



# Professional Indemnity Policy

September 2020

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# Professional Indemnity Policy

## **The Veterinary Defence Society Limited**

4 Haig Court, Parkgate Industrial Estate, Knutsford, Cheshire WA16 8XZ

This Policy should be read in conjunction with the current Schedule, which forms part of, and should be kept with, the Policy.

Please read this document carefully.

When reading this Policy, please note the use of specifically defined words, details of which are set out in Section 5 of the Policy.

**September 2020**

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## Section 1 Introduction

- 1.1 This Policy, the Proposal Form, the Schedule and any memorandum attached hereto or endorsement hereon shall be considered to be one document and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning throughout.
- 1.2 This Policy is a legally binding contract between the Society and the Insured and in relation to Section 3 hereof between the Covered Persons and the Society.
- 1.3 The Insured must as soon as reasonably practicable and in any event within three business days, notify the Society in writing of any change in the details provided to the Society in the Request for Cover Form or the Proposal Form. The Insured must notify the Society in writing within 14 days with details of receipt of all Claims made against the Insured. The Insured must notify the Society as soon as reasonably practicable of all Circumstances which may give rise to a claim, and any Covered Person must, within three business days, notify the Society in writing with details of any criminal charges or disciplinary proceedings potentially relevant to this Policy.
- 1.4 Subject to the terms of the Articles of Association, the terms of this Policy and payment or agreement to payment of the premium in full, the Society provides the Corporate Member(s) and the veterinary surgeons named in the Schedule with membership of the VDS and will indemnify the Insured on the basis set out in the Policy.
- 1.5 The headings used in this Policy document are inserted for convenience only and shall not affect the construction or interpretation of the Policy.
- 1.6 In the Policy the singular includes the plural and the male gender includes the female and vice versa.
- 1.7 Where a term of this Policy relates to anything to be done or observed by the Insured it is a Condition Precedent to the Society's liability under the Policy.
- 1.8 The Society's address for all purposes in connection with the Policy is: 4 Haig Court, Parkgate Industrial Estate, Knutsford, Cheshire WA16 8XZ. Telephone number: +44 (0) 1565 652737 and Fax number: +44 (0) 1565 751079.

## Section 2 Civil Liability

- 2.1 Subject to the terms of the Policy the Society will indemnify the Insured in respect of:
  - a) Civil liability relating to breach of professional duty, accidental trespass and breach of any statute or regulation affecting the practice of veterinary medicine including claimant's costs and expenses in respect of any Claim first made against the Insured during the Period of Insurance which arises out of (i) Normal Veterinary Work undertaken on behalf of the Practice or a Predecessor as specified in the Proposal Form; or (ii) Emergency Veterinary First Aid and Pain Relief.
  - b) Defence Costs relating to a Claim for which indemnity is provided under Section 2.1(a).

### Applicable Limits of Indemnity

- 2.2 (a) All Claims against any one or more Insured arising from:
  - (i) One act or omission; or
  - (ii) One series of related acts or omissions; or
  - (iii) The same original cause or source; or
  - (iv) The same act or omission in respect of advice or treatment; or
  - (v) Similar acts or omissions in respect of advice or treatmentwill be deemed to be and treated as one Claim for the purposes of the applicable Limit of Indemnity regardless of the number of claimants involved and will be deemed to be first made on the date on which the earliest Claim was made or Circumstance first notified to the Society.
- (b) The liability of the Society in respect of any one Claim shall not exceed the applicable Limit of Indemnity.
- (c) Where the Society is liable to indemnify more than one Insured in respect of a Claim, the total amount of liability payable under this insurance shall not exceed the applicable Limit of Indemnity.

- 2.3** The liability of the Society under sections 2.1(a) and 2.1(b) for any Claim shall not exceed in respect of liability relating to death or bodily injury to any person, the Human Injury Limit of Indemnity. For the avoidance of doubt the Society will have no liability for any Claim which relates to Normal Veterinary Work in connection with a Risk Group for which there is no relevant Risk Group Limit of Indemnity included in the Schedule, save if the Claim arises solely as a result of Emergency Veterinary First Aid and Pain Relief.
- 2.4** The liability of the Society under section 2.1(a) and 2.1(b) for any Claim excluding liability relating to death or bodily injury to any person shall not exceed:
- (a) in respect of liability relating to Normal Veterinary Work in connection with Risk Group D, the Group D Limit of Indemnity; or
  - (b) in respect of liability relating to Normal Veterinary Work in connection with Risk Group E, the Group E Limit of Indemnity; or
  - (c) in respect of liability relating to Normal Veterinary Work in connection with Risk Group F, the Group F Limit of Indemnity;
- and only one of the above limits of indemnity will apply to any Claim and if a Claim relates to more than one Risk Group the applicable Limit of Indemnity will be whichever is the highest.

PROVIDED ALWAYS that the Limit of Indemnity which will apply to a Claim arising from Emergency Veterinary First Aid and Pain Relief in connection with a Risk Group not included in the Schedule will be the Limit of Indemnity for the Risk Group which is included in the Schedule and if more than one the higher of the Risk Groups Limits of Indemnity included in the Schedule and any payment made will be allocated to that Risk Group for the purpose of the aggregate limits of indemnity referred to in section 2.5.

- 2.5** The liability of the Society for all Claims in the Period of Insurance excluding liability relating to death or bodily injury to any person, shall not exceed the following aggregate limits of indemnity:
- (a) in respect of liability relating to Normal Veterinary Work in connection with Risk Group D the Group D Aggregate Limit;
  - (b) in respect of liability relating to Normal Veterinary Work in connection with Risk Group E the Group E Aggregate Limit;
  - (c) in respect of liability relating to Normal Veterinary Work in connection with Risk Group F the Group F Aggregate Limit.

## Excess

- 2.6** The Excess shall be the amount (if any) specified in the Schedule and shall be applied to be paid first by the Insured in respect of the liability for any Claim and any applicable Limit of Indemnity shall be in addition to the Excess, and the Excess shall not apply to Defence Costs.

## Insured's Liability for Third Parties

- 2.7** The Policy shall extend to indemnify the Insured in respect of civil liability of the Insured arising from acts or omissions in the course of Normal Veterinary Work undertaken on behalf of the Practice or Predecessor of:
- (a) any veterinary student, veterinary nurse, unqualified assistant or paraprofessional working directly under the supervision or control of the Insured; or
  - (b) a veterinary surgeon engaged by the Practice or Predecessor as a Temporary Replacement for a veterinary surgeon listed on the Schedule or for a veterinary surgeon named in a schedule relating to a policy with the Society for a previous period of insurance; or
  - (c) any other person who is employed or engaged by the Insured.

For the avoidance of doubt, none of the third parties referred to in Section 2.7 are themselves insured under this Policy and do not come within the definition of the Insured (See Exclusion 2.8 (cc)).

## Exclusions

- 2.8** The Society will not be liable to indemnify the Insured or any other person under Section 2:
- (a) in respect of any Claim arising out of any criminal, illegal, deliberate, wilful, dishonest, fraudulent or malicious act or omission ("the Relevant Act") on the part of any Insured or any third party referred to in Section 2.7 herein in respect of whose acts or omissions cover is sought under this Policy, save that the Society will provide indemnity to an Insured who has not committed or condoned the Relevant Act provided that:

- (i) the Insured seeking indemnity did not discover or have reasonable grounds to suspect fraud or dishonesty on the part of the Insured or third party whose Relevant Act gives rise to the Claim; and
  - (ii) nothing herein shall preclude the Society from exercising any right of subrogation (to the extent permitted under the Consumer Insurance Contracts Act 2019) against any person committing or condoning the Relevant Act.
- (b) in respect of fines or penalties of any kind.
  - (c) in respect of any order or agreement to pay the costs of a complainant, regulator, investigator or prosecutor of any professional conduct complaint against, or investigation into the professional conduct of the Insured, or in relation to criminal proceedings.
  - (d) in respect of a Claim or Circumstance where the Insured is entitled to indemnity under any other policy of insurance (including a policy issued by the Society) except in respect of any sum exceeding the amount which would have been payable under such insurance had this Policy not been effected.
  - (e) in respect of any Claim brought by any Insured or any entity in which the Insured has a controlling interest or any entity which has a controlling interest in the Insured unless such a Claim emanates from an independent third party.
  - (f) in respect of any liability of the Insured arising from or in relation to the ownership, maintenance, operation or the use of any land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), aircraft or watercraft by or on behalf of the Insured.
  - (g) in respect of any liability in any way arising out of the ownership, use or occupation or state of any premises or anything done or omitted to be done in respect of the state of any premises.
  - (h) in respect of any liability relating to advice or representations made regarding the condition of a horse provided in connection with a sale, purchase or valuation of a horse unless such liability arises from:
    - (i) Horse Certificates in the form approved by the Society which relate only to pregnancy diagnosis; or
    - (ii) Horse Certificates in the form approved by the Society which comply with the conditions set out in the Horse Certificate and are prepared on behalf of a vendor intending to sell a horse at auction in the UK or Ireland and:
      - (a) the examination has included all five stages of the protocol set out in the BEVA/RCVS Guidance Notes on the "Examination of a Horse on behalf of a Purchaser (amended 2018)" or any subsequent version of the Guidance Notes unless the condition of the horse at the time of the examination renders all five stages of the protocol impossible and a certificate in the form approved by the Society has been amended, at the time, to exclude a stage or stages of the protocol, and the reasons for such exclusion endorsed upon the certificate; or
      - (b) The Horse Certificate relates only to the gynaecological examination of a mare or filly; or
    - (iii) Horse Certificates documenting an examination undertaken on behalf of a purchaser where a certificate approved by the Society in force at the time of the examination is completed, provided that the examination has included all five stages of the protocol set out in the BEVA/RCVS Guidance Notes on the "Examination of a Horse on behalf of a Purchaser (amended 2012)" or any subsequent version of the Guidance Notes unless:
      - (a) The Horse Certificate is approved by the Society and relates only to the gynaecological examination of a mare or filly; or
      - (b) the condition of the horse at the time of the examination renders all five stages of the protocol impossible and a certificate in the form approved by the Society has been amended, at the time, to exclude a stage or stages of the protocol, and the reasons for such exclusion endorsed upon the certificate; or
      - (c) at the time of the examination, the purchaser has agreed in writing by way of the letter of instruction approved by the Society to limit the examination to stages 1 and 2 only of the protocol, and the certificate in the form approved by the Society has been amended, at the time of the examination, to exclude stages 3, 4 and 5 of the protocol from the examination and the reasons for such exclusion endorsed upon the Horse Certificate.

PROVIDED ALWAYS that this Exclusion does not apply where the liability of the Insured arises from a pre-bid inspection undertaken at an auction or sale yard in the UK or Ireland where a certificate approved by the VDS in force at the time of the examination recording such a pre-bid inspection has been completed.

- (i)** in respect of any liability of the Insured arising directly or indirectly from libel or slander or defamation except in so far as the same arises in the course of Normal Veterinary Work and the Insured acted honestly and in good faith.
- (j)** in respect of any liability of the Insured directly or indirectly caused, or contributed to by or arising from:
  - (i)** ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
  - (ii)** the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- (k)** in respect of any liability of the Insured directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
- (l)** in respect of any liability of the Insured directly or indirectly occasioned by, happening through or in consequence of terrorism, for the avoidance of doubt to include the activities of animal rights activists.
- (m)** in respect of any liability of the Insured arising from a trading loss or trading liability incurred by any business managed by or carried on by the Insured, or in respect of any trading or personal debt of the Insured.
- (n)** in respect of any liability of the Insured arising from financial guarantee or insolvency.
- (o)** in respect of any liability of the Insured arising from any wrongful dismissal, repudiation or breach of an employment contract arrangement, termination of a training contract, harassment, discrimination or like conduct in relation to any partnership or shareholder agreement or arrangement.
- (p)** in respect of any liability of the Insured arising from the manufacture of any products except extemporaneously produced veterinary medicines used or prescribed by the Practice or Predecessor.
- (q)** in respect of any liability of the Insured arising from the distribution or sale of any products outside the ordinary course of Normal Veterinary Work.
- (r)** in respect of death of or injury to or illness or disease contracted by any person arising out of and in the course of:
  - (i)** his employment by the Insured under a contract of service or apprenticeship with the Insured;
  - (ii)** his performance of any contract he has entered into with the Insured such contract relating to work of a kind ordinarily performed under a contract of service;
  - (iii)** his employment or participation in the performance whether as a servant, subcontractor, agent or other delegate, direct or indirect of any such contract referred to in (ii) above.
- (s)** in respect of liability arising from any proceedings or suit brought or made or threatened to be brought or made in a court of law outside the Territorial Limits, or in respect of proceedings brought in a court of law within the Territorial Limits to enforce a foreign judgment whether by way of reciprocal agreement or otherwise.
- (t)** in respect of any liability of the Insured arising, directly or indirectly, out of exposure to, inhalation of, or fears of a consequence of exposure to, or inhalation of, asbestos, asbestos fibres or any derivatives of asbestos.
- (u)** in respect of any liability of the Insured arising from selling or promoting pet insurance or any other insurance.
- (v)** in respect of any liability (i) arising out of any activity for which the Insured has sought the consent of the RCVS or the VCI or requires the consent of the RCVS or the VCI if such consent has been refused or declined or not obtained or (ii) in respect of any activity which the RCVS or the VCI has disapproved of whether generally or specifically in relation to the Insured or (iii) arising from the Insured's failure to comply with a request from the RCVS or the VCI.
- (w)** in respect of any civil liability of a veterinary surgeon registered on the restricted (temporary) list maintained by the RCVS arising from any activity which is not included in the entry on the restricted (temporary) list or when the veterinary surgeon has not complied with the restrictions and conditions relevant to his inclusion on the restricted (temporary) list.

- (x)** in respect of any Normal Veterinary Work undertaken prior to the Retroactive Date.
- (y)** in respect of any Circumstance which was known to the Insured prior to the commencement of the Period of Insurance and which the Insured at such time knew or should reasonably have known might give rise to a Claim against the Insured.
- (z)** in respect of liability arising from any performance warranty, express guarantee, penalty clause or liquidated damages clause unless the liability of the Insured would have existed to the same extent in the absence of such warranty, guarantee, penalty clause or liquidated damages clause.
- (aa)** in respect of liability relating to Normal Veterinary Work to include liability relating to death or bodily injury to any person in connection with Risk Group E and/or Risk Group F unless a Limit of Indemnity for that Risk Group is included in the Schedule. Provided always that this exclusion shall not apply to liability arising from Emergency Veterinary First Aid and Pain Relief.
- (bb)** in respect of liability relating to Normal Veterinary Work undertaken by a veterinary surgeon who has failed to comply fully with any declaration, to include a part-time declaration, provided to the Society.
- (cc)** to the extent that liability of the Insured is caused by the act or omission of any Veterinary Sub-contractor unless all of the following apply:
  - (i)** all and any rights of recourse by the Insured against the Veterinary Sub-contractor have not been waived or otherwise impaired and the Society's rights of subrogation (to the extent permitted under the Consumer Insurance Contracts Act 2019) are not impaired in any way; and
  - (ii)** the Veterinary Sub-contractor has in place professional indemnity insurance which indemnifies the Veterinary Sub-contractor for all liability up to (or in excess of) any indemnity provided or to be provided under this Policy arising from the act or omission of the Veterinary Sub-contractor which caused the liability of the Insured.
- (dd)** in respect of any liability directly or indirectly arising out of, caused by or contributed to by:
  - (i)** the controlling or processing of third party non-public data or information for which the Insured is responsible;
  - (ii)** phishing, pharming, impersonation or any other communication designed to obtain third party non-public data or information from a third party under false pretenses, or failing to prevent or hinder such communication;
  - (iii)** breach of any privacy legislation in any jurisdiction by the Insured or by someone for whom the Insured is legally responsible;
  - (iv)** any infringement of any copyright, title, slogan, trademark, trade name or domain name; plagiarism, piracy or the misappropriation of any product or service; any breach of confidentiality or invasion or interference with any privacy;
  - (v)** the transmission of any Malware from the Insured's network, or from the network of any Cloud Service Provider;
  - (vi)** failure to secure the Insured's computer system or network that results in Unauthorised Access;
  - (vii)** failure to prevent a denial of service attack launched from the Insured's network or from the network of any Cloud Service Provider; and/or
  - (viii)** PCI Fines and Assessment Costs.

## Conditions

- 2.9** The Insured shall give to the Society notice in writing within 14 days of receipt by the Insured of any notice of intention to assert a Claim or within 14 days of the discovery, receipt or intimation of any Claim. Failure to notify us within this timeframe may result in your claim being rejected or reduced in accordance with the prejudice to the Society. In addition, the Insured shall:
- (a)** forward all letters written pursuant to any pre-litigation protocol, claim forms and court proceedings to the Society and provide all details concerning any Claim; and
  - (b)** contact the Society if the case is one of emergency and ask for authority from the Society to call in one or more veterinary surgeons and/or valuers to advise upon the case and, if necessary, to value an Animal, and in the case of death, to carry out or attend a post mortem examination. The Insured shall thereafter provide the written opinions and certificates of the consulting veterinary surgeons and valuers to the Society without delay.

- 2.10** All veterinary surgeons (save for Temporary Replacements and Veterinary Subcontractors) undertaking Normal Veterinary Work on behalf of the Practice during the Period of Insurance must be named in the Schedule and that where the Practice or a Predecessor has been insured with the Society previously all veterinary surgeons (save for Temporary Replacements and Veterinary Subcontractors) undertaking Normal Veterinary Work on behalf of the Practice or a Predecessor must be named in the relevant schedule or schedules to such policy or policies.
- 2.11** In the event of a Claim or the discovery of a Circumstance the Insured shall not admit liability for or settle or offer to settle any Claim or any part of any Claim or make any offer or payment in respect of any Claim without the prior written consent of the Society. Failure to comply may result in the rejection of your claim or a reduction in the amount payable.
- 2.12** If during the Period of Insurance the Insured becomes aware of any Circumstance which may give rise to a Claim for indemnity under this Policy and during the Period of Insurance the Insured gives notice as soon as is reasonably practical to the Society in connection with the said Circumstance and provides the following details:
- (a)** The names of any potential claimants and a description of the act, error or omission which forms the basis of the Circumstance which may give rise to a Claim;
  - (b)** The identity of the specific Insured involved;
  - (c)** The circumstances in which the Insured first became aware of such Circumstance based on the specific act, error or omission.
- Any Claim subsequently made arising out of or in any way connected to the said Circumstance shall be deemed to have been first made and reported to the Society by the Insured at the earliest time such notice containing the details outlined above is received by the Society.
- 2.13** The obligations in 2.9, 2.11 and 2.12 apply even if the Insured considers that the level of any Claim will not exceed any applicable Excess.
- 2.14** The Society shall have the right to pay to the Insured the applicable Limit of Indemnity in full and final settlement of any Claim made under this Policy and in full and final settlement of any obligation on the Society to indemnify or defend the Insured in respect of the said Claim.
- 2.15** The Society shall be entitled at any time to take over and conduct in the name of the Insured the defence or settlement of any Claim. Having taken over conduct the Society may conduct the defence or settlement of any Claim entirely at their own discretion. Costs incurred by the Society will be deemed to be Defence Costs and erode any applicable Limit of Indemnity.
- 2.16** The Insured shall upon each and every request, and in each case as soon thereafter as practically possible and at the Insured's own expense give to the Society all such information, documents and assistance that the Society may reasonably require.
- 2.17** If any payment is made under this Policy in respect of a Claim or if the Society becomes liable to make such a payment, the Society is thereupon subrogated to all the Insured's rights of recovery (to the extent permitted under the Consumer Insurance Contracts Act 2019), contribution and indemnity in relation thereto and the Insured shall give to the Society all assistance as the Society may reasonably require to secure such rights and remedies and (in particular) at the Society's request the Insured shall execute all documents necessary to enable the Society to pursue proceedings in the name of the Insured.
- 2.18** If the Insured makes any request for indemnity under this Policy which the Insured knows or ought to know is false or fraudulent in any way, the Insured shall forfeit all benefit under this Policy.

## Extended Reporting Period

- 2.19** In the event that the Practice ceases trading during or on the date of the expiry of the Period of Insurance and this is not due to any reorganisation or restructuring of the business or the transfer of the business of the Practice to another party the Society agrees to an extended reporting period for a period of six years commencing on the date of the cessation of the Practice and ending on the sixth anniversary of the date of cessation of the Practice (the "Practice Cessation Extended Reporting Period") so that (subject to the limits, exclusions and conditions of this Policy) the Society will extend the indemnity provided to the Insured under Section 2.1 in respect of Claims that:
- (a)** are first made and notified during the Practice Cessation Extended Reporting Period; and
  - (b)** arise from Normal Veterinary Work undertaken on behalf of the Practice or Predecessor prior to the date the Practice ceased trading or prior to the expiry of the Period of Insurance (whichever is earlier)

PROVIDED ALWAYS that no similar insurance is effected elsewhere.



**2.20** In the event that during or on the date of the expiry of the Period of Insurance a veterinary surgeon named as an Insured in the Schedule dies, permanently retires from undertaking veterinary work or is permanently disabled and as a result ceases undertaking veterinary work, the Society agrees to an extended reporting period of six years commencing on the date of death, permanent retirement or permanent disablement and ending on the sixth anniversary of the death, permanent retirement or permanent disablement (the "DDR Extended Reporting Period") so that (subject to the limits, exclusions and conditions of this Policy) the Society will extend the indemnity provided to that veterinary surgeon under Section 2.1 in respect of Claims that:

- (a)** are first made and notified during the DDR Extended Reporting Period;
- (b)** arise from Normal Veterinary Work undertaken prior to the date of the death, permanent retirement or permanent disablement of that veterinary surgeon or the expiry of the Period of Insurance (whichever is earlier)

PROVIDED ALWAYS that no similar insurance is effected elsewhere.

**2.21** In the event that during or on the date of expiry of the Period of Insurance the Practice ceases undertaking Normal Veterinary Work in connection with Risk Group E, the Society agrees to an extended reporting period for a period of 6 years commencing on the date of cessation of Normal Veterinary Work in connection with Risk Group E and ending on the earlier of the sixth anniversary of that date or the date the Practice resumes undertaking Normal Veterinary Work in connection with Risk Group E (the "Group E Extended Reporting Period") so that (subject to the limits, exclusions and conditions of the Policy) the Society will extend the indemnity provided to the Insured under Section 2.1 of the Policy in respect of Claims that:

- (a)** are first made and notified during the Group E Extended Reporting Period; and
- (b)** arise from Normal Veterinary Work relating to Risk Group E undertaken on behalf of the Practice or a Predecessor prior to the date of cessation of Normal Veterinary Work in connection with Risk Group E

PROVIDED ALWAYS that no similar insurance is effected elsewhere.

**2.22** In the event that during or on the date of expiry of the Period of Insurance the Practice ceases undertaking Normal Veterinary Work in connection with Risk Group F, the Society agrees to an extended reporting period for a period of 6 years commencing on the date of cessation of Normal Veterinary Work in connection with Risk Group F and ending on the earlier of the sixth anniversary of that date or the date the Practice resumes undertaking Normal Veterinary Work in connection with Risk Group F (the "Group F Extended Reporting Period") so that (subject to the limits, exclusions and conditions of the Policy) the Society will extend the indemnity provided to the Insured under Section 2.1 of the Policy in respect of Claims that:

- (a)** are first made and notified during the Group F Extended Reporting Period; and
- (b)** arise from Normal Veterinary Work relating to Risk Group F undertaken on behalf of the Practice or a Predecessor prior to the date of cessation of Normal Veterinary Work in connection with Risk Group F

PROVIDED ALWAYS that no similar insurance is effected elsewhere.

**2.23** The Limits of Indemnity applicable during any Extended Reporting Period shall be the remaining available Limits of Indemnity under the Policy. There shall be no separate or additional Limit of Indemnity available for any Extended Reporting Period and the Extended Reporting Period shall in no way increase the applicable Limits of Indemnity.

## Section 3 Criminal and Disciplinary Proceedings

**3.1** Subject to the terms of the Policy the Society will indemnify each Covered Person for his reasonable Representation Costs incurred:

- a)** in criminal proceedings brought against the Covered Person in a court of criminal jurisdiction of first instance in respect of:
  - (i)** a criminal offence or criminal offences the subject of a charge or charges;
  - (ii)** and any related offence or offences the subject of any subsequent charge or charges (irrespective of the date the charge or charges are made); and
  - (iii)** in disciplinary proceedings brought by the RCVS or by the VCI against the Covered Person arising from the circumstances which are connected with criminal proceedings referred to in Section 3.1(a)(i) or (ii),

where the time at which the Covered Person commenced or is alleged to have commenced to violate the criminal law in question was during the Period of Insurance or prior to the Period of Insurance as set out in the proviso at (ii) below; and

- b)** in disciplinary proceedings brought by the RCVS or by the VCI against the Covered Person in respect of an act or omission or a series of acts or omissions which commence during the Period of Insurance or prior to the Period of Insurance as set out in the proviso at (ii) below, excluding Representation Costs for disciplinary proceedings relating to circumstances which give rise to criminal proceedings against the Covered Person:

PROVIDED THAT this indemnity will apply only to the extent that the act(s) or omission(s) which are the subject of the criminal proceedings or disciplinary proceedings (as the case may be) relate(s) directly to the practice of veterinary medicine and result(s) from:

- (i)** Normal Veterinary Work undertaken during the Period of Insurance whilst the Covered Person was included on the Schedule or a subsequent period of insurance when the Covered Person is named on the relevant policy schedule; or
- (ii) (a)** Normal Veterinary Work undertaken by the Covered Person whilst engaged by a practice insured with the Society after 1 January 2005 and prior to 1 January 2017 and where the Covered Person was named on the policy schedule for that practice as entitled to cover for Representation Costs at the time of the relevant act or omission and for which no indemnity is available under the earlier policy or
- (b)** where the Covered Person is a Corporate Member Normal Veterinary Work undertaken after 1 January 2005 and prior to 1 January 2017 and where the Covered Person was named on the policy schedule for a practice insured with the Society as entitled to cover for Representation Costs at the time of the relevant act or omission and for which no indemnity is available under the earlier policy.

Furthermore where the criminal charges or disciplinary proceedings which are the subject of the indemnity in Section 3.1(a) or Section 3.1(b) arise out of acts or omissions which occur in more than one period of insurance all relevant acts or omissions shall be deemed to have occurred in the period of insurance as at the date of the first act or omission and the Society's liability will not exceed the applicable limit of indemnity under the policy which was in place at the date of the relevant period of insurance.

**3.2** The Society's liability to a Covered Person for Representation Costs:

- (i)** in respect of Section 3.1(a) will not exceed the Limit of Indemnity for Criminal and Disciplinary Cover; and
- (ii)** in respect of Section 3.1(b) will not exceed the Limit of Indemnity for Criminal and Disciplinary Cover.

PROVIDED ALWAYS that the Society's maximum combined aggregate liability for all Representation Costs under this Policy (whether under Section 3.1(a) or 3.1(b) or cumulatively under the two sections) in respect of each Covered Person will not in any circumstance exceed the Aggregate Limit of Indemnity for Criminal and Disciplinary Cover set out in the Schedule.

**3.3** The Society's liability in respect of Representation Costs is limited as set out in Section 3.2 and to those costs incurred with the Society's prior written consent. The identity and the timing of the appointment of any legal representatives or experts shall be at the sole discretion of the Society.

**3.4** In the event of a dispute arising between the Society and the Covered Person regarding the extent or reasonableness of Representation Costs for which indemnity is sought under this Section, the dispute will be referred to a senior barrister (to be mutually agreed upon between the Covered Person and the Society or in default of agreement to be nominated by the Chairman of the General Council of the Bar of England and Wales) who will decide on whether and the extent to which such Representation Costs as the Covered Person has incurred or wishes to incur, should in all the circumstances, be met by the Society under this Policy and the decision of the senior barrister shall be final. The cost of the senior barrister's fees in connection with such a dispute shall be paid by the Society.

## Exclusions

**3.5** The Society will not be liable to indemnify any Covered Person or any other person under Section 3:

- (a)** in respect of fines or penalties of any kind.
- (b)** in respect of any order or agreement to pay the costs of a complainant, regulator, investigator or prosecutor of any professional conduct complaint against, or investigation into the professional conduct of, the Covered Person, or in relation to criminal proceedings.
- (c)** in respect of appeal costs or costs subsequent to an RCVS or VCI disciplinary hearing, to include costs relating to any application to court by the RCVS or the VCI.

- (d)** in respect of costs relating to any criminal and disciplinary proceedings brought against any Covered Person outside the Territorial Limits, or relating to proceedings brought in a court of law within the Territorial Limits to enforce a foreign judgment whether by way of reciprocal agreement or otherwise.
- (e)** in respect of costs following the postponement of a decision by the RCVS Disciplinary Committee or an Inquiry of the VCI when the Covered Person has not met the conditions of the postponement.
- (f)** in respect of any criminal, illegal, deliberate, wilful, dishonest, fraudulent or malicious act or omission on the part of the Covered Person.
- (g)** in respect of costs for which the Covered Person is entitled to indemnity under any other policy of insurance except in respect of any sum up to the limit of indemnity exceeding the amount which would have been payable under such insurance had this Policy not been effected.
- (h)** in respect of costs incurred in connection with any criminal or disciplinary proceedings where the date of the first act or omission which is the subject of the criminal charges or the disciplinary proceedings was prior to the Period of Insurance (except as set out in the proviso at (ii) in Section 3.1).
- (i)** in respect of costs relating to any criminal or disciplinary proceedings arising from or in relation to the ownership, maintenance, operation or the use of any land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), aircraft or watercraft by or on behalf of the Covered Person.
- (j)** in respect of costs relating to any criminal or disciplinary proceedings in any way arising out of the ownership, use or occupation or state of any premises or anything done or omitted to be done in respect of the state of any premises.
- (k)** in respect of costs relating to any criminal or disciplinary proceedings arising directly or indirectly from libel or slander or defamation except in so far as the same arises in the course of Normal Veterinary Work and the Covered Person acted honestly and in good faith.
- (l)** in respect of costs relating to any criminal or disciplinary proceedings arising from the manufacture of any products except extemporaneously produced veterinary medicines.
- (m)** in respect of costs relating to any criminal or disciplinary proceedings relating to the distribution or sale of any products outside the ordinary course of Normal Veterinary Work.
- (n)** in respect of death or injury to or illness or disease contracted by any person arising out of and in the course of:
  - (i)** his employment by the Covered Person or the Insured under a contract of service or apprenticeship with the Covered Person or the Insured;
  - (ii)** his performance of any contract he has entered into with the Covered Person or the Insured such contract relating to work of a kind ordinarily performed under a contract of service;
  - (iii)** his employment or participation in the performance whether as a servant, sub-contractor, agent or other delegate, direct or indirect of any such contract referred to in (ii) above.
- (o)** in respect of costs relating to any criminal or disciplinary proceedings arising, directly or indirectly, out of exposure to, inhalation of, or fear of a consequence of exposure to, or inhalation of, asbestos, asbestos fibres or any derivatives of asbestos.
- (p)** in respect of costs relating to any criminal or disciplinary proceedings directly or indirectly occasioned by, happening through or in consequence of terrorism, for the avoidance of doubt to include the actions of animal rights activists.
- (q)** in respect of costs relating to any criminal or disciplinary proceedings arising from selling or promoting pet insurance or any other insurance.
- (r)** in respect of costs relating to any criminal or disciplinary proceedings (i) arising out of any activity for which the Covered Person has sought the consent of the RCVS or the VCI or requires the consent of the RCVS or the VCI if such consent has been refused or declined or not obtained or (ii) in respect of any activity which the RCVS or the VCI has disapproved of whether generally or specifically in relation to the Covered Person or (iii) relating to a Covered Person's failure to comply with a request from the RCVS or the VCI.

- (s) in respect of costs relating to any criminal or disciplinary proceedings arising from a Covered Person who is included on the restricted (temporary) list maintained by the RCVS undertaking any activity which is not included in the entry on the restricted (temporary) list or when the Insured has not complied with the restrictions or conditions relevant to his inclusion on the restricted (temporary) list.
- (t) in respect of costs relating to any criminal or disciplinary proceedings directly or indirectly arising out of, caused by or contributed to by:
  - (i) the controlling or processing of third party non-public data or information for which the Insured is responsible;
  - (ii) phishing, pharming, impersonation or any other communication designed to obtain third party non-public data or information from a third party under false pretenses, or failing to prevent or hinder such communication;
  - (iii) breach of any privacy legislation in any jurisdiction by the Insured or by someone for whom the Insured is legally responsible;
  - (iv) any infringement of any copyright, title, slogan, trademark, trade name or domain name; plagiarism, piracy or the misappropriation of any product or service; any breach of confidentiality or invasion or interference with any privacy;
  - (v) the transmission of any Malware from the Insured's network, or from the network of any Cloud Service Provider;
  - (vi) failure to secure the Insured's computer system or network that results in Unauthorised Access;
  - (vii) failure to prevent a denial of service attack launched from the Insured's network or from the network of any Cloud Service Provider; and/or
  - (viii) PCI Fines and Assessment Costs.

## Conditions

- 3.6** Within three business days of the Covered Person being notified of criminal charges against him or receives a letter identifying an issue or issues of professional conduct from the RCVS or the VCI, or as soon as the Covered Person becomes aware that criminal charges or disciplinary proceedings are likely to be brought against him if such criminal charges or disciplinary proceedings relate to the practice of veterinary medicine the Covered Person will:
- 3.61** notify the Society in writing with full particulars; and
  - 3.62** provide to the Society all documents concerning such criminal or disciplinary proceedings.
- 3.7** In line with the requirements under Section 16 (1) of the Consumer Insurance Contracts Act 2019, the Covered Person will co-operate fully with the Society and those instructed by the Society in connection with any criminal or disciplinary proceedings or notice of complaint. For the avoidance of doubt co-operation under this clause requires that the Covered Person shall, at his own expense, provide all information and documents reasonably requested by the Society, provide timely and reasonable instructions to legal representatives and attend all meetings he is requested to attend with the Society and/or the Society's representatives to include conferences with legal representatives.
- 3.8** If any payment is made, or the Society becomes liable to make such a payment under Section 3 of the Policy, the Society is thereupon subrogated (to the extent permitted under the Consumer Insurance Contracts Act 2019) to all the Covered Person's rights of recovery, contribution and indemnity in relation thereto and the Covered Person shall give to the Society all assistance as the Society may reasonably require to secure such rights and remedies and (in particular) at the Society's request the Covered Person shall execute all documents necessary to enable the Society to pursue proceedings in the name of the Covered Person.

## Section 4 Miscellaneous Conditions Applicable to the Policy

### Requirements of Registration

- 4.1** At the time of the Normal Veterinary Work in respect of which the indemnity under Section 2 is sought and the time of the Normal Veterinary Work to which the criminal charges and/or disciplinary proceedings relate in respect of which indemnity is sought under

Section 3 the Insured or Covered Person must have been either:

- (a) a member of the RCVS; or
- (b) an appropriately registered veterinary surgeon entered on the register maintained by the RCVS under the provisions of the Veterinary Surgeons Act 1966; or
- (c) a veterinary practitioner entered on the register maintained by the VCI under the provisions of the Veterinary Practice Act 2005; or
- (d) a Corporate Member.

The above references to the provisions of the Veterinary Practice Act 2005 shall include any statutory modification or re-enactment thereof for the time being in force.

## Appointment of Legal Representatives

- 4.2 Solely the Society will decide the identity and timing of the appointment of any legal representatives or experts. The Society may require legal representatives' and experts' reports to be submitted direct to the Society. Any statement or information or fact relating to the Claim or Circumstance or in respect of Criminal or Disciplinary Proceedings given by the Insured or Covered Person shall be deemed to have been also made direct to the Society. For the avoidance of doubt, Representation Costs and Defence Costs do not include the cost of the Insured's or Covered Person's time or any internal or overhead expense of the Insured or Covered Person.

## Governing Law

- 4.3 This Policy shall be governed by and interpreted in accordance with English law and subject to any arbitration, the English Courts shall have jurisdiction.

## Disputes

- 4.4 Any disputes relating to the interpretation or construction of this Policy including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration in accordance with the Arbitration Act then in force. The number of arbitrators shall be one. In the absence of agreement the arbitrator shall be nominated by the Chairman of the General Council of the Bar of England and Wales. The arbitration will take place in London, England and will be subject to English law and jurisdiction.

## Cooling-Off Period

- 4.5 The Insured may cancel this Policy, by giving notice to the Society, within 14 days after the date when the Insured is informed that the contract has been concluded. Our contact details are shown on Page 14 of this document.

## Cancellation

- 4.6 The Society may cancel this Policy without reason by giving 30 days' notice of cancellation by recorded delivery letter sent to the Practice address shown in the Schedule or to the Insured if there is no Practice specified in the Schedule. If the Society elects to cancel the Policy the Premium will be adjusted from the date of cancellation to the end of the Period of Insurance and any refund payable on this basis will be paid to the Practice or to the Insured if there is no Practice specified in the Schedule.
- 4.7 The Insured and Covered Persons may cancel this policy without reason by giving notice of cancellation by letter or email sent to the Society provided that the notice of cancellation is given by or on behalf of every Insured and every Covered Person. The cancellation will take effect from the date the letter or email is received by the Society if that is a working day, or the first working day after receipt if the letter or email is received on a non-working day. Following cancellation the Premium will be adjusted from the date of cancellation to the end of the Period of Insurance and any refund payable on this basis less an administration fee which may be charged will be paid to the Practice.
- 4.8 In accordance with the Articles of Association if the premium remains unpaid for a period of one month of the same becoming due the Policy will be cancelled from inception.

## Contracts (Rights of Third Parties) Act 1999

- 4.9 Without prejudice to the application of Section 21 of the Consumer Insurance Contracts Act 2019, a person or company who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Policy but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

## Payments in the Republic of Ireland

- 4.10 Where the Insured or Covered Person is in practice in the Republic of Ireland all payments which become due or payable, shall be payable in the Republic of Ireland.

## Section 5 Definitions

<b>“Additional Extended Reporting Period”</b>	As set out in the Schedule (if any).
<b>“Aggregate Limit of Indemnity for Criminal and Disciplinary Cover”</b>	As set out in the Schedule.
<b>“Animal”</b>	Any creature whether born or unborn, alive or dead, or any animal organism, but not homo sapiens.
<b>“Articles of Association”</b>	The Articles of Association of The Veterinary Defence Society Limited.
<b>“Circumstance”</b>	An incident, occurrence, fact, matter, act or omission which may give rise to a Claim in respect of civil liability.
<b>“Claim”</b>	A demand for, or an assertion of a right to, civil compensation or civil damages or an intimation of an intention to seek such compensation or damages by a third party against the Insured. Claim shall not include criminal proceedings or any disciplinary investigations or proceedings.
<b>“Cloud Service Provider”</b>	Any third party with whom the Insured has a contract for the provision of computing services, infrastructure platforms or business applications.
<b>“Condition Precedent”</b>	A term of the Policy with which the Insured or Covered Person must comply before the Society will provide an indemnity.
<b>“Corporate Member”</b>	The company or limited liability partnership as defined in the Articles of Association and as set out in the Schedule.
<b>“Covered Person”</b>	As set out in the Schedule.
<b>“DDR Extended Reporting Period”</b>	As defined in section 2.20.
<b>“Defence Costs”</b>	The legal costs and disbursements and investigative and related expenses reasonably and necessarily incurred with the Society's written consent in investigating, reducing, avoiding or compromising any actual or potential claim, in defending civil proceedings relating to a claim or conducting any proceedings for indemnity, contribution or recovery relating to a claim.
<b>“Emergency Veterinary First Aid and Pain Relief”</b>	Normal Veterinary Work relating directly to emergency first aid and pain relief provided to any Animal as required by the RCVS Code of Professional Conduct or the VCI Code of Conduct for Veterinary Practitioners or any subsequent revisions of such codes.
<b>“Excess”</b>	The amount stated in the Schedule which shall be applied first to any Claim and paid first by the Insured.
<b>“Extended Reporting Period”</b>	The DDR Extended Reporting Period, the Practice Cessation Extended Reporting Period, the Group E Extended Reporting Period, the Group F Extended Reporting Period and/or any Additional Extended Reporting Period.
<b>“Group D Limit of Indemnity”</b>	As set out in the Schedule.
<b>“Group D Aggregate Limit”</b>	As set out in the Schedule.
<b>“Group E Limit of Indemnity”</b>	As set out in the Schedule.
<b>“Group E Aggregate Limit”</b>	As set out in the Schedule.
<b>“Group E Extended Reporting Period”</b>	As defined in section 2.21.
<b>“Group F Limit of Indemnity”</b>	As set out in the Schedule.
<b>“Group F Aggregate Limit”</b>	As set out in the Schedule.
<b>“Group F Extended Reporting Period”</b>	As defined in section 2.22.

<b>“Horse Certificate”</b>	Certificate relating to the condition of a horse made, completed and signed by a veterinary surgeon consequent upon a veterinary surgeon’s examination of the horse.
<b>“Human Injury and Property Damage Limit of Indemnity”</b>	The limit of indemnity as set out in the Schedule.
<b>“the Insured”</b>	The veterinary surgeons and corporate members as set out in the Schedule.
<b>“Limit of Indemnity for Criminal and Disciplinary Cover”</b>	As set out in the Schedule.
<b>“Malware”</b>	Any code designed to (i) erase, deny access to or corrupt data, including but not limited to ransomware; (ii) damage or disrupt any network or system; and/or (iii) circumvent any network security product or service.
<b>“Normal Veterinary Work”</b>	The provision of veterinary services including the treatment or examination of, or advising or attendance on, any Animal, any research or activity necessary for such treatment, examination, advice or attendance, or acting as a veterinary expert.
<b>“PCI Fines and Assessment Costs”</b>	All amounts that the Insured is legally required to pay under a contractual agreement between the Insured and any other organization by which the Insured is allowed to accept payment by credit or debit card following any breach of the Payment Card Industry Data Security Standard including but not limited to fines, case management fees, non-compliance fees, re-imbusement of fraudulent transactions, any costs incurred in card reissuance and/or costs incurred in the appointment of a PCI Forensic Investigator.
<b>“Period of Insurance”</b>	The period set out in the Schedule, save when the policy is cancelled or terminated, when the period of insurance ends on the date the cancellation or termination becomes effective.
<b>“the Policy”</b>	The printed policy wording, the Request for Cover Form, the Proposal Form, any renewal form, Schedule and any memorandum or endorsement.
<b>“Practice”</b>	The veterinary practice as set out in the Schedule via which the business as described in the Proposal Form operates, which may be one or more veterinary surgeons carrying on veterinary work either as a sole practitioner or in partnership or any other form of association to include Corporate Members as named in the Schedule.
<b>“Practice Cessation Extended Reporting Period”</b>	As defined in section 2.19.
<b>“Predecessor”</b>	A predecessor in business of the Practice as disclosed to the Society.
<b>“the Proposal Form”</b>	Any document completed by or on behalf of the Insured or Covered Person to include online procedures in respect of the insurance coverage relating to the Policy.
<b>“RCVS”</b>	The Royal College of Veterinary Surgeons.
<b>“Representation Costs”</b>	Legal costs and disbursements and investigative and related expenses reasonably and necessarily incurred with the Society’s prior written consent in relation to criminal or disciplinary proceedings.
<b>“Retroactive Date”</b>	The date specified in the Schedule.
<b>“Schedule”</b>	The Schedule issued by the Society relating to the Policy.
<b>“the Society”</b>	The Veterinary Defence Society Limited.
<b>“Risk Groups”</b>	As defined in the Schedule.
<b>“Risk Group D”</b>	As defined in the Schedule.
<b>“Risk Group E”</b>	As defined in the Schedule.
<b>“Risk Group F”</b>	As defined in the Schedule.

<b>“Temporary Replacement”</b>	A veterinary surgeon retained by the Practice temporarily to fulfil the duties of particular veterinary surgeon named in the Schedule or named in a schedule relating to a policy with the Society for a previous period of insurance.
<b>“Territorial Limits”</b>	The United Kingdom (including the Isle of Man and the Channel Islands) and the Republic of Ireland.
<b>“Unauthorised Access”</b>	Use of the Insured’s computer system or network infrastructure by any person or persons not authorised to do so, including employees.
<b>“VCI”</b>	The Veterinary Council of Ireland.
<b>“the VDS”</b>	The Veterinary Defence Society Limited.
<b>“Veterinary Sub-contractor”</b>	A veterinary surgeon or a limited company or LLP which provides veterinary services for the Practice or a Predecessor when the Practice is insured with the Society and is not a Temporary Replacement and is not an Insured as set out in the Schedule.

## Complaints Procedure

### The Society will:

- Acknowledge complaints promptly
- Investigate quickly and thoroughly
- Keep the Insured and/or Covered Person informed of progress and do everything the Society can to resolve the complaint fairly.

In the event of a complaint, the Insured and/or Covered Person must contact the Society in one of the following ways (in all cases quoting the individual membership number or claims reference if appropriate):

- **Telephone:** +44 (0) 1565 652737
- **Email:** admin@thevds.co.uk
- **Post:** The Veterinary Defence Society Limited, 4 Haig Court, Parkgate Industrial Estate, Knutsford, Cheshire WA16 8XZ.

Further details about how to make a complaint can be found on the Society’s website at [www.thevds.co.uk](http://www.thevds.co.uk)

If the complaint cannot be resolved to the satisfaction of the Insured or Covered Person, they may be eligible to refer the matter to the Financial Ombudsman Service (FOS) at the following address:

Financial Ombudsman Service, Exchange Tower, London E14 9SR

**Email:** complaint.info@financial-ombudsman.org.uk

**Telephone:** 0800 023 4 567 (calls to this number are free on mobile phones and landlines)  
0300 123 9 123 (calls to this number cost no more than calls to 01 and 02 numbers).

## Our Contact details

The Veterinary Defence Society Limited, 4 Haig Court, Parkgate Industrial Estate, Knutsford, Cheshire WA16 8XZ

**Tel:** +44 (0) 1565 652737

**Fax:** +44 (0) 1565 751079

**To notify us of any Claims or Circumstances please email:** [claims@thevds.co.uk](mailto:claims@thevds.co.uk)

**To notify us of any changes to your Policy, or to tell us that you want to cancel your Policy, please email:** [admin@thevds.co.uk](mailto:admin@thevds.co.uk)



## **The Veterinary Defence Society Limited**

Registered Office: 4 Haig Court, Parkgate Industrial Estate, Knutsford, Cheshire WA16 8XZ

**Email:** [admin@thevds.co.uk](mailto:admin@thevds.co.uk) **Web:** [www.thevds.co.uk](http://www.thevds.co.uk) **Tel:** +44 (0) 1565 652737 **Fax:** +44 (0) 1565 751079

VDS Insurance is a trading style of The Veterinary Defence Society Limited. The Veterinary Defence Society Limited is a company limited by guarantee, incorporated in the United Kingdom (registered number 2159441). Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom and regulated by the Central Bank of Ireland for conduct of business rules.