

Professions and Specialty Commercial – Endorsement

IMPORTANT NOTICE: CHANGES TO YOUR POLICY DUE TO BREXIT

As a result of the likely departure of the United Kingdom from the European Union (Brexit), **we** have had to make some changes to how **our** policies are underwritten from 1st January 2019.

Please note that the changes referred to in this notice do not affect the cover provided under the policy.

Previously **our** policies were underwritten by Hiscox Underwriting Ltd (HUL) as an intermediary on behalf of the insurers shown in the schedule. Most sections of the policies were insured by Hiscox Insurance Company Limited (HIC), although some sections were insured by other insurers, as detailed on the schedule.

As a result of Brexit, sections of **our** policies that were previously insured by HIC are now insured by Hiscox SA (HSA) directly. HUL will no longer act as intermediary. HSA is an insurance company in the Hiscox group, domiciled and regulated in Luxembourg.

As a result of the change of insurer from HIC to HSA, **we** have had to make a number of changes to the way in which **our** policies are administered, including how complaints are dealt with.

In order to reflect these changes, the following amendments are made to **your policy**, including the schedule:

	Amended to read:
References to Hiscox Insurance Company Limited:	Hiscox SA
Address:	Hiscox SA registered head office: Avenue John F. Kennedy 35F 1855 Luxembourg LUXEMBOURG Local branch office: Hiscox SA (Irish branch) The Observatory 7-11 Sir John Rogerson's Quay Dublin 2 D02 VC42 REPUBLIC OF IRELAND Website: https://Hiscox.ie
Company number:	Hiscox SA: Registered in Luxembourg with Trade and Company Register Luxembourg (RCS Luxembourg): registration number B217018 Hiscox SA (Irish branch): Registered in Republic of Ireland with Companies Registration Office: company number 908764
Regulator:	Hiscox SA is subject to the supervision of the Commissariat aux Assurances Local branch regulator: Central Bank of Ireland
Signatory:	Richard O'Dwyer Managing Director, Hiscox SA (Irish branch)
Contact number and email address for Customer Relations	Customer relations: customerrelations.ireland@hiscox.com +353 1 238 1810
Contact numbers and email addresses for Claims	Liability claims: liabilityclaims.ireland@hiscox.com +353 1 238 1811 Commercial property claims: commercialpropertyclaims.ireland@hiscox.com +353 1 238 1812

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Complaints:	<p>Customer Relations Hiscox SA (Irish branch) The Observatory 7-11 Sir John Rogerson's Quay Dublin 2 D02 VC42 REPUBLIC OF IRELAND</p> <p>or by telephone on +353 1 238 1810 or +353 1800 901 903 (free toll number), or by email at customerrelations.ireland@hiscox.com.</p>
Complaints (regulator):	<p>If you remain dissatisfied after the internal dispute resolution process, you may have the right to refer your complaint to the Financial Services and Pensions Ombudsman.</p> <p>The Financial Services and Pensions Ombudsman (FSPO) is an independent, impartial, fair and free service that helps resolves complaints with pensions providers and regulated financial services providers.</p> <p>Contact details: Financial Services and Pensions Ombudsman Lincoln House Lincoln Place Dublin DO2 VH29</p> <p>Phone: +353 1 567 7000 Email: info@fspo.ie Web: www.fspo.ie</p> <p>If you have purchased your policy online you can also make a complaint via the EU's online dispute resolution (ODR) platform. The website for the ODR platform is: http://ec.europa.eu/odr.</p> <p>Alternatively, you can also contact:</p> <p>Commissariat aux Assurances 7, boulevard Joseph II L-1840 Luxembourg LUXEMBOURG e-mail: caa@caa.lu</p> <p>Insurance Ombudsman ACA, 12, rue Erasme, L - 1468 Luxembourg LUXEMBOURG Phone: +352 44 21 44 1 Fax: +352 44-02-89 e-mail: mediateur@aca.lu</p>
In addition, any references to Hiscox Underwriting Ltd in your policy are removed.	

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an aggregate basis unless otherwise specified.

Special definitions for this section

Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Benefits	Any amounts awarded to an employee in respect of: <ol style="list-style-type: none">1. remuneration, including incentives, bonus, commission, health benefits, holiday pay, sick pay or notice pay, whether under statute or contract;2. family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under statute or contract;3. amounts due under an employee benefit or pension scheme;4. share or stock options;5. deferred compensation; or6. equal pay or redundancy pay.
Claim	Any written demand or civil, criminal, regulatory or arbitration proceeding first made against you or an insured person during the period of insurance alleging an employment practice wrongful act seeking monetary damages or other legal relief or penalty.
Defence costs	Reasonable costs, not including any overheads, additional costs or remuneration, incurred with our prior written agreement to investigate, settle or defend any claim made against you or an insured person or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any claim .
Emergency legal representation costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or respond to any investigation , where it is not possible to obtain our prior written agreement, provided that you or the insured person notify us as soon as possible after such sums are incurred.
Employee	<ol style="list-style-type: none">1. Any person currently or formerly under a contract of service with you, including part-time workers.2. Any independent person currently or formerly seconded or contracted to work for you.3. Any current or former volunteer solely under your control and supervision in connection with your business.4. Any current or former applicant or candidate for employment with you.
Employment practice wrongful act	Any actual or alleged act, error or omission committed or attempted by you or an insured person or by any third party where you are held vicariously liable relating to any actual or alleged: <ol style="list-style-type: none">1. wrongful, unfair or constructive dismissal, discharge or termination of employment;2. breach of written or implied contract of employment;3. employment related misrepresentation;4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation;5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies;6. retaliation; or7. defamation or invasion of privacy;

Management liability – employment practices liability

Policy wording

arising solely as a result of the employment or non-employment by **you** of any current or former **employee**, or the treatment of any volunteer whilst undertaking work for **you** and under **your** control and supervision.

Insured person

1. Any natural person who was, is, or during the **period of insurance** becomes a director, partner, LLP member, committee or board member, trustee or officer of **you**.
2. Any de facto director of **you** whilst acting in such capacity for **you**.
3. Any shadow director as defined under Section 251 of the Companies Act 2006 or any similar or successor legislation in any other jurisdiction.
4. Any **employee** of **you**.
5. The lawful spouse, civil or unmarried partner of any person in 1 to 4 above solely because of their spousal, civil or unmarried partner relationship following a **claim** or **investigation** against that person.
6. The estates, heirs or legal representatives of any person in 1 to 5 above who has died or become incapacitated, insolvent or bankrupt but only for a **claim** or **investigation** against that person.

Insured person does not include any external auditor or any liquidator, receiver, administrative receiver or other insolvency practitioner or officer of **you** or **your** assets.

Investigation

An official examination, official enquiry or official investigation into **you** or an **insured person** first notified as being required during the **period of insurance** and arising from any actual or alleged **employment practice wrongful act**, conducted by any regulator, government department or other body legally empowered.

Investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into the activities of **your** industry or sector which is not solely related to **your** or any **insured person's** conduct.

Legal representation costs

1. Reasonable and necessary legal costs, fees, charges and expenses, not including any overheads, additional costs or remuneration, for which **you** or any **insured person** are legally liable, incurred with **our** prior written agreement for legal representation directly in relation to an **investigation**.
2. **Emergency legal representation costs.**

Loss

In respect of a **claim** the amount **you** become or any **insured person** becomes legally liable to pay, including following a settlement entered into with **our** written agreement, for:

1. awards of damages, including punitive, exemplary and multiplied damages, and civil fines and penalties if insurable in the jurisdiction where such award was first ordered;
2. claimants' legal costs and expenses;
3. **defence costs** and **legal representation costs**; and
4. **public relations expenses.**

Loss does not include any civil, regulatory or criminal fines or penalties, regulator's costs or expenses (including Health and Safety Executive fees for intervention or similar regulator's costs and expenses), taxes or **benefits**.

Outside entity

Any organisation other than **you**:

1. that is tax exempt and not for profit; or
2. in which **you** hold any issued share.

Outside entity does not include:

1. any company which is registered or domiciled in the USA or Canada;
2. any company whose securities are traded on any stock exchange in the USA or Canada; or
3. any bank, investment company, investment advisor or manager, hedge or mutual fund, private equity or venture capital company, stock brokerage, insurer, or any similar financial organisation or institution including any organisation regulated by the FCA, PRA or any similar regulator.

Prior and pending date	The date on which you first purchased employment practices liability insurance that has run continuously without a break in cover. If during such period you have merged or consolidated with another company or entity, or any party has acquired more than 50% of your issued share capital, assets, or the majority of your voting rights, the 'prior and pending date' will be the date of such merger, consolidation or acquisition.
Public relations expenses	The reasonable and necessary costs incurred with our prior written agreement in utilising the services of a public relations consultant.
Retaliation	Any employment related action taken against an employee in connection with such employee whistleblowing or exercising their employment rights.
Subsidiary	<p>Any entity in which you:</p> <ol style="list-style-type: none"> 1. own directly or through one or more of your subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity's board of directors, trustees, governors or equivalent; or 2. control a majority of its voting rights under a written agreement with other shareholders or members. <p>If an entity ceases to be a subsidiary during the period of insurance, cover will continue but only for a claim or investigation against you or an insured person arising from any employment practice wrongful act, taking place, or alleged to have taken place before it ceased to be a subsidiary.</p>
You/your	<p>Also includes any subsidiary:</p> <ol style="list-style-type: none"> 1. existing at the start of the period of insurance; or 2. created or acquired during the period of insurance provided that the newly created or acquired subsidiary: <ol style="list-style-type: none"> a. is not domiciled in the United States of America or Canada; and b. does not trade any of its securities on any stock exchange.

What is covered

1. Claims against you or an insured person	We will pay on behalf of you or any insured person the loss arising from a claim for an employment practice wrongful act taking place, or alleged to have taken place, within the geographical limits , brought by:
Claims by employees	a. your employee ;
Outside entities	b. an employee of an outside entity against any insured person arising directly from any activity performed in the insured person's capacity as an employee of such outside entity , provided that the insured person acts in that capacity at your specific written request. However, we will only pay in excess of any indemnity provided by the outside entity to its employees.
2. Investigations	
Legal representation costs	We will pay on behalf of you or any insured person the legal representation costs only arising from an investigation arising from an employment practice wrongful act taking place, or alleged to have taken place, within the geographical limits .
3. Additional cover	
Court attendance compensation	If any insured person has to attend any court or tribunal as a witness in connection with a claim or investigation covered under this section, we will pay you compensation for each day, or part of a day that their attendance is required by us .
Injunctions brought by EHRC	We will pay the loss arising from any injunction brought by the Equalities and Human Rights Commission under section 24 of the Equality Act 2006 or any similar or successor legislation, to prevent you or an insured person from committing an employment practice wrongful act against an employee within the geographical limits .

What is not covered	<p>A. We will not make any payment for any claim, loss, or investigation:</p>
Deliberate or dishonest acts	<p>1. based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation; b. an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled; c. an act intended to secure or which does secure a profit for any other company or entity to which the company or entity was not legally entitled. <p>This exclusion will only apply:</p> <ul style="list-style-type: none"> i. for claims or investigations against you, where such act or omission was committed or condoned by you or any individual who falls within paragraphs 1. to 3. of the definition of insured person; ii. for claims or investigations against an insured person, where such act or omission was committed or condoned by that insured person; and iii. after a judgment or other final adjudication or an admission that such act did occur. In the event of such finding or admission, you or the insured person, as appropriate, must reimburse all payments made by us in relation to the corresponding claim, loss or investigation.
Prior claims and litigation	<p>2. based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. anything that has been reported to and accepted under any policy existing or expired, before the start of the period of insurance; or b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an insured person, you or an outside entity, initiated before the prior and pending date.
Specific activities	<p>3. based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> a. membership or non-membership of any trade union or equivalent labour organisation or any involvement in trade union activities; b. your failure to act in accordance with any collective bargaining agreement. <p>This exclusion does not apply to any claim for retaliation.</p>
Claims in the United States of America or Canada	<p>4. based upon, attributable to or arising out of any:</p> <ul style="list-style-type: none"> a. claim brought or investigation commenced; or b. employment practice wrongful act taking place, or alleged to have taken place; in the United States of America or Canada.
Bodily injury and property damage	<p>5. for the death or any bodily or mental injury or emotional distress suffered by anyone, or the loss, damage or destruction of any tangible property. This exclusion does not apply to any claim for emotional distress arising from an employment practice wrongful act.</p> <p>However, we will not in any event make payment for any claim in relation to which the insured person is obliged under any compulsory insurance law to maintain insurance in respect of any liability arising from the use, ownership or possession of any motor vehicle.</p>
Takeovers and mergers	<p>6. based upon, attributable to or arising out of any employment practice wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place after:</p> <ul style="list-style-type: none"> a. you merge or consolidate with another company or entity; or b. any party acquires: <ul style="list-style-type: none"> i. more than 50% of your issued share capital or assets; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors or board of trustees or equivalent.

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Acquired subsidiaries	<p>7. based upon, attributable to or arising out of any employment practice wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place:</p> <p>a. before the date of creation or acquisition by you of such subsidiary; or</p> <p>b. after an entity ceases to be a subsidiary.</p>
Employer obligations	<p>8. based upon, attributable to or arising out of any responsibility, duty or obligation imposed by law in relation to health and safety, unemployment, social security, retirement or disability benefits or any similar law whether statutory or common law.</p> <p>This exclusion does not apply to any claim for retaliation.</p>
Claims outside the applicable courts	<p>9. first brought outside the applicable courts.</p> <p>This exclusion also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts.</p> <p>B. We will not make any payment other than defence costs for any claim or legal representation costs for any investigation based upon, attributable to or arising out of:</p>
Benefits and contractual payments	<p>1. your failure to pay any amount you are contractually committed to pay to an employee, including but not limited to benefits.</p>
Pensions and benefit schemes	<p>2. the loss of any right or benefit under any pension scheme, private health insurance or other employee benefit scheme or the operation or administration of any pension or employee benefit scheme or trust fund, or your breach of any legislation or regulation related to these activities.</p>
Failure to pay taxes	<p>3. your failure to pay taxes.</p>
Liabilities assumed under contract	<p>4. anyone else's liability which you are legally obliged to assume under any contract or agreement. This does not apply to any claim that would have resulted in the absence of such contract or agreement.</p>
Non-pecuniary relief	<p>5. any non-pecuniary or injunctive relief.</p>
Employee reinstatement	<p>6. the costs of complying or refusing to comply with a court or other order for the reinstatement of an employee.</p>
Modification of property	<p>7. the costs of modifying any building or property in order to make such building or property more accessible to any disabled persons.</p>

Special conditions

General terms	<p>The General definitions, General conditions and General claims conditions set out in the General Terms all apply equally to each insured person and to you, except for General condition 6. Premium payment which applies only to you. You agree to act on behalf of all the insured persons as regards paying the premium and giving or receiving notice of all matters relevant to this section.</p>
Information provided by an insured person	<p>All information which any insured person provided before we agreed to insure you will be considered as a separate application for each insured person and as such the knowledge of or any statement made by an insured person will not be imputed to any other insured person for the purposes of determining whether cover is available for any claim or investigation against such other insured person.</p>
Severability of exclusions	<p>When determining the applicability of the exclusions within What is not covered, the wrongful act, act, incident or occurrence performed, taking place, or alleged to have taken place of one insured person shall not be imputed onto any other insured person who neither committed nor condoned such wrongful act, act, incident or occurrence.</p>
Extended notification period	<p>If:</p> <p>1. we or you refuse to renew this section of the policy for any reason other than non-payment of premium, administration, liquidation or insolvency; or</p>

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2. **you** merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or assets or the majority of **your** voting rights during the **period of insurance**;

you or any **insured person** may purchase an extended notification period, in accordance with the options stated below:

one-year period	50% of the annual premium for this section
three-year period	100% of the annual premium for this section
six-year period	200% of the annual premium for this section

If **you** do so, this section will remain in force but only in respect of any covered **claim, loss** or **investigation** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place before the end of the original **period of insurance**.

This extended notification period is only available if **we** receive written notice of purchase from **you** or an **insured person** and the premium is paid to **us** within 90 days following the end of the **period of insurance**.

If **you** or an **insured person** does so, the first paragraph 1a. under **Your obligations** in this section will then be amended to:

- a. unless **you** or any **insured person** notifies **us** promptly of the following, and within the **period of insurance** or the extended notification period:

The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity stated in the schedule.

The entire premium for this section is considered fully earned at the beginning of the extended notification period. **We** will not refund any premium if **you** or any **insured person** cancels the extended notification period before it ends.

You or any **insured person** will not have the right to purchase an extended notification period if:

1. cover under this section is continued solely as a result an extended notification period;
2. this section of the **policy** is replaced or succeeded by any other policy providing employment practices liability cover; or
3. this section or the **policy** is cancelled, other than by **you** on an anniversary date.

If **we** offer renewal terms, conditions, limits of liability or premium different from those of the expiring policy, this does not constitute a refusal to renew.

Management buy-outs

If during the **period of insurance** **your** existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of this **policy** for the new company for a period of 30 days from the buy-out date for any **employment practice wrongful act** committed by any individual **insured person** subsequent to the buy-out.

This cover will only apply excess of any other insurance and indemnification available from any other source.

How much we will pay

The most **we** will pay for the total of all **claims, losses**, or **investigations**, including their **defence costs** and **legal representation costs** is the limit of indemnity stated in the schedule, irrespective of the number of **claims** made or **losses** or **investigations** arising.

The amount **we** will pay for **claims, losses** and **investigations** and their **defence costs** includes any amount **we** pay on an **insured person's** behalf as an employee of an **outside entity**.

You must pay any relevant **excess** stated in the schedule. The **excess** shall not apply to any **claim** or **investigation** made solely against an **insured person**.

Paying out the limit of indemnity

At any stage of a **claim** or **investigation**, **we** can pay the **insured person** the applicable limit of indemnity or what remains after any earlier payment from that limit. **We** will then have no further liability for any **claim** or **loss**.

Special limits

All special limits below are included within, and not in addition to, the limit of indemnity stated on the schedule.

Court attendance
compensation

The most **we** will pay in total for court attendance compensation, including any court or tribunal attendance compensation payable under any other Management liability section of this **policy** is the corresponding amount stated in the schedule, regardless of the number of **claims, losses or investigations**.

Your obligations

Notification

1. **We** will not make any payment under this section:
 - a. unless **you** or any **insured person** notifies **us** promptly of the following within the **period of insurance** or at the latest within 14 days after it expires for any problem **you** become aware of within the seven days before expiry:
 - i. **you** or an **insured person**'s first awareness of any **employment practice wrongful act** that is likely to lead to a **claim or investigation**; or
 - ii. any **claim** or threatened **claim** against **you** or an **insured person**.
 - b. to **you** or any **insured person** if, prior to the **period of insurance**, **you** or such **insured person** had knowledge of a material misstatement in or omission from the information provided to **us** upon which **we** agreed to insure **you**.
2. When dealing with a third party, **you** or the **insured person** must not admit that **you** or the **insured person** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** or an **insured person** does, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result.

Control of defence and payment under this section

You and any **insured person** must give **us** the information and co-operation which **we** may reasonably require and take all reasonable steps to defend any **claim or investigation**. **You** and the **insured person** should not do anything which may prejudice **our** position.

We have the right, but not the obligation, to take control of and conduct in **your** name or the name of any **insured person**, the investigation, settlement or defence of any **claim or investigation**. If **we** think it necessary **we** will appoint an adjuster, solicitor or any other appropriate person to deal with the **claim or investigation**.

Where there is a dispute between **us** and **you** or any **insured person** over cover, proposed settlement or continuing the defence of a **claim or investigation**, **you** or **we** may request the obtainment of an opinion from a mutually agreed Queens Counsel or equivalent in a different jurisdiction. Such opinion shall be binding on **us** and **you** and any **insured person** and will establish whether policy cover exists, defence of said **claim or investigation** will continue or settlement will be agreed. The costs of such opinion shall be met by **us**.

We shall pay **defence costs** and **legal representation costs**, above any **excess**, covered by this section on an ongoing basis prior to the final resolution of any **claim or investigation**. **You** or any **insured person** must reimburse **us** for any **defence costs** and **legal representation costs** paid where it is determined there is no entitlement under this section.

If a **claim or investigation** is made which is not wholly covered by this section or is also made against **you** and any other person who is not **you** or an **insured person**, **we**, **you** and the **insured person** shall use our best endeavours to agree a fair allocation between **loss** that is covered and **loss** not covered by this section.