



Complete Business Protection insurance

IMPORTANT NOTES

Please note that this is a summary of cover only. For the full terms and conditions of the policy, please read the policy wording. Unless specifically agreed, the policy will not respond to events that are ongoing or not disclosed at the time your policy starts or if you fail to follow the advice of your solicitor when required to do so.

LEGAL ADVICE AND REPRESENTATION

You are required to use the helpline service by your appointed representative and to have an employment practices review at regular intervals.

You will receive a client care letter or a contract from your appointed representative outlining their service standards. There is usually no restriction on the number of calls you may make but the service is subject to the service standards and terms of agreement between you and your appointed representative.

In the event that your current employment practices are not fit for purpose you may be required to remedy these; if there is a cost to this your appointed adviser will advise you and agree these costs with you. No charges will be made without your prior agreement.

INSURED EVENTS COVERED

1 EMPLOYMENT

A dispute between **you** and **your employee**, ex-**employee**, or a prospective employee, arising from a breach or an alleged breach of their

- a) contract of service with **you** and/or
- b) related legal rights

provided that **you** have implemented recommendations **we** or our appointed advisors make following an **Employment Healthcheck**

A claim can be made under the policy provided that all internal procedures as set out in the

- ACAS Code of Practice for Disciplinary and Grievance Procedures, or
 - Labour Relations Agency Code of Practice on Disciplinary and Grievance Procedures in Northern Ireland
- have been or ought to have been concluded.

What is not covered under INSURED EVENT 1

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal
2. redundancy, alleged redundancy or unfair selection for redundancy, occurring during the first 180 days of this policy, except where **you** have had equivalent cover in force up until the start of this policy
3. **legal costs & expenses** for preparation and representation at an internal disciplinary hearing, grievance or appeal.

2 EMPLOYMENT COMPENSATION AWARDS

Following a claim **we** have accepted under INSURED EVENT 1 EMPLOYMENT, the **insurer** will pay any

- a) basic and compensatory award
- b) Employment Tribunal fees under Schedule 3 of the Employment Tribunals and the Employment Tribunal Fees Order 2013 awarded against **you** by a tribunal or
- c) damages awarded by the court
- d) an amount agreed by **us** in settlement of a dispute.

Provided that compensation is agreed through mediation or conciliation or under a settlement approved by **us** or awarded by a tribunal judgment after full argument unless given by default.

What is not covered under INSURED EVENT 2

Compensation awards and settlements relating to:

1. the first £1,000 of every claim
2. any claim where the sole or principal issue is trade union membership or non-membership, industrial or labour arbitration, collective bargaining agreements, trade union recognition or matters concerning a European Works Council
3. money due to an **employee** under a contract or a statutory provision relating thereto
4. civil claims or statutory rights relating to trustees of occupational pension schemes.

3 EMPLOYMENT RESTRICTIVE COVENANTS

- a) A dispute with **your employee** or **ex-employee** which arises from their breach of a restrictive covenant where **you** are seeking financial remedy or damages.

Provided that the restrictive covenant

- i) is designed to protect **your** legitimate business interests and
 - ii) is evidenced in writing and signed by **your employee** or **ex-employee** and
 - iii) extends no further than is reasonably necessary to protect the business interests and
 - iv) does not contain restrictions in excess of 12 months.
- b) A dispute with another party who alleges that **you** have breached their legal rights protected by a restrictive covenant.

4 TAX PROTECTION

- a) A formally notified aspect or full enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners.
- b) A dispute about **your** compliance with regulations relating to:
 - i) Value Added Tax, or
 - ii) Pay As You Earn, or
 - iii) Social Security, or
 - iv) National Insurance Contributions, or
 - v) the Construction Industry Scheme, or
 - vi) IR35

following a compliance check by HM Revenue & Customs.

- c) An enquiry into **your** tax affairs, or into the personal tax affairs of **your** directors and/or partners, arising from an alleged discovery by HM Revenue & Customs.

Provided that:

- all returns are completed and have been submitted within the statutory timescales permitted
- **you** keep proper records in accordance with statutory requirements
- in respect of any appealable matter **you** have requested an Internal Review from HM Revenue & Customs where available.

What is not covered under INSURED EVENT 4

Any claim relating to:

1. tax returns which result in HM Revenue & Customs imposing a penalty or claiming interest or which contain negligent misstatements
2. an investigation by the Specialist Investigations Branch of HM Revenue & Customs
3. where the Disclosure of Tax Avoidance Scheme Regulations apply or should apply to the **insured's** financial arrangements
4. any enquiry that concerns assets, monies or wealth outside of Great Britain and Northern Ireland
5. **your** failure to register for VAT.

5 PROPERTY

A dispute relating to material property which **you** own or is **your** responsibility:

- a) following an event which causes physical damage to **your** material property
- b) following a public or private nuisance or trespass
- c) which **you** wish to recover or repossess from an **employee** or **ex-employee**.

What is not covered under INSURED EVENT 5

Any claim relating to:

1. a contract between **you** and a third party except for a claim under 5 c)
2. goods in transit or goods lent or hired out
3. the compulsory purchase of, or demolition restrictions, controls or permissions placed on land or property by any government, local or public authority
4. a dispute with any party other than the party who caused the damage, nuisance or trespass.

6 LEGAL DEFENCE

- a) A criminal investigation and/or enquiry by:
 - i) the police
 - ii) a health & safety authority or
 - iii) other body with the power to prosecute where it is suspected that an offence may have been committed that could lead to the **insured** being prosecuted.
- b) An offence or alleged offence which leads to the **insured** being prosecuted in a court of criminal jurisdiction.
- c) A motor prosecution brought against **your** directors and/or partners which does not relate to the business.

What is not covered under INSURED EVENT 6

Any claim relating to a parking offence.

7 COMPLIANCE & REGULATION

- a) Receipt of a Statutory Notice served against **you**.
- b) Notice of a formal investigation or disciplinary hearing by any professional or regulatory body.
- c) A civil action alleging wrongful arrest arising from an allegation of theft.
- d) A claim against **you** for compensation under Section 13 of the Data Protection Act 1998 including compensation awarded against **you** provided that **you** are registered with the Information Commissioner.

What is not covered under INSURED EVENT 7

Any claim relating to:

1. the pursuit of an action by **you** other than an appeal
2. a routine inspection by a regulatory authority
3. a Health and Safety Executive Fee For Intervention.

8 STATUTORY LICENCE APPEALS

An appeal against a decision by the relevant authority to alter, suspend, revoke or refuse to renew **your** statutory licence or compulsory registration.

9 LOSS OF EARNINGS

The **insured's** absence from work to attend court, tribunal, arbitration, disciplinary hearing or regulatory proceedings at the request of the **appointed advisor** or whilst on Jury Service which results in loss of earnings.

What is not covered under INSURED EVENT 9

Any sum which can be recovered from the court or tribunal.

10 EMPLOYEES' EXTRA PROTECTION

- At **your** request
- a) where civil proceedings are issued against **your employee**:
 - i) for unlawful discrimination; or
 - ii) in their capacity as a trustee of a pension fund set up for the benefit of **your employees**;
 - b) where **your employee** or a member of their family suffers physical bodily injury or death as a result of a sudden event provided that the **employee** is under a contract of service with **you**
 - c) a claim arising from personal identity theft targeted at **your** directors and/or partners.

What is not insured under INSURED EVENT 10 a) & b)

Any claim relating to:

1. defending **you**
2. a condition, illness or disease which develops gradually over time.

11 CRISIS COMMUNICATION

Following an event which causes **your** business significant adverse publicity or reputational damage which is likely to have a widespread financial impact on **your** business, **we** will

- a) liaise with **you** and **your** solicitor (whether the solicitor is an **appointed advisor** under this policy, or acts on **your** behalf under any other policy), to draft a media statement or press

What is not covered under INSURED EVENT 11

Any claim relating to:

1. **Legal costs & expenses** in excess of £10,000.
2. Matters that should be dealt with through **your** normal complaints procedures.

<p>release and/or</p> <p>b) arrange, support and represent an insured at a press conference and/ or</p> <p>c) prepare communication for your customers and/or a telephone or website script provided that you have sought and followed advice from our Crisis Communication helpline.</p>	
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<p>12 CONTRACT & DEBT RECOVERY</p> <p>A breach or alleged breach of an agreement or alleged agreement which has been entered into by you or on your behalf relating to the purchase, hire, hire purchase, lease, servicing, maintenance, testing, sale or provision of goods or services, provided that if you are claiming for an undisputed debt you have exhausted your normal credit control procedures.</p>	<p>What is not covered under INSURED EVENT 12</p> <p>Any claim relating to:</p> <ol style="list-style-type: none"> 1. an amount in dispute in excess of £5,000. You will be responsible for the first £500 in each and every claim 2. an amount which is less than £1000 3. the letting, leasing or licensing of land or buildings where you act as the landlord 4. the sale or purchase of land or buildings 5. loans, mortgages, endowments, pensions or any other financial product 6. computer hardware, software, internet services or systems which <ol style="list-style-type: none"> a) have been supplied by you or b) have been tailored to your requirements 7. a breach or alleged breach of a professional duty by an insured 8. the settlement payable under an insurance policy 9. a dispute relating to an employee or ex-employee 10. adjudication or arbitration.
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Limit of Indemnity

This is the maximum paid for any single claim and in the period of insurance, the exact amount will be stated in the Policy Schedule. The figure is usually a minimum of £50,000 for any one loss and £500,000 in the aggregate for claims in any one year of insurance but these figures may be varied and individually negotiated.

The Legal Costs and Expenses we pay

We will pay compensation awards against the company and your own side's legal costs and expenses and third party.

For how long does the Policy run?

This will be stated in the Schedule of your policy and usually runs for 12 months, though either party can cancel it earlier subject to the terms and conditions of the policy and different periods of insurance can be agreed.

What if the insurer cannot meet its liabilities?

The Insurer, ARAG Allgemeine Versicherungs-AG Branch United Kingdom is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme in the unlikely event that the Insurer cannot meet its liabilities. This depends on the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

Major exclusions that apply to the entire policy

Any costs or expenses incurred prior to our acceptance of the claim.

Any claim that you were aware of prior to cover commencing.

Any fines or penalties imposed by relevant authority.

Any claim which is not reported to us promptly or where legal action is taken which your solicitors or the insurers have not consented to.

Any claim relating to defamation or intellectual property.



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