

DIRECT SALES

INSURANCE POLICY



GENERAL INFORMATION AND POLICY CONTENT

Thank you for entrusting this insurance to Direct Selling Protection, a trading name of Mark Bates Ltd, who manage this insurance on behalf of the insurer and act as its agent in performing duties under that agreement. Mark Bates Ltd underwrite and manage this insurance on behalf of **the insurer** and act as its agent in performing duties under that agreement.

Premier House Londonthorpe Road Grantham Lincolnshire England NG31 9SN
Tel: 01476 513795 Email: directsellinginsurance@markbatesltd.com
Mark Bates Ltd is authorised and regulated by the Financial Conduct Authority (FRN 308390).

This policy is a legal contract and it is important that you read it carefully to make sure that it meets your requirements. If it does not, or if your insurance requirements change, please let us know immediately.

We would remind you that you must tell us immediately of any facts or changes which might affect the assessment or acceptance of this insurance. If you do not disclose all relevant facts you may invalidate your policy or your policy may not operate fully.

Sections 4 and 5 of this policy are optional. Your schedule will advise you whether or not they apply.

You should read this policy together with your current schedule which gives details particular to you.

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COMPLAINTS PROCEDURE

It is always our intention to provide **you** with a first-class standard of service. Misunderstandings can, however, occur and we would prefer to know about the occasional problem than for **you** to remain dissatisfied.

Any communication with us can be made orally or in writing and on **your** behalf by a third party with **your** permission.

If any problem arises in connection with this policy **you** should firstly discuss this with us by contacting
The Compliance Officer Mark Bates Ltd Premier House Londonthorpe Road Grantham Lincs NG31 9SN
Tel: 01476 593887 Email: complaints@markbatesltd.com

If **your** enquiry has not been dealt with to **your** satisfaction and **you** wish to make a complaint, please refer to **the insurer** by contacting
The Compliance Officer China Taiping Insurance (UK) Company Limited 2 Finch Lane London EC3V 3NA
Tel:0207 839 1888 Fax:0207 621 1202 E-mail:compliance@uk.cntaiping.com

The Compliance Officer will acknowledge the complaint within five business days and advise **you** of the person who will be dealing with the complaint and when **you** can expect to receive a detailed response. The person dealing with the complaint will be a senior member of staff who was not directly involved in the matter which is the subject of the complaint. They will have the authority and experience to adequately address the complaint and explain the results of the investigation.

If **your** complaint should be more appropriately dealt with by another firm, **the insurer** will ensure it is referred to them as soon as practicable and certainly no later than five business days of becoming satisfied that another firm is or may be responsible for the matters complained of. **The insurer** will make this referral to the other firm in writing and advise **you** by way of a final response that the referral has been made and include the other firm's contact details.

Your complaint will be thoroughly investigated and **the insurer** will respond to it as soon as possible. Within twenty business days **the insurer** will provide a detailed response to **your** complaint in writing or, if it is not possible to respond within that time, **the insurer** will inform **you** in writing within twenty business days why it has been unable to resolve the complaint within that time, why it needs more time to do so and when **you** can expect to receive its final response.

If **the insurer** has not completed its investigation, within eight weeks after the complaint was made, it will write to **you** and explain why there is a further delay. **The insurer** will also confirm when it expects to issue its final response and advise **you** that **you** may be eligible to refer the complaint to the Financial Ombudsman Service if **you** are dissatisfied with the delay. Its contact details are

Financial Ombudsman Service Exchange Tower Harbour Exchange Square London E14 9SR
Tel: 0800 023 4 567 from landlines or 0300 123 9 123 from mobile phones Fax: 020 7964 1001
E-mail: complaint.info@financial-ombudsman.org.uk Website: www.financial-ombudsman.org.uk.

Where **you** are eligible to refer **your** complaint to the Financial Ombudsman Service **you** have this right to do so free of charge, but **you** must do so within six months of the date of **the insurer's** final response. If **you** do not refer **your** complaint in time, the Ombudsman will not have **the insurer's** permission to consider **your** complaint and so will only be able to do so in very limited circumstances. For example, if it believes that the delay was as a result of exceptional circumstances.

Compensation rights

In the event that **the insurer** is unable to meet its legal obligations under this insurance **you** may be entitled to apply for compensation under the Financial Services Compensation Scheme (FSCS). Further information is available from FSCS. Tel: 0800 678 1100. Website www.fscs.org.uk

Agreement between the insurer and you

The insurer will pay for any **damage**, benefit, legal liability, costs or expenses described in this policy arising from events happening during the **period of insurance** for which it has accepted a premium.

The insurer has relied on the information supplied by **you** in connection with this insurance to enable it to form the contract of insurance between **you** and **the insurer**.

This policy should be read together with the **schedule**.

Information you have provided

In deciding to accept this policy and in setting the terms and premium, **the insurer** has relied upon the information **you** have provided. **You** must take care when answering any questions relating to this insurance by ensuring that all information provided is accurate and complete.

If **the insurer** establishes that **you** deliberately or recklessly provided false or misleading information **the insurer** will treat this policy as if it never existed and refuse to pay all claims. **You** must repay any payments **the insurer** has already made under this policy and **the insurer** will not return the premium to **you**.

If **the insurer** establishes that **you** acted carelessly when providing **the insurer** with **your** information, such carelessness could adversely affect this policy and any claim. For example, **the insurer** may

- treat this policy as if it had never existed and refuse to pay all claims and return the premium paid. **The insurer** will only do this if it provided **you** with insurance cover which it would not otherwise have offered;
- amend the terms of **your** insurance. **The insurer** may apply these amended terms as if they were already in place if a claim has been adversely impacted by **your** carelessness;
- reduce the amount it pays on a claim in the proportion the premium **you** have paid bears to the premium it would have charged **you**; or
- cancel this policy in accordance with the Cancellation condition of this policy.

You will be written to if **the insurer**

- intends to treat this policy as if it never existed; or
- needs to amend the terms of this policy.

If **you** become aware that information **you** have provided is inaccurate, **you** must inform Mark Bates Ltd as soon as practicable.

Premier House Londonthorpe Road Grantham Lincolnshire England NG31 9SN

Tel No: 01476 513795

Email: directsellinginsurance@markbatesltd.com

POLICY DEFINITIONS

Definitions are set out below and any word or phrase that has a definition is printed throughout this policy in bold type.

Act of terrorism	Act, including but not limited to the use of force or violence and/or the threat of thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear for such purposes.
Business	Business stated in the schedule .
Computer system	Any computer hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet or wearable device), server, cloud or microcontroller, including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility owned, operated by or held in trust by you .
Costs and expenses	<ol style="list-style-type: none">1) All costs and expenses recoverable by any claimant from you;2) the costs and expenses incurred with the insurer's written consent for;<ol style="list-style-type: none">a) representation at any coroner's inquest or inquiry in respect of any death; andb) the defence of proceedings in any court brought against you in respect of breach, or alleged breach, of statutory duty resulting in injury; and3) all other costs and expenses of litigation incurred with the insurer's written consent relating to an occurrence which may give rise to indemnity.
Damage	Loss or damage.
Data	Information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a computer system .
Employee(s)	<ol style="list-style-type: none">1) Any person under a contract of service or apprenticeship with you;2) any labour master or labour only sub-contractor or person supplied by any of them;3) any self-employed person;4) any person under a contract of service or apprenticeship with another employer and who is hired to, or borrowed by, you; and5) any person participating in any government or otherwise authorised work experience, training, study exchange or similar scheme whilst engaged in working for you in connection with the business.
Injury	Bodily injury, death, disease, illness or shock.
Period of insurance	Period of insurance stated in the schedule and any subsequent period for which you pay, and the insurer accepts, the premium.
Schedule	Most current schedule issued to you by the insurer .
Territorial limits	The United Kingdom.
The insurer	China Taiping Insurance (UK) Co Ltd.
You/your	Person or entity named in the schedule .

POLICY EXCLUSIONS

1) General

This policy does not cover any loss, damage, legal liability, costs, expenses or benefits directly or indirectly caused by or contributed to or arising from

a) Radioactive contamination

- i) ionising radiations from, or contamination by, radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or
- iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

b) War risks

war, invasion, act of foreign enemies, hostilities or war like operations, (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power, but this exclusion shall not apply to the insurance provided by Section 5 - Employers' Liability of this policy.

c) Sonic bangs

pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

d) Pollution

pollution or contamination by naturally occurring or man-made substances forces or organisms, or any combination of them, whether permanent or transitory and however occurring, but this exclusion shall not apply to a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the **period of insurance**.

e) Date recognition failure

the failure of any **computer system**, whether belonging to **you** or not, correctly to

- i) recognise any date as its true calendar date;
- ii) capture, save, retain and/or correctly to manipulate, interpret or process any **data** or information or command or instruction as a result of treating any date otherwise than its true calendar date; or
- iii) capture, save, retain or process any **data** as a result of the operation of any command which causes the loss of **data** or the inability correctly to capture, save, retain or process such **data**.

2) Communicable disease

Notwithstanding any provision to the contrary, this policy excludes any actual or alleged damage, legal liability, **injury**, costs and expenses - including, but not limited to, any cost to clean up, detoxify, remove, monitor or test - and any other sum of any nature whatsoever directly or indirectly caused by, contributed to, resulting from, originated by, attributable to or occurring concurrently with a **communicable disease** or the fear or threat (whether actual or perceived) thereof.

The presence of a person or persons at the address stated in the **schedule** that is/are possibly or actually infected with a **communicable disease** shall not constitute loss or damage, whether physical or otherwise, or give rise to **your** legal liability or any costs or expenses in any way.

For the purpose of this exclusion, a **communicable disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
- b) the method of transmission includes, but is not limited to, airborne transmission and bodily fluid transmission from or to any surface or object, solid, liquid or gas or between organisms; and
- c) the disease, substance or agent can cause or threaten damage, injury or illness to human health or human welfare or can cause or threaten damage to or deterioration, loss of value, marketability or loss of use of property.

Provided that

- i) where the **insurer** alleges that this exclusion applies then the burden in proving to the contrary lies with **you**; and
- ii) this exclusion shall not apply to Section 5 - Employers' liability of this policy to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom, including the Channel Islands and the Isle of Man, relating to compulsory insurance of liability to **employees** and provided that the maximum limit of indemnity for any one claim or series of claims arising from one source or original cause shall not exceed £5,000,000.

3) Cyber exclusion

This policy excludes any loss, damage, consequential loss, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to, resulting from, arising out of or in connection with

- a) a **cyber loss**; and
- b) any loss of use, reduction in functionality, erasure, corruption, alteration, repair, replacement, restoration, research, engineering or reproduction of any **data**, including any amount pertaining to the value of such **data**

regardless of any other cause or event contributing concurrently to or in any sequence to.

Notwithstanding a) and b) above, this policy covers the cost to repair or replace a **computer system**, including any consequential loss, following loss or damage insured under this policy directly occasioned by or resulting from fire, explosion, lightning, theft or attempted theft, escape of water, accidental damage, vehicle or aircraft impact, earthquake, falling objects, windstorm, flood and hail.

For the purpose of this exclusion:

Cyber act means

- i) one or a series of unauthorised malicious or criminal acts or instructions, regardless of time and place, or the threat or hoax thereof, involving access to or processing, transmission, use or operation of any **data** and/or **computer system**; and
- ii) the transmission or impact of any virus, meaning a corrupting instruction that propagates itself via a **computer system** or network.

Cyber incident means any misuse, error or omission or series of related errors or omissions involving

- i) access to, or the processing, use, operation or availability of, any **data** and/or **computer system** or any reductions in the functionality of, or partial or total unavailability or failure, or series of related partial or total unavailability or failures, to access, process, use or operate, any **computer system**; and
- ii) any use of electronic networks, including, but not limited to, the internet and private networks, intranets, extranets, electronic mail, worldwide web, social media and similar medium carried out by **you** or by any person, partnership, firm or company acting for **you** or on **your** behalf.

Cyber loss means any **cyber act** or **cyber incident**, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **cyber act** or **cyber incident**.

4) Loss in value

This policy does not cover loss in value of any property following repair or replacement.

5) Act of terrorism

This policy does not cover any **act of terrorism**, but this exclusion shall not apply to the insurance provided by Section 5 - Employers' Liability of this policy.

POLICY CONDITIONS

1) Reasonable care

If **you** have not taken all reasonable steps to prevent accidents or **damage** and maintain the property in a sound condition and good repair, **the insurer** shall not be liable to make any payment under this policy.

2) Changes that may affect this insurance

The insurer has relied upon information advised to them in deciding to provide **you** with this insurance. **You** must tell them as soon as possible if there are changes that may affect **your** insurance, such as, but not restricted to, the following.

You change the address where **you** normally live.

You are convicted of, or have a conviction pending for, any offence other than a motoring offence.

The nature of the **business** changes.

You are declared bankrupt, or are the subject of bankruptcy proceedings.

Your business being wound up or carried on by a liquidator or receiver.

Changes in the facts as set out in the statement of facts and declared at inception, renewal or variation of the policy, which materially increases the risk of **damage** or **injury**.

In the event of any such change, **the insurer** will have the option of amending the terms under which this insurance has been provided or cancelling this insurance from the date of change.

3) Cancellation

a) If **you** cancel this policy within 14 days of the date **you** receive **your** policy documents, **the insurer** will refund the premium in full, provided no claim has been made for the period this policy has been in force and that no liability whatsoever shall attach to **the insurer** in respect of this policy.

If **you** cancel this policy after 14 days of the date **you** receive **your** policy documents, **the insurer** will allow a refund of premium for every full quarter of the **period of insurance** that remains in force from the date of cancellation, subject to paragraph c) below.

b) **We** may cancel this policy by sending 7 days' notice by recorded delivery to **you** at **your** last known address and **we** will allow a pro rata refund of premium for the unexpired period to expiry date, subject to paragraph c) below.

c) Where a claim has been made during the current **period of insurance**, the full annual premium will still be payable despite cancellation of cover and **the insurer** reserves the right to deduct this from any claim payment. In any event a due proportion of the premium shall be payable for the period of cover provided.

4) Other insurance

If any loss, damage, legal liability, costs or expenses covered by this policy is insured elsewhere, **the insurer** will only pay its share of any claim.

5) Fraud

All benefit under this policy will be forfeited, with no refund of premium, if any claim is in any respect fraudulent, or if any fraudulent means are used by **you** or anyone acting on **your** behalf to obtain benefit under this policy.

6) Tax

In addition to the premium, the cost of this insurance includes tax due on the premium which **the insurer** is required to collect in accordance with current legislation.

7) Governing law

There is a choice of law for this insurance, but unless **the insurer** agrees otherwise, English law applies.

8) General Data Protection Regulation

It is agreed by **you** that any information provided to **the insurer** regarding **you** for the purpose of accepting insurance and handling any claims may, if necessary, be divulged to third parties, provided that it will be processed by **the insurer** in compliance with the provisions of the General Data Protection Regulation.

9) Contracts (Rights of Third Parties) Act 1999

A person or company who was not party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy, but this general condition does not affect any right or remedy of a third party which exists, or is available, other than by virtue of this Act.

10) Sanctions

The insurer shall not provide any benefit under this policy to the extent that such cover or claim payment would expose it to any sanction, prohibition or restriction under the trade or economic sanctions, laws and regulations of the United Kingdom, European Union or United States of America or under the United Nations resolutions.

CONDITIONS APPLYING IN THE EVENT OF A CLAIM

1) Notification of claims (other than in respect of Section 3 Legal expenses)

Your failure to act in accordance with the requirements stated in paragraphs a) and b) below may, at **the insurer's** option, result in **your** claim being invalid.

a) Claims other than for legal liability

In the event of an incident likely to result in a claim **you** must

- i) advise **the insurer** as soon as possible, but no later than 14 days thereafter and at **your** expense provide written details and proofs that **the insurer** requires within 30 days;
- ii) immediately report to the police any theft, malicious damage, vandalism or loss of property; and
- iii) take all reasonable steps to minimise the claim and take all practical steps to recover lost property and discover any guilty person.

b) Legal liability

In the event of any accident likely to result in a legal liability claim **you** must

- a) advise **the insurer** as soon as possible, but no later than 14 days thereafter and at **your** expense provide written details and any assistance that **the insurer** requires within 30 days;
- b) immediately send to **the insurer** any letter, writ, summons or other legal document issued against **you** without answering it; and
- c) not negotiate, pay, settle, admit or deny any claim without **the insurer's** written consent.

If **you** need to notify **the insurer** of a claim, or of any circumstances or incident which may cause a claim, (other than under Section 3 Legal expenses) **you** should contact

Mark Bates Ltd Claims Department

Premier House Londonthorpe Road Grantham Lincolnshire NG31 9SN

Tel No: 01476 514471

Fax: 01476 591543

Email:claims@markbatesltd.com

For notification of claims under Section 3 Legal expenses refer to page 15 of this policy.

2) Conduct of claims

a) Rights of the insurer

In the event of a claim **the insurer** may

- i) inspect and take charge of any damaged property - no property may be abandoned to them; and
- ii) take over and control any proceedings in **your** name, for the benefit of **the insurer**, to recover compensation from any source or defend proceedings against **you**.

b) Recovery of lost or stolen property

If any lost property is recovered, **you** must let **the insurer** know as soon as reasonably possible by recorded delivery.

If the property is recovered before payment of the claim, **you** must take it back and **the insurer** will then pay for any damage.

If the property is recovered after payment of the claim it will belong to **the insurer**, but **you** will have the option to retain it and refund any claim payment to **the insurer**.

SECTION 1 – PUBLIC AND PRODUCTS LIABILITY

Definitions

The definitions applying to the whole policy as stated in page 4 of this policy shall include the following in respect of this section only.

Products Any tangible products or goods (including containers, labelling, instructions or advice provided in connection therewith) which are sold, supplied or demonstrated by **you** in the course of the **business**.

Insuring clause

The insurer will pay for **your** legal liability to provide compensation, together with **costs and expenses**, following accidental

- 1) **injury** to any person;
- 2) loss of or damage to property; or
- 3) obstruction, trespass, nuisance or interference with any right of way arising solely from **your** activities in connection with the **business** during the **period of insurance** and occurring within the **territorial limits**.

In respect of legal liability arising from **products**, **the insurer** will pay for a claim arising anywhere in the world, provided that **products** were sold, supplied or demonstrated within the **territorial limits**.

Additional covers

This policy extends to include the following additional covers incurred in connection with the **business**.

1) Indemnity to principal

As far as is necessary to meet the requirements of any contract or agreement entered into by **you** for the performance of work for any principal, **the insurer** will, at **your** request, treat the principal as though the principal were also **you** in respect of liability arising out of **injury** to any person or loss of or damage to property in connection with the performance of such work by **you**, provided that the principal shall observe, fulfil and be subject to the terms, provisions and conditions of this policy.

2) General Data Protection Regulation

The insurer will indemnify **you** in respect of

- a) legal fees and defence costs; and
- b) legal liability for compensation to an individual, the subject of personal data **you** hold, who suffers material or non-material damage caused by inaccuracy of data, loss of the data, unauthorised destruction or disclosure of the data

arising from proceedings brought against **you** under Section 13 of the Data Protection Act 1998 or under Article 82 of the General Data Protection Regulation (Regulation (EU) 2016/679) or under any legislation implementing the General Data Protection Regulation or under any replacement legislation in respect of any of the foregoing.

The maximum **the insurer** will pay for all claims happening during any one **period of insurance** is £100,000.

The insurer will not provide indemnity in respect of

- a)
 - i) personal **injury**, other than as provided by this extension;
 - ii) loss of or damage to property;
 - iii) fraud, dishonesty, insolvency, financial default, conspiracy, conversion, deceit, intimidation, inducement of breach of contract, injurious falsehood or breach of confidence; or
 - iv) libel, slander or defamation;
- b) consequential losses;
- c) liability as a result of **you** having authorised the destruction or disclosure of the data or which could reasonably have been expected to arise as a result of any other deliberate act or omission by **you** or any **employee**;
- d) liability which arises solely by reason of the terms of any agreement or in respect of liquidated damages;
- e) liability under any penalty clause or any fine or statutory payment;
- f) legal costs or expenses or financial losses in respect of any order for rectification or erasure of data or requiring that data to be supplemented by any other statements; or
- g) proceedings relating to compensation for any **employee**.

3) Wrongful arrest

The insurer will indemnify **you** against all sums **you** shall become legally liable to pay as compensation for wrongful arrest, malicious prosecution, false imprisonment, defamation or assault of any person (other than an **employee**) occurring during the **period of insurance** and arising out of any theft or suspicion of theft.

4) Compensation for court attendance

In the event of **you** attending court at **the insurer's** request in connection with a claim under this policy, **the insurer** will pay compensation for loss of wages or salary for each day on which attendance is required up to a maximum of £300 per day.

5) Motor contingent liability

Notwithstanding exclusion 3) of this section, **the insurer** will indemnify **you** in respect of legal liability for **injury** and loss or destruction of or damage to property arising out of the use of any motor vehicle, which is not **your** property or leased or hired to **you** and is not provided by **you**, while being used in connection with the **business**.

This indemnity does not apply in respect of

- a) loss or destruction of or damage to such vehicle;
- b) **injury** or loss or destruction of or damage to property while such vehicle is being driven by **you** or with **your** consent by anyone whom **you** know does not hold a licence to drive such vehicle;
- c) liability arising from circumstances in which it is compulsory for **you** to insure or provide security in respect of such vehicle as a requirement of relevant Road Traffic Act legislation; or
- d) a vehicle being used outside the **United Kingdom**.

6) Health and Safety at Work etc Act Defence Costs

Legal costs and expenses incurred

- a) in defending any prosecution for breach of duty; and
- b) with **the insurer's** consent in an appeal against a conviction resulting from a prosecution under the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the **period of insurance** where the circumstances may otherwise give rise to a claim under this section, provided that
 - i) **the insurer's** total liability in respect of costs and expenses shall not exceed £1,000,000 in the aggregate during any one **period of insurance**;
 - ii) **the insurer** will only be liable for costs and expenses incurred in respect of legal representation it appoints; and
 - iii) if there is any other insurance or indemnity in force covering the same costs and expenses **the insurer's** liability shall be limited to a proportionate amount of the total costs and expenses, but subject always to the limit of indemnity of £1,000,000.

The insurer will not pay for legal costs and expenses in connection with any breach of duty arising from a deliberate or premeditated act, event or omission which any person claiming indemnity under this additional cover knows or should have known would be likely to constitute an offence under the above Act or Order.

Limit of liability

The insurer's liability for any one claim or series of claims arising out of any one incident shall not exceed the limit of liability stated in the **schedule**.

In respect of claims arising from **products**, **the insurer's** liability for every claim or series of claims arising from one source or original cause and in total during the **period of insurance** shall not exceed the limit of liability stated in the **schedule**.

Exclusions

This section does not cover the following.

- 1) **Injury** to any **employee of yours** whilst arising out of and in the course of their employment by **you**.
- 2) Loss of or damage to property which belongs to **you** or for which **you** are responsible.
- 3) The ownership or use of any mechanically propelled vehicle for which compulsory insurance is required.
- 4) The ownership of any buildings or land.
- 5) The ownership or use of aircraft or watercraft, unless they are models or hand propelled.
- 6) The ownership or possession of an animal.
- 7) Liability arising out of or from advice, design, plans, specifications, formulae, surveys or directions prepared or given by **you** for a fee or for professional services rendered by **you** or on **your** behalf.
- 8) Liability arising out of any beauty or hair treatment or any form of bodily or medical treatment.
- 9) Liability for fines, liquidated damages or penalties of any kind or for punitive, exemplary, restitutionary or multiplied damages.
- 10) Liability which attaches itself solely by virtue of a contract or agreement, but any liability which would have attached in the absence of such contract or agreement is covered under this policy.
- 11) Liability for compensation or **costs and expenses** arising from an action brought in a court of law outside of the **territorial limits**.

- 12) Liability attaching as a consequence of abuse consisting of
 - a) acts of hurting or injuring mentally or physically by maltreatment or ill-use;
 - b) acts of forcing sexual activity, rape or molestation; or
 - c) repeating or continuing contemptuous, coarse or insulting words or behaviour.
- 13) Liability as a consequence of libel, slander, defamation or malicious falsehood.
- 14) Liability arising from tangible products or goods, other than as provided within the definition of **products** described in this section.
- 15) For the costs incurred in the repair, reconditioning, replacement, removal or breaking out of any **products** or part thereof.
- 16) Liability arising out of loss or destruction of or damage to **products**.
- 17) For the costs incurred by anyone in recalling or making refunds in respect of any **products**.
- 18) Liability arising from the failure of **products** to perform its intended function.
- 19) Liability arising from advice given in connection with **products**, unless such advice has been provided as a result of knowledge obtained from training given by or literature received from the manufacturer or its authorised agent.
- 20) Liability arising from the use of equipment provided in connection with sale or demonstration of **products**, unless **you** have received training or detailed instructions regarding its use.
- 21) Liability arising from **products** that have been altered, re-branded or re-packaged by **you**.
- 22) Liability arising from **products** imported into the United Kingdom directly by **you**.
- 23) Liability arising from the demonstration of **products** applied to a person's body, including their hair, unless
 - a) **you** are aware of the potential of **products** to cause an allergic or other reaction harmful to health as a result of knowledge obtained from training given by or literature received from the manufacturer or its authorised agent;
 - b) **you** have discussed with the person the potential of **products** to cause such harm and **you** are satisfied after suitable enquiry that **products** is safe to use; and
 - c) the person is 18 years of age or older, unless permission has been given by a parent or legal guardian and that parent or guardian is present.
- 24) The first £50 of each and every claim.

SECTION 2 – PERSONAL ACCIDENT

Cover

The insurer will pay for the following.

If **you** independently of any other cause suffer death caused by accidental, violent, external and visible means during the **period of insurance**, **the insurer** will pay £10,000 to the appropriate legal representatives, provided that

- 1) death occurs within 12 months of the incident;
- 2) the incident resulting in death occurs whilst **you** are undertaking activities in connection with the **business**; and
- 3) the maximum amount **the insurer** will pay any one incident is £10,000.

Exclusions

The insurer will not pay for the following.

- 1) Death as a consequence of any pre-existing defect, infirmity, medical condition or chronic or recurring ailment of which **you** were aware, or could reasonably be expected to have been aware, at the date of death.
- 2) Any claim caused by suicide or any means that are self-inflicted.
- 3) Death sustained while under the influence of or due wholly or partly or directly or indirectly to the taking of alcohol or drugs, other than drugs taken as directed and prescribed by a qualified registered medical practitioner.

Conditions

- 1) In the event of a claim under this section, **the insurer** shall be entitled to a post mortem examination at its own expense.

SECTION 3 – LEGAL EXPENSES

Additional definitions to this section

The definitions applying to the whole policy as stated in page 4 of this policy shall include the following in respect of this section only.

- Arbitration** A method of settling a disagreement between **you** and **the insurer** by asking an independent lawyer to consider it. He or she will be chosen by **you** and **the insurer** jointly or (if agreement cannot be reached) by the President of The Law Society. Whoever loses the argument must usually pay the lawyer's costs. If **you** lose, these costs are not covered by this insurance.
- Collective conditional fee agreement** Separate agreement between **the insurer** and the **nominated representative** for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of section 58, 58A, Courts and Legal Services Act 1990, the format and contents of which have been agreed to by **the insurer** before it is entered into.
- Conditional fee agreement** Separate agreement between **you** and the **nominated representative** for paying his or her professional fees which is an enforceable conditional fee agreement within the meaning of section 58, 58A, Courts and Legal Services Act 1990, such agreement only to be in the form provided by **the insurer**.
- Legal expenses** Legal costs reasonably and necessarily chargeable by the **nominated representative** on a standard basis. Also the costs incurred by opponents in civil cases if **you** have been ordered to pay them or pay them with **the insurer's** agreement.
- Nominated representative** Lawyer or other suitably qualified person who has been appointed by **the insurer** to act for **you** in accordance with the terms of this section.

Cover

The insurer will pay for **your legal expenses** arising from the type of claim specified below, provided that

- 1) the claim arises whilst **you** are engaged in activities relating to the **business**;
- 2) **the insurer** will not pay under this section in respect of any one claim more than £25,000; and
- 3) the cause of the action occurred within the **territorial limits** and arose during the **period of insurance**.

Personal injury

Claims relating to **your** bodily injury caused by a sudden and unforeseen event for which a third party is at fault.

Property

Claims relating to loss of or damage to **your** property for which a third party is at fault.

Exclusions to this section.

The insurer will not pay for the following.

- 1) Any **legal expenses** incurred or compensation award imposed outside of the **territorial limits**.
- 2) Any **legal expenses** incurred before the written acceptance of a claim by **the insurer**.
- 3) Any claim (or any circumstance which might lead to a claim) of which **you** were should have been first aware before the inception of this policy.
- 4) Fines, penalties or damages which **you** are ordered to pay by a court or other authority order.
- 5) A disagreement with **the insurer** not otherwise dealt with under special condition 9) of this section.
- 6) Any legal action **you** take which **the insurer** has not agreed to or where **you** do anything that hinders **the insurer** or the **nominated representative**.
- 7) Any claim relating to malicious falsehood, libel or slander.
- 8) Any claim relating to or in connection with a settlement agreement.

Conditions to this section

- 1) **You** shall
 - a) give **the insurer** immediate notice in writing upon becoming aware of any incident or event which may give rise to a claim under this section;
 - b) give **the insurer** as soon as possible all the information documents and assistance it needs to deal with any claim under this section; and
 - c) take reasonable steps to keep any amount **the insurer** has to pay to a minimum.
- 2)
 - a) In the event of the commencement of legal proceedings or there is a conflict of interest **you** have the right to choose **your own nominated representative**. **You** must send **the insurer** the name and address of such person before the commencement of any legal proceedings.
 - b) Otherwise, **the insurer** can represent **your** interests and negotiate **your** claim directly or through a **nominated representative at the insurer's** entire discretion. If **the insurer** chooses to refer **your** claim to a **nominated representative**, it shall confirm this in writing to **you** and explain in more detail the work it will undertake.
 - c) When a **nominated representative** is appointed in accordance with a) or b) above **the insurer** will send them a copy of its standard terms of appointment, which must be accepted by the **nominated representative** before commencing any work for **the insurer**.
 - d) **The insurer** will have direct contact with the **nominated representative**.
 - e) **You** must co-operate fully with **the insurer** and the **nominated representative** and must keep **the insurer** up to date with the progress of the claim.
- f) **You** must give the **nominated representative** any instructions that **the insurer** requires.
- 3) **The insurer** may refuse to accept a claim or to continue to make payment to **you** where
 - a) in **the insurer's** opinion
 - i) **you** have not disclosed any material information;
 - ii) **you** have failed to provide **the insurer** or the **nominated representative** with any relevant information and/or supporting evidence; and
 - iii) **your** claim does not have any reasonable prospects of success or that there are no reasonable prospects of recovery from the other party.
 - b) in the **nominated representative's** opinion, **your** claim does not have reasonable prospects of success.
 - c) if **the insurer** refuses to accept a claim or to continue to make payment to **you**, it shall give the reason(s) in writing to **you**.
- 4) If, following legal proceedings to which **the insurer** has consented, **you** wish to appeal or defend an appeal, the grounds for such appeal should be submitted to **the insurer** immediately or as soon as practicable. Before any **legal expenses** towards the appeal are paid **the insurer** must agree that it is always more likely than not that the appeal will be successful.
- 5) **You** must tell **the insurer** if anyone offers to settle a claim.
- 6) If **the insurer** asks, **you** must tell the **nominated representative** to have **legal expenses** taxed, assessed or audited.
- 7) If a **nominated representative** refuses to continue acting for **you** or if **you** dismiss a **nominated representative**, the cover **the insurer** provides will end at once, unless **the insurer** agrees to appoint another **nominated representative**.
- 8) If **you** settle a claim without **the insurer's** agreement or do not give suitable instructions to a **nominated representative** the cover **the insurer** provides will end at once and **the insurer** will be entitled to re-claim any **legal expenses** paid.
- 9) If **you** and **the insurer** both agree, **arbitration** can be used to settle any unresolved disagreement between **you** and **the insurer** about anything said in this section or anything to do with the claim. If **arbitration** is used, **you** may still take that disagreement to court or try to settle it in another way.
- 10) **The insurer** will not pay any claim covered under any other policy or any claim that would have been covered by any other policy if this section did not exist.
- 11) All Acts of Parliament within the wording of this section shall include equivalent legislation in Scotland, Northern Ireland, the Channel Islands or the Isle of Man as the case may be.

How to make a claim

Potential claims should be notified to **the insurer** as soon as possible by utilising the contact details noted below. After the claim is accepted the matter may be referred to a suitably qualified and experienced professional person for advice and suggested appropriate further action.

For the purposes of this section, claims are handled on **the insurer's** behalf by Independent Living Group Ltd. Reference to **the insurer** in this section in relation to the control and handling of any claim **you** may make under this section may refer to either **the insurer** or Independent Living Group Ltd acting on **the insurer's** behalf.

Contact details of Independent Living Group Ltd are as follows:

Telephone No: **01476 512191**

Email: **ilgclaims@ilgsupport.com**

in either case quoting "Direct Sales" and **your** Direct Sales Insurance policy number.

Please note that an email response is only provided between 09.00 and 17.00 Monday to Friday (not Bank Holidays). An email received during this period will be responded to the same day.

To help ILG check and improve service standards **your** call may be recorded.

SECTION 4 – STOCK

This section shall only apply if stated as insured in the schedule.

Definitions

The definitions applying to the whole policy as stated in page 4 of this policy shall include the following in respect of this section only.

Stock Stock and materials in trade and goods in trust, belonging to **you** or for which **you** are responsible and held solely in connection with the **business**.

Cover

In the event of **damage** as a result of any sudden, unexpected and accidental cause to the **stock** arising during the **period of insurance** and occurring within the **territorial limits**, **the insurer** will repair or replace the **stock** in accordance with the basis of settlement.

Basis of settlement

The basis of settlement for each item of **stock** shall be the original cost to **you** when the item was purchased.

Limit of liability

The insurer's liability in respect of any one claim shall not exceed the limit of liability stated in the **schedule**.

Exclusions

This section does not cover the following.

- 1) **Damage** caused by
 - a) mechanical or electrical breakdown or derangement or its own overrunning, short circuiting or self-heating;
 - b) corrosion, rust, wet or dry rot, shrinkage, evaporation, contamination, loss of weight, dampness, marring, scratching, vermin or insects;
 - c) change in temperature, colour, flavour, texture or finish;
 - d) any process of cleaning, dyeing, repairing, restoring, alteration or adjusting;
 - e) atmospheric or climatic conditions or action of light; or
 - f) inherent vice, latent defect, gradual deterioration, wear and tear, frost or its own faulty or defective design, workmanship or materials.
- 2) Any loss, shortage or disappearance that cannot be attributed to a specific event.
- 3) Loss of or damage to any **stock** whilst loaned or hired out.
- 4) Loss of or damage to **stock** whilst in use.
- 5) Any **stock** which, at the time of **damage**, is insured by a more specific insurance.
- 6) **Damage** due to exposure of the **stock** to weather conditions whilst located in the open or in open-sided buildings.
- 7) Theft or attempted theft of or from any unattended motor vehicle unless
 - a) it is securely locked at all points of access and all windows closed;
 - b) the **stock** is stored in a boot or luggage compartment fully concealed from passers-by;
 - c) any alarm fitted in the vehicle should be activated;
 - d) there is evidence of forcible and violent entry to the vehicle; and
 - e) such theft or attempted theft occurs between the hours of 07.00 and 21.00.
- 8) Theft or attempted theft not involving forcible and violent entry to a locked building or motor vehicle.
- 9) Theft or attempted theft where **you** or any director, partner or employee of **yours** or any member of **your** family or household are involved as principal or accessory.
- 10) Loss of or damage to glass and other fragile or brittle articles, unless caused by fire or theft.
- 11) Any amount recoverable from the **stock** suppliers under any scheme relative to free or subsidised **stock** replacement.
- 12) Loss of or damage to **stock** outside of its sell by date.
- 13) Loss of or damage to **stock** not stored or used in accordance with manufacturers' recommendations.
- 14) The first £50 of each and every claim.

SECTION 5 – EMPLOYERS' LIABILITY

This section shall only apply if stated as insured in the schedule.

Insuring clause

The insurer will pay for **your** legal liability to provide compensation, together with **costs and expenses**, following accidental **injury** to any **employee** arising out of and in the course of their employment by **you** within the **territorial limits**, provided that **the insurer's** liability for any one claim or series of claims arising out of any one incident shall not exceed £10,000,000.

The insurance provided by this section is deemed to be in accordance with the provisions of any law relating to compulsory insurance of liability to employees in the United Kingdom, the Channel Islands or the Isle of Man, but **you** shall repay to **the insurer** all sums paid which **the insurer** would not have been liable to pay but for the provisions of such law.

Additional covers

This section extends to include the following.

1) Indemnity to principals

The indemnity provided by this section shall, at **your** request, include any principal, provided that such principal shall observe, fulfil and be subject to the terms, provisions and conditions of this section and of this policy insofar as they may apply.

2) Health and Safety at Work etc Act Defence Costs

Legal costs and expenses incurred

- a) in defending any prosecution for breach of duty; and
- b) with **the insurer's** consent in an appeal against a conviction resulting from a prosecution under the Health and Safety at Work etc Act 1974 or the Health and Safety at Work (Northern Ireland) Order 1978 committed or alleged to have been committed during the **period of insurance** where the circumstances may otherwise give rise to a claim under this section.

The insurer will not pay for legal costs and expenses in connection with any breach of duty arising from a deliberate or premeditated act, event or omission which any person claiming indemnity under this additional cover knows or should have known would be likely to constitute an offence under the above Act or Order.

3) Compensation for court attendance

In the event of you or any of **your employees** attending court at **the insurer's** request in connection with a claim under this section **the insurer** will pay compensation at the rate of each person's wages or salary for each day on which attendance is required, up to a maximum of £300 per day.

4) Personal legal representatives

This section extends to include the legal personal representatives of any deceased person who was entitled to claim under this section.

Exclusions to this section

The insurer will not pay for the following.

- 1) Liability which attaches by virtue of an agreement which would not have attached in the absence of such agreement.
- 2) Fines or penalties awarded against **you**.
- 3) **Injury** to any **employee** whilst
 - a) carried in or upon; or
 - b) entering or getting onto or alighting from any mechanically propelled vehicle in circumstances where any road traffic legislation requires insurance or security.
- 4) Liability for compensation or **costs and expenses** arising from an action brought in a court of law outside of the **territorial limits**.

- 5) **Injury** to any **employee** caused by an **act of terrorism**, war, invasion, act of foreign enemy hostilities, (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power, other than to the extent that it is necessary to comply with the minimum requirements of the law in the United Kingdom of Great Britain and Northern Ireland, including the Channel Islands and the Isle of Man, relating to compulsory insurance of liability to employees and provided that **the insurer's** maximum liability for any one claim caused by an **act of terrorism**, war, invasion, act of foreign enemy hostilities, (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power shall not exceed £5,000,000.

Special condition

1) Employers' Liability Tracing Office

By entering into this insurance policy **you** will be deemed to specifically consent to the use of **your** insurance policy data in the following way and for the following purposes.

- a) Certain information relating to **your** insurance policy including, without limitation,
- i) the policy number(s);
 - ii) employers' names and addresses (including subsidiaries and any relevant changes of name);
 - iii) dates of cover;
 - iv) employer's reference numbers provided by Her Majesty's Revenue and Customs; and
 - i) Companies House reference numbers (if relevant)
- will be provided to the Employers' Liability Tracing Office (**ELTO**) and added to an electronic database (**database**).
- b) This information will be made available by **the insurer** to **ELTO** in a specified and readily accessible form as required by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011. This information will be subject to regular periodic updating and certification and will be audited on an annual basis.
- c) The **database** will assist individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK for employers carrying on or who carried on business in the UK and who are covered by the employers' liability insurance of their employers (**claimants**)
- i) to identify which insurer (or insurers) provided employers' liability cover during the relevant periods of employment; and
 - ii) to identify the relevant employers' liability insurance policies.
- d) The **database** will be managed by **ELTO**.
- e) The **database** and the data stored on it may be accessed and used by **claimants**, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

ENDORSEMENT

The following endorsement 1 shall only apply if so stated in the schedule.

Endorsement 1

- a) Section 1 Public liability of this policy shall extend to include liability attaching to **you** as a consequence of the actions of any **employee of yours** working for **you** in connection with the **business**.
- b) For the purposes of Section 2 Personal accident of this policy the definition of **you** shall mean either **you** or any **employee of yours**.
- c) For the purposes of Section 3 Legal expenses of this policy the definition of **you** shall mean either **you** or any **employee of yours**.