.

HELPLINE SERVICES

We provide these services 24 hours a day, 7 days a week **during the period of insurance**. To help **us** check and improve **our** service standards, **we** record all calls.

EUROLAW COMMERCIAL LEGAL ADVICE

We will give **the policyholder** confidential legal advice over the phone, under the laws of the member countries of the European Union, the Isle of Man, the Channel Islands, Switzerland and Norway.

We will not accept responsibility if the Helpline Services fail for reasons we cannot control. Please do not phone us to report a general insurance claim.

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