

Management Liability Package

Directors and Officers Insurance for Private Companies (Any One Claim)

POLICY WORDING

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Directors and Officers Insurance for Private Companies

POLICY WORDING

Preamble - The Contract of Insurance

In consideration of the premium, the **Insurer** shall provide insurance in accordance with this policy during the **Period of Insurance** (or during any subsequent **Period of Insurance** agreed between the **Insurer** and the **Insured**), subject to the terms contained herein or endorsed hereon.

Section 1 - Insuring Clauses

1.1 Insured Person Liability Cover

The **Insurer** shall pay on behalf of any **Insured Person**, **Loss** for which the **Insured Person** is not indemnified by the **Insured Organisation**, which arises from any **Claim** first made during the **Period of Insurance**, or any applicable Extended Reporting Period.

1.2 Insured Organisation Reimbursement Liability Cover

The **Insurer** shall pay on behalf of the **Insured Organisation**, **Loss** for which the **Insured Organisation** indemnifies an **Insured Person**, as permitted or required by law, which arises from any **Claim** first made during the **Period of Insurance**, or any applicable Extended Reporting Period.

1.3 Insured Organisation Liability Cover

The **Insurer** shall pay on behalf of the **Insured Organisation**, **Loss** which arises from any **Claim** first made during the **Period of Insurance**, or any applicable Extended Reporting Period.

Section 2 - Additional Benefits

2.1 Attendance Compensation Costs

The **Insurer** shall pay any reasonable costs, fees, or expenses incurred by an **Insured** in respect, or in the defence, of any **Claim** first made during the **Period of Insurance**, where an **Insured Person** is required to:

- (a) attend an **Official Inquiry**;
- (b) appear before a court, tribunal, or arbitration hearing as a witness;
- (c) participate in a face to face interview with the legal representatives conducting the defence of any **Claim** for the purpose of composing a witness statement;

(d) attend a conference or consultation with a barrister; or

(e) attend a court proceeding, tribunal, or arbitration hearing as an observer, however, the **Insurer** is only liable to pay, under this Additional Benefit 2.1(e), for the attendance of one such observer for all **Insured Organisations** together per day,

provided, the maximum amount available shall not exceed £350 per **Insured Person** per day.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insureds** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.2 Bail Bond Costs

The **Insurer** shall pay on behalf of the **Insured Person**, any reasonable premium (not including any collateral) incurred by an **Insured Person**, in respect of any **Claim** first made during the **Period of Insurance**, for a bond or other financial instrument to guarantee an **Insured Person's** contingent obligation for bail or its equivalent in any jurisdiction required by a court.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.3 Corporate Manslaughter Costs

The **Insurer** shall pay on behalf of the **Insured Organisation**, any:

- (a) **Defence Costs**; or
- (b) reasonable fees, costs, or expenses of a public relations consultant or law firm retained by the **Insured Organisation** to mitigate any adverse effect on an **Insured's** reputation,

incurred by the **Insured Organisation**, in respect of any **Claim** first made during the **Period of Insurance**, arising from any allegations of involuntary manslaughter, constructive manslaughter, gross negligence manslaughter, including any violation of or offence under the Corporate Manslaughter and Corporate Homicide Act of 2007.

The maximum amount the **Insurer** shall pay only in respect of such public relations consultants' or law firm fees, costs, or expenses or **Defence Costs** under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insureds** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.3, if purchased.

2.4 Crisis Event Costs

The **Insurer** shall pay on behalf of the **Insured Organisation**, in respect of any **Crisis Event** occurring during the **Period of Insurance**, any reasonable fees, costs, or expenses of a public relations consultant or law firm incurred and retained by the **Insured Organisation** to mitigate any adverse effect on an **Insured Organisation's** reputation.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the is the sub-limit specified in the Schedule irrespective of the number of **Crisis Events**, the amount claimed, or the number of **Insureds** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.3, if purchased.

2.5 Deprivation of Assets Costs

The **Insurer** shall pay on behalf of an **Insured Person**, any reasonable fees, costs, or expenses, including:

- (a) primary and secondary schooling costs of dependant non-adults;
- (b) monthly primary housing mortgage payments or rental costs;
- (c) utilities; or
- (d) personal insurance premiums,

incurred by an **Insured Person**, in respect of any **Claim** first made during the **Period of Insurance**, arising from:

- (i) an interim or interlocutory order confiscating, controlling, suspending, or freezing rights of ownership of real property or personal assets; or

- (ii) creating a charge over real property or personal assets, of an **Insured Person**; provided:

- 1. such fees, costs, or expenses shall only be payable 30 days after the order is received by an **Insured Person**, for a period of up to 12 months following the receipt of such order;
- 2. such fees, costs, or expenses were incurred and contracted for by the **Insured Person** prior to the making of such interim or interlocutory order, or creation of charge; and
- 3. a personal allowance has been directed by the court to meet such payments, and such personal allowance has been exhausted.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.6 Emergency Costs Access

Pursuant to Section 5. Claim Conditions, 5.9 Insurer's Consent, if the **Insured Person** cannot reasonably obtain the **Insurer's** consent prior to incurring any:

- (a) **Defence Costs**;
- (b) reasonable premium under Additional 2.2 Bail Bond Costs; or
- (c) reasonable fees, costs, or expenses under Additional Benefit 2.10 Insured Person Public Relation Costs,
- (d) reasonable fees, cost, or expenses in respect of a **Pre-Investigation or Investigation**

during the **Period of Insurance**, the **Insurer** shall waive such consent requirement, as long as the **Insurer's** consent is sought within 14 days of the first of such **Defence Costs**, amounts, or fees, costs, or expenses being incurred.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons**

covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.7 Extradition Costs

The **Insurer** shall pay on behalf of any **Insured Person**, where not prevented by law, an **Extradition Costs** incurred by an **Insured Person** in connection with any **Extradition Proceedings** commenced during the **Period of Insurance**.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of proceedings, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.8 Identity Theft Costs

The **Insurer** shall pay on behalf of an **Insured Person**, any reasonable fees, costs, or expenses incurred by any **Insured Person** during the **Period of Insurance**, on account of, or in establishing that any third-party contract that is being enforced against an **Insured Person** is invalid where it is reasonably believed that it has been entered into fraudulently due to a third party representing itself as an **Insured Person** to another third-party entity.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of accounts, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.9 Insured Person Additional Limit Protection

The **Insurer** shall pay on behalf of a non-executive director who is not indemnified by the **Insured Organisation**, in respect of any **Claim** first made during the **Period of Insurance**; provided:

- (a) the **Limit of Indemnity**;
- (b) all other applicable management liability insurance whether specifically excess over the **Limit of Indemnity** of this policy; and
- (c) all other indemnification for **Loss** to any Non-Executive Director,

have all been exhausted.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the additional limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This additional limit is

in addition to, and not part of, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.10 Insured Person Public Relations Costs

The **Insurer** shall pay on behalf of an **Insured Person**, any reasonable fees, costs, or expenses of a public relations consultant incurred and retained by an **Insured Person**, in respect of any **Claim** first made during the **Period of Insurance**, to mitigate any adverse effect on an **Insured Person's** reputation.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.11 Personal Tax Liability

The **Insurer** shall pay on behalf of an **Insured Person**, **Loss** on account of any personal liability incurred by an **Insured Person** during the **Period of Insurance**, for the **Insured Organisation's** unpaid taxes where the **Insured Organisation** has become insolvent; provided, this clause shall not apply where such personal liability arises from the wilful intent of the **Insured Person** to breach any statutory duty governing the payment of taxes.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1 and 1.2.

2.12 Pre-Investigation Costs

The **Insurer** shall pay any **Pre-Investigation Costs**, on behalf of the:

- (a) **Insured Organisation**, for **Pre-Investigations** of an alleged breach of Health and Safety at Work Act 1974, or similar provision within the **Territorial Limits** brought by the **Health and Safety Executive**.

The maximum amount the **Insurer** shall pay under the Health and Safety Investigation Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Pre-Investigations**, the amount claimed, or the number of **Insureds** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.3, if purchased; or

- (b) an **Insured Person**, for **Pre-Investigations**.

The maximum amount the **Insurer** shall pay under the Pre-Investigation Additional Benefit in the **Period of Insurance** is the sub-limit specified in

the Schedule irrespective of the number of **Pre-Investigations**, the amount claimed, or the number of **Insured Persons** covered under this policy. The sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clauses 1.1.

2.13 Reputation Protection Costs

The **Insurer** shall pay on behalf of an **Insured Person** any reasonable fees, costs, or expenses of a public relations consultant or law firm incurred and retained by an **Insured Person**, in respect of any **Claim** first made during the **Period of Insurance**, in order to disseminate the findings of a final adjudication in favour of the **Insured Person**.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured Persons** covered under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.1.

2.14 Retired or Resigned Insured Persons

In the event that this policy is not renewed, in respect of **Insured Persons** who have retired or resigned prior to the date of such non-renewal, this policy shall continue in force for a period of 72 months from the date of non-renewal (the "Run Off Period") provided:

- (a) this policy shall only apply to **Claims** which arise from **Wrongful Acts** committed or attempted by the **Insured Person** prior to the date of the retirement or resignation of such **Insured Person**;
- (b) the Run Off Period shall run concurrently with any Extended Reporting Period provided by this policy; and
- (c) no similar insurance for the **Insured Person** is effected elsewhere.

Section 3 – Exclusions

Exclusions in respect of Insuring Clauses 1.1, 1.2 and 1.3

3.1 Bodily Injury and Property Damage

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** for **Bodily Injury** or **Property Damage**. This exclusion shall not apply to any:

- (a) **Claim** for emotional distress arising from an **Employment Practice Claim**; or
- (b) **Defence Costs** for a **Claim** against an **Insured Organisation** for violation of the United Kingdom Corporate Manslaughter and Corporate Homicide Act of 2007, or any similar statute, in an amount not to exceed the sub-limit for Additional Benefit 2.3 Corporate Manslaughter Costs set out in the Schedule.
- (c) **Defence Costs** for a **Claim** against an **Insured Person** for breach of the Health and Safety at Work Act 1974, or similar provision.

3.2 Dishonesty and Personal Profits

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** arising from, based upon, attributable to, or as a consequence of any:

- (a) dishonest or fraudulent act or omission by any **Insured**; or
- (b) personal profit, advantage, or remuneration gained by any **Insured** to which such **Insured** was not legally entitled.

The **Wrongful Act** of any **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of this exclusion.

This exclusion shall not apply unless it is established through judgment, adjudication, or formal written admission by the **Insured** that the relevant conduct occurred. The **Insurer** shall pay **Defence Costs** in accordance with the policy, until such time as the conduct has been established by such judgment, adjudication, or formal admission.

3.3 Pension and Pension Trustee

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** arising from, based upon, attributable to, or as a consequence of an **Insured Person** acting in his or her capacity as a trustee, fiduciary, or administrator of any **Insured's** pension, or involving any pension, profit-sharing, or employee benefit program, plan, or trust established or maintained in whole or in part to the benefit of any **Insured Person** of the **Insured Organisation**.

3.4 Prior Circumstances and Prior or Pending Claims

The **Insurer** shall not be liable to make any payment for **Loss** for any **Claim** arising from,

based upon, or attributable to, or as a consequence of any:

- (a) **Circumstances** of which the **Insured** was, or ought reasonably to have been, aware at the inception date (whether or not notified under any similar insurance in force prior to the inception date of this policy, of which this is a renewal or replacement or which it may succeed in time); or
- (b) prior or pending **Claim**, litigation, or other legal proceeding involving an **Insured** as of the **Prior and Pending Date**, as well as all future claims or litigation based upon the prior or pending **Claim**, litigation, or legal proceeding or derived from the same or essentially the same facts that gave rise to the prior or pending **Claim**, litigation, or legal proceeding.

3.5 Public Offering

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** arising from, based upon, attributable to, or as a consequence of any offering or intended offering by the **Insured Organisation** of its share capital by way of a public offering.

The **Insurer** shall consider removal of this exclusion upon receipt and satisfactory review of all relevant information including any prospectus statements. The **Insurer** shall also be entitled to amend the terms and conditions of this policy and charge an additional premium.

3.6 United States of America

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim**:

- (a) made or brought in the United States of America its territories or possessions whether for the enforcement of a judgment or finding of the court tribunal, or arbitration of another jurisdiction or otherwise where it is contended that the laws of the United States of America, its territories or possessions apply which involves the enforcement or attempted enforcement of a judgment or finding of the court or tribunal or arbitration of the United States of America its territories or possessions; or
- (a) arising from, based upon, attributable to any loss or damage sustained alleged to have been sustained in the United States of America its territories or possession.

Exclusions in respect of Insuring Clause 1.3 only

3.7 Contractual Liability

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** for any contractual liability of any **Insured Organisation** under any contract or agreement; provided, this exclusion shall not apply in respect of any:

- (a) **Employment Practice Claim**; or
- (b) **Defence Costs** incurred, on account of any contractual liability and in respect of any **Claim** first made during the **Period of Insurance** and subject to the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insureds** insured under this policy. This sub-limit for **Defence Costs** is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.3, if purchased.

3.8 Health and Safety

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** for a breach of the Health and Safety at Work Act 1974, or similar provision within the **Territorial Limits** brought by the **Health and Safety Executive**; provided, this exclusion shall not apply to **Pre-investigation Costs** in an amount not to exceed the sub-limit for Health and Safety Insured Pre-investigation Costs set out in the Schedule.

3.9 Intellectual Property

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** for any plagiarism, misappropriation or infringement, or violation of any copyright, patent, trademark, trade secret, or any other intellectual property rights.

3.10 Professional Services

The **Insurer** shall not be liable to make payment for rendering or failure to render any service or advice to a customer or client of any **Insured Organisation**.

3.11 Pollution

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** against the **Insured Organisation** arising from, based upon, attributable to, or as a consequence of any liability arising from **Pollution**; provided, this exclusion shall not apply in respect of **Defence Costs** incurred by any **Insured Organisation** in respect of any **Claim** first made during the **Period of Insurance**.

The maximum amount the **Insurer** shall pay for **Defence Costs** for a **Pollution Claim** in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insured**

Organisations insured under this policy. This sub-limit is part of, and not in addition to, the **Limit of Indemnity** under Insuring Clause 1.3, if purchased.

3.12 Unfair Trade Practices

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim** for any violation of any statutory, regulatory, or common law with respect to any anti-trust, business competition, unfair trade practices, or tortious interference in another's business or contractual relationships.

Section 4 – Excess

4.1 Excess

The **Insurer** is liable under Insuring Clause 1.3 of this policy only for that part of any **Loss** arising from each **Claim** which exceeds the excess specified in the Schedule. The **Limit of Indemnity** applies over and above any excess specified in the Schedule. The excess specified in the Schedule does not apply to Insuring Clauses 1.1 and 1.2.

4.2 Excess Waiver

Any **Defence Costs** within the excess specified in the Schedule which are funded by an **Insured** on account of a **Claim** shall be reimbursed by the **Insurer** if a final adjudication or a complete and final settlement exonerates all **Insureds** in such **Claim** from any liability, and such **Defence Costs** are not recovered from any other party.

Section 5 - Claims Conditions

The following Claim Conditions apply to all Insuring Clauses and Additional Benefits under this policy:

5.1 Advance Payment on Behalf of Insured Persons

In the event the **Insured Organisation** is permitted or required to indemnify any **Insured Person** but fails to do so in connection with a **Claim** within 30 days of being requested to indemnify, the **Insurer** shall advance **Defence Costs** to the **Insured Person** on behalf of the **Insured Organisation**. In this case, however, the excess amount specified in the Schedule shall be repaid by the **Insured Organisation** to the **Insurer** unless the **Insured Organisation** is insolvent.

5.2 Allocation

With respect to the **Defence Costs** and any joint settlement of any **Claim** made against the **Insured** or any **Claim** that involves covered matters and matters not covered or covered parties and parties not covered under this policy, the **Insured** and the **Insurer** agree to use their best efforts to determine a fair and proper allocation of the **Defence Costs** and joint settlement amounts as between the **Insured Organisation** and any **Insured Person**

based on the relative legal and financial exposures and based upon established judicial principles.

5.3 Claim or Circumstance Notification

If, during the **Period of Insurance**, the **Insured** becomes aware of any **Claim**, the **Insured** shall give notice to the **Insurer** as soon as practicable after the in-house general counsel, risk manager, or any functional equivalent position of the **Insured** first becomes aware of such **Claim**, and in any event within 30 days following the expiry date.

If, during the **Period of Insurance**, the **Insured** becomes aware of any **Circumstance**, the **Insured** shall give notice of such **Circumstance** to the **Insurer** as soon as practicable after the in-house general counsel, risk manager, or any functional equivalent position of the **Insured** first becomes aware of such **Circumstance**, and in any event within 30 days following the expiry date.

The **Insurer** agrees that any such **Circumstance** notified to them during the **Period of Insurance** (or within 30 days following the expiry date) which subsequently gives rise to a **Claim** after the expiry date is deemed a **Claim** first made during the **Period of Insurance**.

Notification is deemed to have been made to the **Insurer** if made to the Professional Risks Claims Department of Travelers Insurance Company Limited at the address on page 17 of this policy.

5.4 Claims Deemed to be a Single Claim

Where two or more **Claims** or **Circumstances**, whether made against or involving one or more persons or entities comprising the **Insured**, and whether made by the same or different claimants, whether instituted or pursued in the same or different jurisdictions, whether falling under one or more Insuring Clauses or Additional Benefits of this policy, and whether notified separately or in a consolidated notification to the **Insurer**) arise directly or indirectly from or are in connection with or are directly or indirectly attributable to:

- (a) the same originating cause source or event;
- (b) one act or omission;
- (c) the same or similar acts or omissions; or
- (d) acts or omissions in or in respect of one matter or transaction or in respect of a series of matters or transactions,

they will be considered a single **Claim** or **Circumstance**, whichever is applicable, and such **Claim** or **Circumstance** is deemed to have been made at the time the first of such **Claims** or **Circumstances** was made, whether prior to or during the **Period of Insurance**.

5.5 Conduct of Claims

It is the duty of the **Insured** against whom a **Claim** is made to take all reasonable steps to defend such **Claim**, and not to do anything to prejudice the position of the **Insurer**.

The **Insurer** shall have no duty to defend any **Claim** made against any **Insured**, but with respect to any such **Claim** that may potentially be covered by this policy, shall have the right to be provided with all information concerning such **Claim** as the **Insurer** shall reasonably require, and kept fully informed of all matters relating to or concerning the investigation, defence, or settlement of any such **Claim**, and shall have the right to receive copies of all relevant documentation relating thereto.

Following notification of a **Claim**, or **Circumstance** where applicable, the **Insured** shall give to the **Insurer** all information and assistance as the **Insurer** may reasonably require, and shall co-operate with the **Insurer**, and any representative appointed by the **Insurer**, by:

- (a) providing information signed statements or depositions as may be required in the defence or investigation of any **Claim**, **Circumstance**, or issue relating to policy response;
- (b) ensuring payment on demand of the excess in conjunction with the terms of any settlement (including any payment into court) agreed to by the **Insurer**;
- (c) promptly and fully informing the **Insurer** of all developments of which the **Insured** becomes aware concerning any reported **Claim** or **Circumstance**;
- (d) continuing to provide information, assistance and signed statements as may reasonably be required to permit the **Insurer** to exercise rights of subrogation; and
- (e) agreeing to the appointment of legal representation chosen by the **Insurer**.

5.6 Defence Costs

Any payments of **Defence Costs** to or on behalf of an **Insured** which have been made by the **Insurer** shall be repaid to the **Insurer** by the **Insured** to whom such payments related in the event it is established such **Insured** had no entitlement to payment of **Loss** under the terms and conditions of this policy.

5.7 Discharge of Liability

The **Insurer** may at any time pay the **Insured** in connection with any **Claim** under this policy the **Limit of Indemnity** less any sums already paid or any lesser sum (after deduction of the excess) for

which such **Claim** can be settled, and upon such payment the **Insurer** shall not be under any further liability in respect of such **Claim** except for **Defence Costs** incurred prior to such payment, but only up to the **Limit of Indemnity**.

The **Insurer** shall not be liable for any loss which the **Insured** may claim to have sustained in consequence of the **Insurer** taking the action described in this clause.

5.8 Extended Reporting Period

In the event that this policy is not renewed, or in the event of a **Change of Control**, then the **Insured** shall have the right to:

- (a) an extension of the Period of Insurance in respect of any **Claim** made against any **Insured** during the 60 days after the expiry date and
- (b) elect an Extended Reporting Period in respect of any **Claim** made against any **Insured** during the 60 days after the expiry date, upon payment of:
 - (i) 100% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 12 months after the expiry date;
 - (ii) 135% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 36 months after the expiry date; or
 - (iii) 175% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 72 months after the expiry date,

but only in respect of a **Wrongful Act** committed prior to the expiry date.

These rights shall terminate unless the **Insured** provides written notice of such election, the written notice is received by the **Insurer** during the 60 days after the expiry date, and any required premium is paid within 30 days of the date of the written notice. The **Limit of Indemnity** for the Extended Reporting Period is part of, and not in addition to, the **Limit of Indemnity** as stated in the Schedule.

The **Insurer's** offer of renewal terms, conditions, limits of indemnity, or premium different from those of the expiring policy shall not constitute a refusal to renew.

At the expiry of the Extended Reporting Period, no further Extended Reporting Period is available under this policy. Any Extended Reporting Period available or elected under this policy shall not apply to any other policy unless specifically confirmed in writing by the **Insurer**.

This Claim Condition is only operative if no other insurance is effected elsewhere.

otherwise have provided coverage, the **Insurer** shall reimburse the first named **Insured Organisation** stated in the Schedule that is domiciled in an authorised jurisdiction for its **Loss** on account of its **Financial Interest** in another **Insured Organisation** which has an insurable interest in the property.

5.9 Financial Interest Coverage

(a) This policy shall not provide coverage for **Loss**:

- (i) sustained by any **Insured Organisation** domiciled;
- (ii) sustained by any **Insured Person** residing; or
- (iii) to any property located,

in a foreign jurisdiction to the extent that providing such coverage would violate the laws or regulations of such foreign jurisdiction.

- (b) In the event of **Loss** described in (a)(i) above, for which this policy would otherwise have provided coverage, the **Insurer** shall reimburse the first named **Insured Organisation** stated in the Schedule that is domiciled in an authorised jurisdiction for its **Loss** on account of its **Financial Interest** in the insured entity domiciled in the foreign jurisdiction.
- (c) In the event of **Loss** described in (a)(ii) above, for which this policy would otherwise have provided coverage, the **Insurer** shall reimburse an:
 - (i) **Insured Organisation** for its insurable loss as measured by the amount of such **Loss** described in (a)(ii) as it pays to or on behalf an **Insured Person**; or
 - (ii) **Insured Person** for its non-indemnified **Loss** by payment of **Loss** in a country or jurisdiction mutually acceptable to such **Insured Person** and the **Insurer**,

to the extent that doing so would not violate any applicable laws or regulations.
- (d) In the event of **Loss** described in (a)(iii) above, for which this policy would

5.10 Insurer's Consent

The **Insured** must obtain the **Insurer's** written consent, which shall not be unreasonably withheld or delayed, before any:

- (a) admission of liability is made;
- (b) consent to judgment is given;
- (c) **Defence Costs** are incurred;
- (e) legal representative is retained to defend any **Insured** or any steps taken in connection with any **Claim** or other legal proceedings that may potentially be covered by this policy, unless required to do so pursuant to the law applicable to such **Claim** or other legal proceedings;
- (f) **Claim** is settled; or
- (g) benefits are incurred under section 2. Additional Benefits; provided, this condition shall not apply to Additional Benefit 2.6 Emergency Costs Access.

5.11 Queen's Counsel

If the **Insured** and the **Insurer** cannot agree on a common course of action with regard to the contesting of any legal proceedings, the dispute shall be resolved by reference to a Queen's Counsel of the English Bar whose decision shall be binding. In the event of disagreement regarding the appointment of Queen's Counsel, the Queen's Counsel shall be appointed by the Chairman for the time being of the Bar Council.

The **Insurer** or the **Insured** shall only be required to contest legal proceedings where the Queen's Counsel shall advise that there are reasonable prospects of successfully defending the proceedings or limiting the exposure of the **Insured** to legal liability.

The costs of appointing the Queen's Counsel shall be equally split between and paid for by the **Insurer** and the **Insured**.

Section 6 - General Conditions

6.1 Applicable Law

This policy and any dispute, claim, or difference concerning the policy (including its validity and application) is governed exclusively by and construed in accordance with the laws of England and Wales, whose courts shall have exclusive jurisdiction save where there is a reference to arbitration as provided for in General Condition 6.2, Arbitration.

6.2 Arbitration

Any dispute, claim, or difference between the **Insurer** and the **Insured** as to the correct interpretation of this policy shall be referred by either party to a single arbitrator in accordance with the Arbitration Act 1996, to be chosen by agreement or, in default, to be appointed by the President of the Chartered Institute of Arbitrators, whose decision shall be binding on both parties.

6.3 Assignment

This policy may not be assigned or transferred, and any attempted assignment or transfer is void and without effect unless the **Insurer** has provided its prior written consent to such assignment or transfer.

6.4 Cancellation

This policy may not be cancelled by any party, except by the **Insurer** for failure to pay the premium, in which case 30 days written notice shall be given to the **Insured** or the representative responsible for placing this coverage with the **Insurer**. Unless payment in full is received before the expiration of the 30 days written notice period, cancellation shall be effective from the inception date. This policy shall terminate at the expiry of the **Period of Insurance** as stated in the Schedule.

6.5 Changes and Authority

The **Insureds** agree that the first named **Insured Organisation** stated in the Schedule is their agent for all purposes in connection with this policy. This policy may be varied or rescinded by the agreement between the **Insurer** and the first named **Insured Organisation** stated in the Schedule, without the consent of any other **Insured**.

6.6 Continuing Duty

The **Insured** is under a continuing duty throughout the **Period of Insurance** to disclose as soon as practicable all material changes in information supplied to the **Insurer** as part of the **Proposal** and to use reasonable endeavours to maintain and keep safe all business records (including after liquidation or any **Change of Control**).

6.7 Contracts (Rights of Third Parties) Act 1999

Any natural person or entity who was not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy; provided, this General Condition does not affect any right or remedy of a third party which exists or is available apart from such Act.

6.8 Currency

All amounts under this policy are expressed and payable in the currency in which the premium has been paid. If judgment is rendered, settlement is denominated, or any other element of **Loss** under this policy is stated in any other currency, payment shall be made at the spot exchange rate published by the Bank of England on the date the payment of **Loss** is due.

6.9 Innocent Misrepresentation and Non-Disclosure

With respect to any misrepresentation or non-disclosure by any **Insured**, the **Insurer** waives its right to avoid or rescind this policy in whole or in part; provided:

- (a) such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive;
- (b) the **Insurer** shall be entitled to amend the terms, conditions, and premium for this policy upon review of any information previously misrepresented or not disclosed to the **Insurer**; and
- (c) the **Insurer** is entitled to determine the effective date of any amendments in consequence of the exercising of their rights under this General Condition.

6.10 Joint Insureds

Where the **Insurer** is liable to indemnify more than one **Insured** in respect of any **Claim**, the total amount of indemnity payable under this policy shall not exceed the **Limit of Indemnity**.

Furthermore, in accordance with Section 4. Excess, the excess shall apply to all **Insureds** jointly.

6.11 Liquidation and Change of Control

If during the **Period of Insurance**:

- (a) the **Insured** is placed into liquidation or administration; or
- (b) a **Change of Control** occurs,

cover shall continue in full force and effect with respect to **Claims** for **Wrongful Acts** committed before such event, but cover shall cease with respect to **Claims** for **Wrongful Acts** committed after such event. No cover shall be available

hereunder for **Loss**, including **Defence Costs**, for any **Claim** or **Circumstance** arising from, based upon, attributable to or, as a consequence of any **Wrongful Act** committed after such event.

For the purposes of this General Condition, voluntary liquidation or administration shall be treated as having occurred on the date upon which that entity passes a resolution for voluntary liquidation or administration. Compulsory liquidation or administration shall be treated as having occurred on the date upon a petition for the compulsory liquidation or administration of that entity is presented to the relevant authorities.

6.12 No Warranties or Conditions Precedent

No term in this policy including where expressed as a warranty or condition precedent is deemed a warranty or condition precedent such as to automatically discharge the **Insurer** from any liability upon its breach. The **Insurer** shall enforce any term that would otherwise be deemed a warranty or condition precedent as a policy condition only.

6.13 Outside Entity Indemnification

With respect to **Outside Entities**, this policy applies specifically excess over:

- (a) any indemnification provided by an **Outside Entity**, and
- (b) any other valid and collectable policy of insurance and any indemnification payable by an **Outside Entity** and, if such other policy of insurance is issued by a member of the Travelers group of companies, the **Limit of Indemnity** if applicable under this policy is reduced by the limit of liability under the other policy.

6.14 Proposal and Severability

The **Proposal** shall be construed as a separate **Proposal** by each **Insured**.

With respect to statements and particulars in the **Proposal**, no statements made or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** to determine whether cover is available for any **Claim** made against such other **Insured Person**.

6.15 Sanctions

This policy shall not be deemed to provide cover, nor shall the **Insurer** have any liability to pay, any **Claim**, or provide any benefit hereunder to the extent that the provision of such cover, payment of such **Claim**, or provision of such benefit would expose the **Insurer** to any sanction, prohibition, or restriction under United Nations resolutions, or the trade or economic sanctions laws or regulations of the European Union, United Kingdom, or United States of America.

6.16 Subrogation and Recoveries

The **Insurer** shall be subrogated to all the **Insured's** rights of recovery, contribution, or indemnity against any natural person or entity before or after any payments under this policy. The **Insured** shall do whatever is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights.

All recoveries from third parties shall be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

- (a) first, to the **Insured** to reimburse the amount it has paid which would have been paid hereunder but for the fact that it is in excess of the applicable **Limit of Indemnity**;
- (b) second, to the **Insurer** to reimburse the amount paid hereunder; and
- (c) third, to the **Insured** in satisfaction of any applicable excess.

Provided, recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for the **Insured's** benefit.

6.17 Subsidiaries

If, during the **Period of Insurance** the **Insured Organisation** acquires or creates a **Subsidiary** then automatic cover shall apply to the newly acquired or created **Subsidiary** and to all persons that would fall within the policy definition of an **Insured Person** of the newly acquired or created **Subsidiary** for any **Wrongful Act** committed on or after the effective date of such acquisition or creation; provided, such **Subsidiary**:

- (a) does not increase the **Insured's** total consolidated assets as stated in its last published annual report and accounts by more than 50%;
- (b) does not have any **Securities** listed on any stock exchange; and
- (c) is not a **Financial Institution**.

If any acquisition or creation breaches one or more of the criteria listed in (a), (b), or (c), then the **Insurer** shall automatically provide coverage for a period of 60 days after the effective date of such acquired or created **Subsidiary**. Coverage for such newly acquired or created **Subsidiary** shall expire at the end of 60 days or the end of the **Period of Insurance** whichever is the sooner, unless the **Insured** gives written notice of such acquisition or creation as soon as practicable

together with such information as the **Insurer** may require and the **Insurer** agrees in writing to insure it. The **Insured** also agrees to pay any additional premium and agrees to any amendments to the policy's terms and conditions that may be required.

The **Insurer** shall only provide cover for a **Claim** against any **Subsidiary** or any **Insured Person** of any **Subsidiary** for any **Wrongful Act** committed whilst such entity is or was a **Subsidiary** of the **Insured Organisation**.

In the event an entity ceases to be a **Subsidiary** as a result of a buy-out by existing management, the **Insurer** agrees to maintain this policy in respect of such entity for a period of 30 days from the date of the buy-out or the end of the **Period of Insurance** whichever is the sooner, for **Wrongful Acts** committed subsequent to the buy-out. This additional cover shall not apply in circumstances where there is other insurance in force which provides cover in respect of such **Wrongful Acts**.

Section 7 – Definitions

7.1 Approved Person

means any natural person whose performance of a controlled function as an **Employee** has been approved by the Financial Services Authority pursuant to Part V of the Financial Services and Markets Act 2000.

7.2 Bodily Injury

means death, injury, illness, or disease whether bodily or mental.

7.3 Change of Control

means the:

- (a) acquisition of the **Insured** (or more than 50% of its total consolidated assets as stated in its last published annual report and accounts) by another entity, or the merger or consolidation of the **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
- (b) obtaining by any person, entity, or affiliated group of persons or entities the right to elect, appoint, or designate more than fifty percent (50%) of the board of directors, board of trustees, board of managers, or functional equivalent thereof, or to exercise a majority control of the board of directors, board of trustees, board of managers, or a functional equivalent thereof, of the **Insured**.

7.4 Circumstance

means an incident, occurrence, fact, matter, act, or omission which, regardless of Section 4. Excess of this policy, is reasonably likely to give rise to a

Claim (or any other entitlement to indemnity under the policy), including any:

- (a) intimation to make a **Claim**; or
- (b) known direct or indirect criticism or dispute (whether expressed or implied) which is likely to give rise to a **Claim** (whether justified or not).

7.5

Claim means:

- (a) a written demand for monetary damages or non-monetary relief;
- (b) a civil mediation or arbitration proceeding (including any counter-claim seeking compensation, or other legal remedy) commenced by service of a complaint or similar proceeding;
- (c) receipt of a formal notice of a criminal proceeding or the filing of charges (including pursuant to the Bribery Act 2010); or
- (d) an **Investigation**,

made or brought against an **Insured** for a **Wrongful Act**.

7.6

Crisis Event

means any of the following events first occurring during the **Period of Insurance** where, in the reasonable opinion of the chief executive officer of the **Insured Organisation**, the event has the potential to result in a **Claim**, or decrease the **Insured Organisation's** consolidated annual revenues by 15%, if left unmanaged:

- (a) the sudden, unexpected death or disability of any director or officer;
- (b) the criminal conviction of any director or officer;
- (c) loss of a major customer, contract or, credit facility;
- (d) employee workplace violence;
- (e) the first apparent unauthorised intrusion into any **Insured Organisation's** computer facilities;
- (h) a recall or boycott of any product;
- (i) a man-made disaster; or
- (h) any criminal or fraud investigation;

Crisis Event does not include any event that affects the **Insured Organisation's**

industry in general rather than the **Insured Organisation** specifically.

7.7 Defence Costs

means any reasonable legal or investigative costs, fees or, expenses, incurred by the **Insured** with the prior written and continuing consent of the **Insurer**, not to be unreasonably withheld or delayed, resulting from:

- (a) defending any proceedings relating to a **Claim**;
- (b) conducting any proceedings for indemnity, contribution, or recovery relating to a **Claim**; or
- (c) investigating, assessing, negotiating, adjusting, mediating, arbitrating, compromising, responding to, or otherwise settling any **Claim**.

Defence Costs does not include the remuneration of any **Insured Person**, any internal or overhead expenses of the **Insured**, or the cost of any **Insured's** time.

7.8 Employee

means any natural person who is:

- (a) acting under a contract of service or apprenticeship with the **Insured Organisation**; or
- (b) supplied to or seconded to, or hired by or borrowed by, the **Insured Organisation**, including students, trainees, locums, or other natural persons undertaking study or work experience, whilst employed or engaged by the **Insured Organisation** in connection with its business.

7.9 Employment Practice Claim

means any **Claim** made against any **Insured Person** arising from any:

- (a) unfair or wrongful dismissal;
- (b) wrongful failure to employ;
- (c) discharge or termination of employment;
- (d) breach of any oral or written employment contract or quasi employment contract;
- (e) employment related misrepresentation;
- (f) violation of employment discrimination laws (including workplace harassment);
- (g) violation or non-compliance with working hours legislation;

- (h) wrongful failure to promote;
- (i) wrongful demotion;
- (j) wrongful discipline;
- (k) wrongful deprivation of a career opportunity;
- (l) failure to grant tenure;
- (m) negligent evaluation;
- (n) invasion of employment related privacy;
- (o) employment related defamation;
- (p) failure to furnish accurate job references;
- (q) employment related infliction of emotional distress;
- (r) wrongful treatment of an **Employee** as a result of, or in response to, any action taken by an **Employee** exercising or attempting to exercise their rights under law including any reference to legislation relating to discrimination or whistle blowing;
- (s) employment related breach of data privacy; or
- (t) breach of any obligation which has been transferred to the **Insured Organisation** by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or, the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer, brought and maintained by any past, current, or prospective **Employee** of the **Insured Organisation**.

7.10 Employment Related Benefits

mean any:

- (a) perquisites and fringe benefits;
- (b) payments due under any employee benefit or pension scheme;
- (c) stock or share options or any other right to purchase, acquire, or sell stock or shares of any **Insured Organisation**; or
- (d) incentive or deferred compensation or any other type of compensation other than salary, wages, or bonus compensation (such compensation not to include any

payments which would otherwise be due in the normal course of employment).

7.11 Extradition Costs

means the reasonable fees, costs, or expenses incurred by an **Insured Person** in lawfully opposing, challenging, resisting, or defending against any request for, or any attempt to obtain the discharge or revocation of **Extradition Proceedings** brought against an **Insured Person**, including the fees, costs, or expenses of:

- (a) an accredited counsellor or any tax advisor retained by an **Insured Person**; or
- (b) a public relations consultant or law firm retained by an **Insured Person** to mitigate any adverse effect on an **Insured Person's** reputation,

as provided by Additional Benefit 2.7 Extradition Costs.

7.12 Extradition Proceedings

means, as part of a formal process by which an **Insured Person** located in any country is surrendered, or sought to be surrendered, to any other country to answer any criminal accusation, including the execution of an arrest warrant where such execution is an element of such process, a court order imposing any:

- (a) temporary or permanent prohibition on such **Insured Person** from holding the office, or performing the function of, a director or officer of the **Insured Organisation**;
- (b) restriction on such **Insured Person's** liberty to a specified domestic residence or an official detention; or
- (c) deportation of an **Insured Person** following revocation of otherwise proper, current, and valid immigration status for any reason other than such **Insured Person's** conviction of a crime.

7.13 Financial Institution

means any entity whose principal business activity is as a clearing bank, deposit/lending bank, building society, foreign exchange broker or trader, merchant bank, stockbroker, securities broker, commodity trader or broker, derivative trader or broker, hedge fund, venture capital fund, private equity fund, insurance broker, insurance company (general or life), financial advisor (including Independent Financial Advisors), asset management company, regulated investment trust, individual savings account, unit trust or other financial investment provider, credit provider, or currency exchange operation or any other similar

entity.

7.14 Financial Interest

means the insurable interest of the first named **Insured Organisation** stated in the Schedule in an **Insured Organisation** that is domiciled in foreign jurisdiction in which the **Insurer** is not licensed to provide this insurance, as a result of such first named **Insured Organisation's**:

- (a) ownership of the majority of the outstanding securities or voting rights of such **Insured Organisation** representing the present right to elect, appoint, or exercise a majority control over such **Insured Organisation's** board of directors, board of trustees, board of managers, natural person general partner, or functional foreign equivalent;
- (b) indemnification of, or representation that it has an obligation to indemnify, such **Insured Organisation** for **Loss** incurred by such **Insured Organisation**; or
- (c) election or obligation to obtain insurance for such **Insured Organisation**.

7.15 Health and Safety Executive

means the Health and Safety Executive for Great Britain, The Health and Safety Executive for Northern Ireland, or the Republic of Ireland's Health and Safety Authority.

7.16 Insured

means any **Insured Organisation** and any **Insured Person**.

7.17 Insured Organisation

means the first named entity stated in the Schedule which is the policyholder or a **Subsidiary**.

7.18 Insured Person

means any natural person who was, is, or becomes:

- (a) a director or officer of the **Insured Organisation**;
- (b) duly appointed to the **Insured Organisation** as an administrator or liquidator in a member's voluntary liquidation of the **Insured Organisation**;
- (c) a de facto director or officer of the **Insured Organisation**;
- (d) a shadow director of the **Insured Organisation** as defined by Section 251 of the United Kingdom Companies Act 2006 (or equivalent legislation);
- (e) an **Approved Person**;

- (f) an **Employee**, not including any auditor, liquidator, administrator, or receiver appointed to the **Insured Organisation**;
- (g) a volunteer of the **Insured Organisation**; or
- (h) **Outside Entity Director** only whilst acting in such capacity on behalf of the **Insured Organisation**.

Insured Person also includes the:

- (i) lawful spouse, civil partner (as defined by Civil Partnership Act 2004), or domestic partner of any natural person in a, c, d, e, f, or g of this definition, to the extent that, and in respect of, any **Claim** first made against such lawful spouse, civil partner, or domestic partner is solely because of his or her capacity as such, or by reason of them having an interest in property that is sought to be recovered in a **Claim**; or
- (ii) estate, heirs, executors, or legal representatives of any natural person in a, c, d, e, f, or g of this definition, to the extent that, and in respect of, any **Claim** first made against such estate, heir, or legal representative for a **Wrongful Act** committed or attempted by such natural person in a, c, d, e, f, or g, prior to the death or incapacity of such natural person in a, c, d, e, f, or g.

The cover afforded under (i) or (ii) of this definition will not apply to the extent that, and in respect of, any **Claim** that alleges any act, error, omission, breach of duty, breach of trust, neglect, default, misstatement, misleading statement, or breach of warranty of authority by such estate, heir, executor, legal representative, spouse, or civil partner of the natural person in a, c, d, e, f, or g or i of this definition.

7.19 Insurer
means Travelers Insurance Company Limited.

7.20 Investigation
means an **Official Inquiry**, examination, or investigation into an **Insured Organisation**, or any **Insured Person** in his or her capacity as such, at which the attendance of such **Insured Person** is first required or requested in writing by the investigating body, including the service of a letter or notice during the **Period of Insurance**.

7.21 Investigation Costs
means the reasonable costs, charges, fees, or expenses incurred by an **Insured Person** in responding to a **Investigation**, including preparing any written notice or reports to an **Official Body**.

Investigation Costs does not include the remuneration of an **Insured Person**, any internal or overhead expenses of the **Insured** or **Insurer**, or the cost of any **Insured's** time.

7.22 Limit of Indemnity
means in respect of:

- (a) Insuring Clauses 1.1 and 1.2, the amount stated in the Schedule being the maximum amount (including **Defence Costs**) the **Insurer** shall pay in respect of any single **Claim** made against the **Insured** during the **Period of Insurance** or any Extended Reporting Period; provided, the maximum amount (including **Defence Costs**) that the **Insurer** shall pay in the aggregate in the **Period of Insurance** in respect of any **Claim** arising from **Pollution** shall be £2,000,000 or the **Limit of Indemnity** stated in the Schedule (whichever is the lesser amount); or
- (b) Insuring Clause 1.3, the amount stated in the Schedule is the maximum amount (including **Defence Costs**) the **Insurer** shall pay in respect of any single **Claim** made against the **Insured** during the **Period of Insurance** or any Extended Reporting Period.

7.23 Loss
means any amount an **Insured** is legally liable to pay, including:

- (a) damages (including punitive, exemplary, or multiple damages, other than any punitive, exemplary, or multiple damages awarded by a court of law constituted in the United States of America or its territories or possessions) as a result of a judgment or award made by a competent court or tribunal, or a settlement;
- (b) **Defence Costs**;
- (c) **Pre- Investigation Costs**;
- (d) amount covered under section 2. Additional Benefits, but only to the extent set out in the relevant section; or
- (e) civil fines and penalties imposed by law and arising from a **Claim**, including imposed civil fines and penalties pursuant to the Foreign Corrupt Practices Act of 1977 §§ 15 U.S.C. 78dd-2(g)(2)(B) and 78(c)(2)(B), or any other similar legislation in any other jurisdiction unless deemed uninsurable under the law governing this policy.

Loss does not include any:

- (i) taxes (other than in relation to Additional Benefit 2.14 Personal Tax Liability);
- (ii) **Employment Related Benefits;**
- (iii) cost of complying with any order for, grant of, or agreement to provide, injunctive or non-monetary relief, including any cost:
 1. incurred to modify any building or property in order to make such building or property more accessible or accommodating to a disabled person, or in connection with any educational sensitivity, or other corporate programme, policy, or seminar relating to an **Employment Practice Claim;** or
 2. arising from, based upon, or attributable to, or as a consequence of, or involving **Pollution**, other than **Defence Costs** incurred by the **Insured** in respect of any **Claim** seeking non-monetary relief brought by an **Official Body;**
- (iv) costs to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralise any **Pollution;** or
- (v) sum payable pursuant to a financial support direction or contribution notice issued by the Pensions Regulator.

7.24 Official Body
means any regulator, criminal authority, government body, government agency, official trade body, or any other body empowered by statute to investigate the affairs of an **Insured** or **Outside Entity**.

7.25 Official Inquiry
means the formal administrative or investigative inquiry by an **Official Body** or other institution or professional body that is legally empowered by statute to investigate the affairs of an **Insured**.

7.26 Outside Entity
means any entity:

- (a) other than an entity that:
 - (i) is an **Insured Organisation;**
 - (ii) has **Securities** traded on primary, secondary, or other market; or
 - (iii) is a **Financial Institution;** or

- (b) specifically endorsed as an **Outside Entity** by the **Insurer** hereto.

7.27 Outside Entity Director
means a natural person who did, does or during the **Period of Insurance** begins to serve as a director, officer, or trustee or in an equivalent executive position, including as a de facto or shadow director, for an **Outside Entity** at the **Insured Organisation's** specific request or as part of the duties regularly assigned to the **Insured Person** by the **Insured Organisation**.

7.28 Period of Insurance
means the period stated in the Schedule.

7.29 Pollutants
means any substance which is hazardous or damaging to health or the environment, including thermal irritants, noise, light, smoke, vapour, soot, fumes, mould, acids, alkalis, chemicals and waste (including materials which are intended to be or have been recycled, reconditioned or reclaimed), electromagnetic fields, asbestos, asbestos products, greenhouse gases, nuclear, or radioactive material.

7.30 Pollution
means:

- (a) the actual, alleged or, threatened generation, transportation, discharge, emission, dispersal, release, escape, treatment, storage, or disposal of **Pollutants;** or
- (b) any governmental regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants or any action taken in contemplation or anticipation of any such regulation, order, direction or request, or any voluntary decision to do so.

7.31 Pre-Investigation
means any:

- (a) raid or on-site visit to any **Insured Organisation**, by an **Official Body** first occurring during the **Period of Insurance** that involves the production, review, copying, or confiscation of records or interviews of any **Insured Person;** provided, no such raid or on-site visit shall include any industry-wide enquiry, routine review, regular examination, audit, or other informal meeting with any such official regulator; or
- (b) formal notification by any **Insured Organisation**, to an **Official Body** first

given during the **Period of Insurance**, where the **Insured Organisation** reasonably considers that:

- (i) a material breach of the **Insured Organisation's** legal or regulatory duty has occurred; or
- (ii) an event has occurred which the **Insured Organisation** reasonably considers an event of which the **Official Body** expects notice as set out in the **Official Body's** rules and regulations.

All **Pre-Investigations** arising out of a common event, situation, or set of circumstances will be deemed one **Pre-Investigation**, and will be deemed to have occurred when the first such **Pre-Investigation** occurred.

7.32 **Pre-Investigation Costs**

means the reasonable costs, charges, fees, or expenses incurred by an **Insured Person** in responding to a **Pre-Investigation**, including preparing any written notice or reports to an **Official Body**.

Pre-Investigation Costs does not include the remuneration of an **Insured Person**, any internal or overhead expenses of the **Insured** or **Insurer**, or the cost of any **Insured's** time.

7.33 **Prior and Pending Date**

means

- (a) the inception date of the policy; or
- (b) the date from which the **Insured** has continuously maintained similar insurance,

whichever is the earlier.

In the event of a **Claim** or notification of a **Circumstance**, if requested by the **Insurer**, the **Insured** shall provide full details and copies of document verifying the continuity of such similar insurance.

7.34 **Property Damage**

means physical destruction of, damage to, or loss of tangible or intangible property, or loss of use of, any property.

7.35 **Proposal**

means any signed proposal form or declaration and any other information in addition thereto or in substitution thereof supplied to the **Insurer** by or on behalf of the **Insured**.

7.36 **Securities**

means any bond, debenture, evidence of indebtedness, note, share, stock, or other equity or security for the debt of, and issued by, the **Insured Organisation**.

7.37 **Subsidiary**

means any entity in which the **Insured Organisation** directly or indirectly holds:

- (a) more than 50% of the issued share capital;
- (b) a majority of the voting rights; or
- (c) the right to appoint or remove a majority of the board of directors.

7.38 **Territorial Limits**

means worldwide excluding the United States of America or its territories or possessions.

7.39 **Wrongful Act**

means any act, error, omission, breach of duty, breach of trust, neglect, default, misstatement, misleading statement, or breach of warranty of authority, committed or attempted by:

- (a) an **Insured Person**, including any matter asserted against such **Insured Person**:
 - (i) in an **Employment Practice Claim**;
 - (ii) solely because of his or her status as an **Insured Person**; or
- (b) the **Insured Organisation**, except for any **Employment Practice Claim**.

Section 8 - Important Information

Please read this Policy carefully to ensure that it is in accordance with your requirements and that you understand its terms, exclusions and conditions. Please contact us immediately if any corrections are necessary.

Any enquiries you may have regarding your Policy may be addressed either to the insurance broker who arranged the Policy for you or directly to us.

Contact Details for Notification of Claims, Circumstances and Requests for Indemnity

If you wish to make a claim, please contact the insurance broker who arranged the policy or contact us quoting your policy number. Please also refer to our on-line guidance on how to make a claim which can be found at travelers.co.uk.

Travelers Insurance Company Limited
Bond and Specialty Claims
23-27 Alie Street, London, E1 8DS.

Email: reportclaim@travelers.com

Tel 0800 587 8388
Fax 020 3116 2139

COMPLAINTS PROCEDURE

Our Promise To You

We will acknowledge complaints promptly

We will investigate quickly and thoroughly

We will keep you informed of progress

We will do everything to resolve your complaint fairly

We will learn from our mistakes and use your feedback to continually improve our service

What To Do If You Have A Complaint

If you have a complaint, please contact us on 0203 207 6000, or email us at CustomerRelations@travelers.com.

For full information on your rights and how we will handle your complaint, please see our website <https://www.travelers.co.uk/documents/ComplaintsProcedure.pdf>.

USING PERSONAL INFORMATION

How we treat information about you and your rights under data protection legislation

In order to provide our insurance services, we (Travelers Insurance Company Limited acting as a Data Controller) will collect certain personal information about you. The type of information that we collect will depend on our relationship with you. For example, you may be a Travelers policyholder, prospective policyholder or a third party making a claim under a Travelers insurance policy.

If you provide us with personal information about a third party, you should share this notice with them.

We will also collect different types of information depending upon the kind of insurance cover we are being asked to provide or the kind of claim we are being asked to assess or pay.

Some of the information we collect may be classified as 'special category data', which is data that may contain information about physical or mental health, religious beliefs and criminal and disciplinary offences (including convictions).

Your personal information may be used in a number of ways including:

- considering an application for insurance,
- providing and administering an insurance policy,
- handling claims including claims validation,
- preventing and detecting fraud, including providing information to the relevant authorities.
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Where relevant, we will share your information with other companies in the Travelers group, third parties such as claims handlers, loss adjusters, other insurers and reinsurers, fraud prevention agencies, service companies associated with our products, or as required by law (including providing the information to government or regulatory authorities). This may involve the transfer of your information to countries inside and outside the European Economic Area.

If your policy includes motor cover, your policy details will be added to the Motor Insurance Database (MID), run by the Motor Insurers Information Centre (MIIC).

We may also use your personal information for marketing purposes, but only in accordance with your marketing preferences.

For more information about how we process your data and the rights you have, please click

<http://www.travelers.co.uk/main/privacy-policy.aspx>.

MLP HELPLINE

All Travelers MLP customer are entitled to 1 hour of free legal advice from RPC, a leading UK law firm

As our client, you have access to expert legal advice on any subject matter relating to your MLP policy.

Our helpline is available Monday-Friday from 9.30am until 5.30pm excluding public holidays.

If you are in need of assistance, please contact the helpline on:

Tel: 020 3060 6626

Email: travml@rpc.co.uk



Travelers Insurance Company Limited
23 - 27 Alie Street, London, E1 8DS. Registered in England 1034343

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