

Directors and Officers Liability Section

Definitions

Approved Person

Any natural person employed by any Company to whom the Financial Services Authority has given its approval, pursuant to Section 59 of the Financial Services and Markets Act 2000 (or any re-enactment thereof), to perform for such Company one or more of those controlled functions which were or are designated by the Financial Services Authority as “significant influence functions”, or the equivalent of any such position in any other jurisdiction.

Acknowledged Insured vs. Insured Claim

Any Claim:

- a) brought or maintained by an Insured Person alleging an Employment Practice Wrongful Act;
- b) brought or maintained by an insolvency practitioner or the equivalent in any other jurisdiction directly or derivatively without the solicitation, voluntary assistance participation or co-operation of any Insured Person or any Outside Entity’s directors or officers unless legally compelled to do so;
- c) brought or maintained by an Insured Person for contribution or indemnity if the Claim directly results from another Claim covered under this Section;
- d) brought or maintained by way of a shareholder derivative action on behalf of a Company or Outside Entity, which is brought without the solicitation, voluntary assistance, participation or co-operation of any Insured Person or any Outside Entity’s directors or officers unless legally compelled to do so;
- e) brought or maintained by a Past Insured Person;
- f) brought or maintained by an Insured Person acting pursuant to Whistleblowing Legislation; or
- g) for the sole purpose of enforcing against such Insured Person a judgement from another jurisdiction.

Change of Control

- a) The Policyholder's merger with or consolidation into any other company;
- b) a management buy out;
- c) the sale of all or the majority of the Policyholder's assets to any person or company acting alone or in concert; or
- d) any person or company acting alone or in concert:
 - i) acquiring ownership or control or assuming control pursuant to written agreement with other shareholders of more than 50% of the voting rights in the Policyholder and/or more than 50% of the outstanding Securities representing the present right to vote for the election of the board of directors of the Policyholder and/or assuming the right to appoint or remove the majority of the board of directors (or equivalent position) of the Policyholder; or
 - ii) acquiring the right to receive 50% or more of the income of the Policyholder on a distribution by a company of all its income or a majority of its assets on a winding-up.

Claim

The earliest of any:

- a) written demand against an Insured Person for a Wrongful Act;
- b) civil or criminal proceedings (including but not limited to any Manslaughter Allegation or Extradition Proceedings) against an Insured Person for a Wrongful Act; or
- c) formal administrative proceedings or Investigation concerning the Wrongful Act of an Insured Person.

Company

The Policyholder or any Subsidiary thereof.

Crisis Communication Consultant

Any one of the following panel companies:

- a) Hill and Knowlton;
- b) CNC; or
- c) Brunswick

which is selected and appointed by the Policyholder.

Alternatively, the Policyholder may, with the prior written consent of the Insurer, select and appoint any other company.

Deductible

The amount specified as such in the Schedule.

Defence Costs

- a) All reasonable fees, costs and legal expenses (including disbursements) incurred by or on behalf of the Insured Person in the investigation, defence or settlement of the Claim and appeal thereof; either
 - i) with the prior written consent of the Insurer; or,
 - ii) where it has not been practicable to obtain the prior written consent of the Insurer, such costs may be incurred up to a maximum aggregate amount of 10% of the Limit of Liability (being part of and not in addition to the Limit of Liability) provided that such costs are incurred reasonably and necessarily;
- b) the reasonable premium for a financial instrument (including but not limited to a bond), but not collateral for the instrument, that guarantees for a period not exceeding 12 months the Insured Person's contingent obligation for a specified amount if required by a Court.

Defence Costs shall not include remuneration, time, expenses or any other associated benefit or overhead of any Insured Person and/or any Company.

Discovery Period

The period (as set out in the Discovery Period Extension) commencing immediately after the expiry date of the Period of Insurance, during which written notice may be given to the Insurer of a Claim first made during such period or the Period of Insurance for a Wrongful Act that occurred prior to the expiry date of the Period of Insurance.

Employment Practice Wrongful Act

Any actual or alleged: violation of employment law or regulation or any other legal provision relating to the past, present or future employment of an individual with the Company.

Extradition Proceedings

Proceedings against the Insured Person following a request for deportation, extradition or arrest warrant (including an appeal or separate proceedings to overturn an extradition order).

Financial Institution

Any bank including any merchant or investment bank, finance company, hedge fund, insurance or reinsurance company, mortgage bank, savings and loan association, building society, credit union, stock broker, investment trust, asset management company, fund manager, or any entity established principally for the purposes of carrying on commodities, futures or foreign exchange trading, financial services or any other similar entity.

Insured Person

Any natural person who was is or during the Period of Insurance becomes:

- a) director, officer Non-executive Director or de facto director of any Company or any Approved Person or the equivalent in any other jurisdiction;
- b) a director, officer or employee of any Company and who by virtue of such position is a Shadow Director as defined in section 251 of the Companies Act 2006 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of a company;
- c) any Outside Entity Director following the exhaustion of any:
 - i) indemnification provided by the Outside Entity; and
 - ii) other collectible directors and officers or management liability cover issued to the Outside Entity that protects the Outside Entity Director;
- d) a director, officer or employee of any Company who is a compliance committee member appointed by a Company;
- e) a prospective director or officer in any listing particulars, prospectus, circular or similar document issued by any Company;
- f) an employee of any Company whilst acting in a managerial or supervisory capacity for the Company;
- g) an employee of any Company to the extent that the employee is:
 - i) named as a defendant in connection with an Employment Practice Wrongful Act;
 - ii) joined as a party to any action against any person defined in a) to f) above.

Insured Person shall also include:

- h) the lawful spouse or civil partner (as defined in the Civil Partnership Act 2004 or any re-enactment thereof or the equivalent legislation in any other jurisdiction) of any person set out in a) to g) arising out of a Wrongful Act of such person and where recovery is sought solely because joint property is held or owned by or on behalf of the spouse or civil partner; and
- i) legal representatives, heirs, assigns or estates of any person set out in a) to g) above in the event of their death, incapacity, insolvency or bankruptcy where recovery is sought solely because of a Wrongful Act of such person.

Insured Person shall not include insolvency practitioners or external auditors.

Investigation

Any formal or official hearing, investigation or inquiry by a governmental, regulatory or judicial agency into the affairs of a Company, an Outside Entity or an Insured Person in their capacity as such, if an Insured Person receives written documentation during the Period of Insurance or Discovery Period:

- a) that legally requires such Insured Person to attend such hearing, investigation or inquiry; or
- b) in which the Insured Person is identified by an investigating authority as a subject of such hearing, investigation or inquiry.

An Investigation shall be deemed to be first made when the Insured Person is first so required or identified.

Investigation shall not include routine regulatory supervision, inspection or compliance reviews or any investigation which focuses on an industry rather than a Company, Outside Entity or Insured Person in their capacity as such.

Investigation Costs

All reasonable fees, costs and legal expenses (except remuneration, time, expenses or any other associated benefit or overhead of any Insured Person and/or the costs or overheads of any Company) incurred by or on behalf of an Insured Person to protect their interests with the Insurer's prior written consent which shall not be unreasonably withheld or delayed.

Limit of Liability

The amount specified as such in the Schedule.

Loss

Any:

- a) Amounts which the Insured Person is legally liable to pay for a Wrongful Act (including settlements, awards of damages, awards of punitive and exemplary damages, pre and post-judgment interest on a covered judgment or award, or awards of costs).
- b) Defence Costs incurred as a result of a Claim for a Wrongful Act

Enforceability of payment for punitive, exemplary and the multiplied portion of multiple damages shall be governed by the applicable law that most favours coverage for such damages.

With respect to civil fines and penalties imposed in relation to the Bribery Act 2010 or Section 78ff (c) (2) (B) or Section 1 78dd – 2(g) (2) (B) of the Foreign Corrupt Practices Act, or similar legislation in any other jurisdiction, the liability of the Insurer will not exceed in the aggregate a sub-limit of £1,000,000 of the Section Limit of Liability (such sub-limit being part of and not payable in addition to the Section Limit of Liability).

Loss shall not include:

- a) criminal fines and criminal penalties;
- b) remuneration or employment related benefits;
- c) any sum pursuant to a financial support direction or contribution notice by the Pensions Regulator;
- d) taxes other than to the extent that personal liability of a director under Cover A for non-payment of corporate taxes is established by law in the jurisdiction in which the Claim is made and such liability constitutes Non-Indemnifiable Loss;
- e) any amounts which may be deemed uninsurable under the law applicable to this Section or in the jurisdiction in which the Claim is brought other than in respect of amounts which are punitive, exemplary or the multiplied portion of multiple damages as specified above;
- f) punitive or exemplary damages awarded for an Employment Practice Wrongful Act.

Manslaughter Allegation

Proceedings against an Insured Person for an offence under the Corporate Manslaughter and Corporate Homicide Act 2007 or for a breach of the Health and Safety at Work Act 1974 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction).

Non-executive Director

Any natural person who serves as a non-executive director of the Policyholder at the inception date of the Period of Insurance.

Non-executive Additional Amount

£250,000.

This excess aggregate amount for each Non-executive Director is in addition to the Limit of Liability.

Non-Indemnifiable Loss

Loss in respect of which a Company is not able to indemnify an Insured Person due to legal or regulatory prohibition under any statutory law, codified law or common law; or in respect of which a Company is unable to indemnify due to insolvency.

Outside Entity

Any organisation, association joint venture or company other than:

- a) a Company;
- b) an organisation, association or company that has a level II or III American Depositary Receipt Programme or is directly listed on an exchange in the United States of America;
- c) a financial institution including any bank, clearing house, depository institution, investment firm, investment advisor, investment manager, investment fund, stock broker, mortgage broker, credit institute, asset manager, private equity or venture capital company, insurance company or similar company

unless added by endorsement issued by the Insurer.

Outside Entity Director

An employee, director, officer, trustee, governor or equivalent of a Company who, at the specific request of that Company, holds the position of director, officer, trustee, governor or equivalent of an Outside Entity.

Past Insured Person

An Insured Person who has retired from or voluntarily ceased to hold such office prior to the expiry date of the Period of Insurance other than a disqualified individual or where directly related to a Change of Control.

Policyholder

The entity specified as “The Insured” in the Schedule.

Post-claim Reputational Costs

All reasonable fees, costs and expenses for the professional advice of a Crisis Communication Consultant incurred by an Insured Person to mitigate the adverse effect on that Insured Person’s reputation from a covered Claim first made during the Period of Insurance or the Discovery Period, if applicable, for a Wrongful Act, by disseminating findings made in a final judicial disposition of that claim in the Insured Person’s favour.

Prior/Pending Litigation Date

The date specified as such in the Schedule.

Related Claim

Any and all Claims and/or Investigations and or Self Report Investigations (whether made or commenced before, during or after the Period of Insurance) arising out of, based upon or attributable to the same source or cause.

Reputational Crisis Costs

All reasonable fees, costs and expenses for the professional advice of a Crisis Communication Consultant incurred by an Insured Person to mitigate the adverse effect on that Insured Person’s reputation directly in connection with any circumstance that could reasonably lead to a covered Claim against an Insured Person for a Wrongful Act, and any Claim or any Extradition Proceedings brought against such Insured Person.

Securities

Any financial or investment instrument issued by a Company which denotes an ownership interest and provides evidence of a debt, a right to share in the earnings of such company, or a right in the distribution of a property.

Self Report

The actual report to any governmental, regulatory or judicial agency by any Insured Person or Company pursuant to an obligation to inform such agency of matters giving rise to actual or potential regulatory issues, where failure to give such notification or delay in notifying, can itself give rise to enforcement consequences.

Self Report Investigation

An internal investigation by or on behalf of the Company or an Outside Entity into the affairs of a Company, an Outside Entity or an Insured Person in their capacity as such in response to a direct regulatory, judicial or governmental request following a Self Report, if an Insured Person during the Period of Insurance or Discovery Period is first required to attend such investigation or first becomes aware that they are the subject of such investigation.

A Self Report Investigation shall be deemed to be first made when the Insured Person is first so required or becomes aware.

Subsidiary

Any entity or joint venture where the Policyholder controls either directly or indirectly through one or more other entities on or before the inception date of this Section either; the composition of the board of directors or more than half of shareholder voting power or share capital.

The Insurer shall only be liable for Loss in respect of a Wrongful Act whilst such entity or joint venture is a Subsidiary.

United States of America

The United States of America its territories and possessions and/or any state or political subdivision thereof.

Whistleblowing Legislation

The Public Interest Disclosure Act 1998 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction).

Wrongful Act

Any actual or alleged misrepresentation, misstatement, misleading statement, error, omission, defamation, negligence, breach of warranty of authority, breach of fiduciary duty, Employment Practice Wrongful Act or any other act, including

- a) with respect to shareholder derivative actions only, any proposed act; and
- b) any violation of the Companies Act 2006 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction)
- c) any violation of the Bribery Act 2010 (or any re-enactment thereof or the equivalent legislation in any other jurisdiction)

by the Insured Person acting in their capacity as such or any matter claimed against the Insured Person solely because of such capacity.

Cover

The cover under this Section is afforded solely with respect to any Claim first made during the Period of Insurance (or Discovery Period, if applicable) and notified to the Insurer in accordance with the Claim Notification Condition.

A Directors & Officers Cover

The Insurer shall pay to or on behalf of an Insured Person any Loss resulting from a Claim.

B Company Reimbursement Cover

The Insurer shall pay to or on behalf of a Company any Loss resulting from a Claim to the extent that such Company has indemnified or agreed to indemnify an Insured Person in respect of such Loss.

C Non-Executive Director Cover

The Insurer shall pay to or on behalf of a Non-executive Director any Loss resulting from a Claim up to the Non-Executive Additional Amount but only after exhaustion of:

- i) the Limit of Liability;
- ii) all other collectible directors and officers or management liability covers whether written excess of the Limit of Liability or otherwise; and
- iii) all other indemnification for such Loss available from any other source.

The Non-executive Additional Amount is an aggregate amount for each Non-executive Director and is in addition to the Limit of Liability

D Investigation Additional Cover

The Insurer shall pay to or on behalf of an Insured Person (or a Company to the extent that such Company has indemnified an Insured Person) any Investigation Costs arising out of the Insured Person's preparation for or attendance at:

- i) the hearing of an Investigation prior to the identification of a Wrongful Act;
or
- ii) a Self Report Investigation.

Limit of Liability

The Limit of Liability is the aggregate limit of the Insurer's liability for the Period of Insurance and Discovery Period in respect of all Loss and Investigation Costs covered by the provisions of this Section and payable for all insurance covers and extensions regardless of the number of claims for indemnity under this Section and/or the number of Insured Persons who may claim and/or the number of Covers under which such claims may be made.

The Non-executive Additional Amount shall apply in the manner set out in Cover C.

The Non-executive Additional Amount is an aggregate amount for each Non-executive Director.

The Non-executive Additional Amount is separate and in addition to the Limit of Liability.

The Limit of Liability shall apply in excess of any applicable deductible(s).

Extensions

The following extensions to the Cover are afforded solely with respect to any Claim first made during the Period of Insurance (or Discovery Period, if applicable) and notified to the Insurer in accordance with the Claim Notification Condition, and are also subject to the general Limits, Conditions and Exclusions of this Section and the Policy.

1. Automatic New Subsidiary Cover

If an entity becomes a Subsidiary during the Period of Insurance, such entity shall be covered under this Section as such with effect from the date on which it became a Subsidiary unless such entity has:

- a) total assets that exceed 50% of the Policyholder's total assets, and/or;
- b) any of its Securities listed on any exchange, and/or;
- c) is a Financial Institution.

The Company shall provide the Insurer with full information in respect of such entity and pay an additional premium and agree any amendment to the provisions requested by the Insurer to obtain cover as a Subsidiary for such legal entity, provided that the Insurer shall not in any event be required to provide such cover unless it so decides in its sole discretion.

The Insurer shall only be liable for Loss in respect of a Wrongful Act or conduct whilst such legal entity is a Subsidiary.

2. Management buy-out

Following a management buy-out of any Subsidiary and upon written instruction from the Policyholder prior to such event, this Section shall continue to provide cover for a Wrongful Act committed after such buy-out for a period of 45 days subject to the Period of Insurance.

3. Discovery Period

In the event that this Section is neither renewed nor replaced with directors and officers or management liability cover, then the Policyholder shall have the right to a Discovery Period of:

- a) 30 days automatically and at no additional premium; or
- b) 12 months at an additional premium of 100% of the full annual premium applicable at the expiry date of this Section, provided that the Policyholder gives the Insurer written notice of the election of the Discovery Period and pays the additional premium required to the Insurer within 30 days of the expiry date of the Period of Insurance.

There shall be no right to a Discovery Period in the event of a Change of Control or where the Insurer has declined to renew this Section due to non-payment of premium.

While this Section does not offer the right to a Discovery Period if there is a Change of Control, the Insurer may, at its sole discretion, quote for a run-off Discovery Period of up to 72 months upon the written request of the Policyholder. In considering such request, the Insurer shall be entitled to underwrite the exposure and to extend an offer on whatever terms, conditions and limitations the Insurer deems appropriate.

4. Past Insured Person

The Insurer shall pay to or on behalf of a Past Insured Person:

- a) any Loss arising from any Claim first made against such Past Insured Person following the expiry date of the Period of Insurance for a Wrongful Act committed before the date that they voluntarily relinquished such position; or
- b) any Investigation Costs in connection with any Investigation or Self Report Investigation first made against such Past Insured Person following the expiry date of the Period of Insurance,

provided such matters are notified to the Insurer as soon as practicable and provided that this Section is not renewed or replaced with any other policy affording directors and officers or management liability cover to such Past Insured Person.

5. Reputational Crisis Costs

If during the Period of Insurance the Policyholder or an Insured Person first becomes aware of:

- a) a Claim for a Wrongful Act; or
- b) circumstances which are reasonably expected to give rise to a Claim for a Wrongful Act; or
- c) any Investigation in to the offering and trading of the Securities of any Company then provided that written notice is given of such matters in accordance with terms and conditions of this Section, the Insurer will pay Reputational Crisis Costs and Post-claim Reputational Crisis Costs.

It is a condition of the Insured Persons' right to recover such amounts hereunder that written notice must be given to the Insurer within 3 working days after the appointment of the selected Crisis Communication Consultant.

Cover under this Extension is limited to £5,000 per circumstance or where more than one Insured Person is named in the Claim or circumstance, £5,000 per Insured Person.

However, in no event shall the cover under this Extension exceed £50,000 in the aggregate during the Period of Insurance, such amount being part of the Limit of Liability.

Crisis Communication Consultant panel companies (and not the Insurer) will during the Period of Insurance, upon receipt of a written request from the Policyholder, offer at no additional charge:

- i) one private crisis communication briefing session for the benefit of directors, executive officers and invited employees of the Policyholder,
- ii) a written manual covering core crisis communication issues

The services of a Crisis Communication Consultant referred to in this Extension are provided to an Insured Person by the Crisis Communication Consultant directly, as its client, without the supervision of the Insurer. Accordingly the Insurer cannot and does not make any warranties, guaranties or representations with respect to any such services or any failure to provide the same; and the Insurer shall have no liability for acts, errors or omissions of any Crisis Communication Consultant or otherwise for damages from the use of, or inability to use any such services.

6. Company Entity Cover

The following Cover is added to this Section where specified in the Schedule as being "Insured":
Cover

E Company Entity Cover

- i) The Insurer will pay to or on behalf of the Company all Loss resulting from a Claim against the Company.
- ii) The Insurer will pay to or on behalf of the Company all Investigation Costs in respect of an Investigation under the Health and Safety at Work Act 1974.
- iii) The Insurer will pay to or on behalf of the Company all Investigation Costs in respect of an Investigation under the Corporate Manslaughter and Corporate Homicide Act 2007.

Provided that

- a) the aggregate liability of the Insurer under this Cover E for the Period of Insurance and Discovery Period in respect of all Loss and Investigation Costs covered by the provisions of this Cover E regardless of the number of claims for indemnity under this Cover E and/or the number of entities who may claim shall not exceed a sub-limit of £500,000 or 50% of the Section Limit of Liability (such sub-limit being part of and not payable in addition to the Section Limit of Liability) whichever is the lower
- b) a Deductible of £5,000 will apply in respect of each and every Claim under this Cover E, provided always that this Deductible will not apply to any Claim which is successfully defended

Definitions

The following Definition is amended for the purpose of Cover E only:

Insured Person shall include the Company.

The following Definition is added to this Section for the purpose of Cover E only:

Pollutants

Any substance, solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant including but not limited to asbestos or asbestos products, mycota or by-products, lead or lead containing products, smoke, vapours, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals, air emissions, odour, waste water, oil, oil products, medical waste, and waste materials. Waste materials include but are not limited to recycled, reconditioned or reclaimed nuclear materials.

The following Definition is deleted and replaced by the following for the purpose of Cover E only:

Wrongful Act

Any actual or alleged misstatement, misleading statement, error, omission, negligence, breach of trust or breach of duty by the Company, but not including any Employment Practice Wrongful Act.

Exclusions

The following Exclusions are added to the Section Exclusions of this Section for the purposes of Cover E only:

The Insurer shall not be liable for any Loss or any Investigation Costs:

8. Company Entity Cover - Competition & Restraint of Trade

arising out of, based upon, or attributable to violation of any law, rule or regulation relating to competition, activities in restraint of trade, or deceptive acts and practices in trade and commerce.

9. Company Entity Cover - Securities

arising out of, based upon, or attributable to the actual or intended private placement or public offering of any Securities during the Period of Insurance.

10. Company Entity Cover - Professional Services

for the performance or failure to perform professional services for any person or any act, error or omission relating thereto.

11. Company Entity Cover - Patent Copyright

arising out of, based upon, or attributable to any actual or alleged infringement, misappropriation or violation of any copyright, patent, trade marks, service marks, trade secrets, title or other proprietary or licensing rights or intellectual property of any products, technologies or services.

12. Company Entity Cover - Contractual Liability

arising out of, based upon, or attributable to any actual or alleged contractual liability assumed by the Company under any contract or agreement; provided that this Exclusion shall not apply to Defence Costs for a Claim brought against the Company.

13. Company Entity Cover - Pollutants

arising out of, based upon, or attributable to Pollutants; provided that this Exclusion shall not apply to:

any Claim against the Company instigated by any shareholder or group of shareholders of the Company directly or in the name of the Company without the solicitation, voluntary assistance or participation of any Insured Person.

14. Company Entity Cover - Pension Scheme

arising out of, based upon or attributable to any Claim against any Company relating to any trust fund, pension scheme, profit-sharing scheme or employee benefit scheme of any Company or any Outside Entity.

15. Company Entity Cover - Claims

arising out of, based upon, or attributable to any Claim brought or maintained by or on behalf of any Company.

16. Company Entity Cover - Employment Practice Wrongful Act

arising out of, based upon, or attributable to any Claim against the Company for an Employment Practice Wrongful Act.

The following Exclusions shall apply to Cover E i) only:

17. Company Entity Cover - Bodily Injury and Property Damage

for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused, or damage to or loss of or destruction of any tangible property including loss of use thereof.

18. Company Entity Cover - Products

arising out of, based upon, or attributable to the efficiency, inefficiency, performance or lack of performance, defect, or non-compliance with health and safety standards of any products, technologies or services manufactured, produced, processed, packaged, sold marketed, distributed, advertised and/or developed by the Company.

Section Exclusions

The Insurer shall not be liable for any Loss or any Investigation Costs:

1. Behaviour

arising out of, based upon or attributable to:

- a) the committing of a dishonest or a fraudulent act; or
- b) the Insured Person gaining any personal profit, remuneration or advantage to which they were not legally entitled.

This Exclusion shall only apply to an Insured Person if such behaviour is established by:

- i) a final decision of a court, tribunal or regulator in the underlying proceedings; or
- ii) written admission of the Insured Person.

2. Prior Claims/Circumstances

arising out of, based upon or attributable to:

- a) any Claim, Investigation or Self Report Investigation first made or commenced prior to the inception date of this Section including any Related Claim thereto irrespective of when it arises; or
- b) circumstances which have been notified under any other policy or certificate of insurance providing management liability cover and which attaches prior to the inception date of this Section.

3. Prior and Pending Litigation

arising out of, based upon, or attributable to:

- a) any legal or arbitral proceeding involving any Company or Outside Entity or any Insured Person initiated prior to, or pending at the Prior/Pending Litigation Date; or
- b) any fact, circumstance, situation, transaction or event underlying or alleged in such proceeding or alleging or deriving from the same or essentially the same facts, or that has the same source or cause as the matters alleged in such litigation;

regardless of the legal theory upon which the Claim against the Insured Person is predicated.

4. Bodily Injury and Property Damage

for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused, or damage to or loss of or destruction of any tangible property including loss of use thereof.

This Exclusion shall not apply to:

- a) Defence Costs for Non-indemnifiable Loss of any Insured Person who is a natural person or;
- b) mental anguish or emotional distress or disturbance in respect of an Employment Practice Wrongful Act.

5. Trustees

arising out of, based upon or attributable to any Claim against an Insured Person in their capacity as:

- a) a trustee or fiduciary under law; or
- b) an administrator

of any trust fund, pension scheme, profit-sharing scheme or employee benefit scheme of any Company or any Outside Entity.

6. USA Insured vs. Insured

arising out of, based upon or attributable to any Claim brought or maintained in the United States of America by, on behalf of or at the instigation of any Company, Insured Person, Outside Entity or any of their respective directors or officers.

This Exclusion shall not apply to an Acknowledged Insured vs. Insured Claim or Defence Costs.

7. Offering of Securities

arising out of, based upon, or attributable to any public offering of any Securities during the Period of Insurance, provided that this Exclusion shall not apply to debt offerings anywhere in the World.

Section Claims Conditions

1. Circumstances

If during the Period of Insurance an Insured Person first becomes aware of circumstances which are reasonably expected to give rise to a Claim under this Section, then the Policyholder or any Insured Person may give notice thereof to the Insurer in the manner and at the address identified in the Claim Notification Condition below. In order for such notice to be effective, the notification of the circumstances must be made in writing, given during the Period of Insurance and include at least the following:

- a) a statement that it is intended to serve as notice of circumstances of which an Insured Person has become aware which are reasonably expected to give rise to a Claim;
- b) the reasons for expecting such Claim (including full particulars as to the nature and date of the possible Wrongful Act);
- c) the identity of any potential claimant;
- d) the identity of any Insured Person involved in such circumstances; and
- e) the date on, and manner in which, the Insured Person first became aware of such circumstances.

If during the Period of Insurance circumstances are notified in accordance with the requirements of this Condition, then any later Claim arising out of, based upon or attributable to such notified circumstances shall be accepted by the Insurer as having been made at the same time as the circumstances were first notified to the Insurer.

There shall be no cover under this Section with respect to any such Claim or Related Claim where the circumstances have not been notified in accordance with this Condition.

2. Claim Notification

The Policyholder or any Insured Person shall give written notice to the Insurer of any Claim first made against an Insured Person or any Investigation or Self Report Investigation first made during the Period of Insurance (or Discovery Period, if applicable) as soon as reasonably practicable during the Period of Insurance (or Discovery Period, if applicable). In the event that it has not been practicable for the Policyholder or the Insured Person to give notice during the Period of Insurance (or Discovery Period, if applicable), then written notice may be given within 90 days of the expiry date of the Period of Insurance (or Discovery Period, if applicable). Such notice shall be deemed to have been given during the Period of Insurance.

There shall be no cover under this Section with respect to any Claim which has not been notified in accordance with this Condition.

All notifications must be in writing to:

Claims Division

Allianz Insurance plc

500 Avebury Boulevard

Milton Keynes

MK9 2XX

or by telephone to 0844 871 0789 (lines are open 9am to 5pm Monday to Friday)

3. Defence and Settlement

It shall be the duty of each Insured Person to defend any Claim made against it. The Insurer shall be entitled to participate fully in the investigation, defence and negotiation of any settlement of any Claim that involves or appears reasonably likely to involve the Insurer. In respect of any Claim brought or maintained by, on behalf of or at the instigation of any Company, Insured Person, Outside Entity or any of their respective directors or officers other than an Acknowledged Insured vs. Insured Claim, the Insurer shall have the right (but not the duty) to control the investigation, defence and negotiation of any settlement of such Claim. Other than as provided in Definitions Defence Costs a) ii), no Defence Costs shall be incurred without the prior written consent of the Insurer. Such consent shall not be unreasonably withheld or delayed.

The Insurer shall pay covered Defence Costs to or on behalf of the Insured Person on an as incurred basis prior to final disposition or adjudication of the Claim upon receipt of sufficiently detailed invoices. However, any such payments made by the Insurer which are subsequently determined not to be covered by this Section shall be returned by the Policyholder or Insured Person to the Insurer on demand and the Policyholder shall also be jointly and severally liable with the Insured Person to make such payment to the Insurer except in the case of Non-indemnifiable Loss .

The Insured Person shall assert all appropriate defences and cross claims for contribution, indemnity or damages. The Insured Person shall not admit liability for or settle or attempt to settle any Claim without the prior written consent of the Insurer. Such consent shall not be unreasonably withheld or delayed.

The Insured Person shall at its own cost and in a timely fashion provide to the Insurer all information and assistance as the Insurer may reasonably require.

4. Related Claims

If during the Period of Insurance (or any applicable Discovery Period) a Claim, Investigation or Self Report Investigation is notified in accordance with the requirements of this Section, then any Related Claim made after expiry of the Period of Insurance (or the applicable Discovery Period) shall be accepted by the Insurer as having been:

- a) made at the same time as such notified Claim, Investigation or Self Report Investigation was first made; and
- b) notified at the same time as such notified Claim, Investigation or Self Report Investigation was first notified to the Insurer.

All Related Claims shall be deemed to be one single matter and deemed to be made at the same time as the first of such Related Claims was made or is deemed to have been made.

5. Dispute Resolution

Where, following receipt by the Insurer of all information reasonably required to provide such decision:

- a) a final decision has been given by the Insurer regarding any aspect of this Section or any matter relating to cover hereunder;
- b) that decision is disputed between the Insurer and an Insured Person; and
- c) such dispute cannot be resolved within 14 days of the date on which such decision is communicated to the Insured Person or its insurance broker,

the dispute shall be referred to arbitration by either party under The Insurance & Reinsurance Arbitration Society ("A.R.I.A.S (UK)") Arbitration Rules (save as set out below).

The Arbitration Tribunal (the "Tribunal") shall consist of three arbitrators, one to be appointed by an insured party involved in the arbitration, one to be appointed by the Insurer and the third to be appointed by the two appointed arbitrators. The third member of the Tribunal shall be appointed as soon as practicable (and no later than 28 days) after the appointment of the two party-appointed arbitrators. The Tribunal shall be constituted upon the appointment of the third arbitrator.

The arbitrators shall be persons (including those who have retired) with not less than ten years' experience of insurance within the industry or as lawyers or other professional advisers serving the industry.

Where a party fails to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment, then, upon application, A.R.I.A.S (UK) shall appoint an arbitrator to fill the vacancy. At any time prior to such an appointment by A.R.I.A.S (UK) the party or arbitrators in default may make such appointment.

The Tribunal may at its sole discretion make such orders and directions as it considers necessary for the final determination of the matters in dispute. The Tribunal shall have the widest discretion permitted under the law governing the arbitral procedure when making such orders or directions. The seat of arbitration shall be London, England and the law governing the arbitration shall be the law of England & Wales.

6. Allocation

If an Insured Person incurs any Loss arising out of a Claim or any Investigation Costs in connection with an Investigation or Self Report Investigation that includes both covered and non-covered matters or that is made against both covered and non-covered parties, then the Insured Person and the Insurer shall use their best efforts to agree upon a fair and proper allocation of the proportion of the Loss or Investigation Costs covered hereunder, having regard to the relative legal and financial exposures.

If an allocation cannot be agreed between the Insured Person and the Insurer, then the parties agree that it shall be determined, having regard to the relative legal and financial exposures, by a Queen's Counsel to be mutually agreed upon, or in default of agreement to be nominated by the Chairperson of the Bar Council. Such Queen's Counsel shall act as an expert and not an arbitrator and their determination shall be based upon the written submissions of the parties and shall be final and binding on the parties. There shall be no obligation on the Queen's Counsel to provide reasons unless specifically requested by the Insured Person or the Insurer. The costs of any reference to expert determination under this Condition shall be borne equally by both the Insured Person seeking the determination and the Insurer.

7. Priority of Payment of Claims

If the Insurer is liable to make any payment for Loss or Investigation Costs covered under this Section, then at the time that such payment is due the Insurer will (subject always to the Limit of Liability):

- a) first, seek to agree with the Insured Person and/or Company entitled to such payment to pay any Loss and Investigation Costs for which cover is provided to a natural Insured Person;
- b) thereafter, where Loss or Investigation Costs remain for which cover is provided to a Company, the Insurer may request the Policyholder to elect in writing:
 - i) to stipulate the order and the amounts in which such Loss or Investigation Costs are to be discharged; or
 - ii) to receive such balance to be held on behalf of any Company who has incurred such Loss or Investigation Costs.

In the event that no such agreement can be reached, the Insurer shall make payments as they fall due under this policy without regard to this Condition.

In the event that the Company becomes insolvent, this Condition shall not relieve the Insurer of the obligation to seek to agree to prioritise payment of Loss or Investigation Costs under this Section.

Subject to the Limit of Liability, payment pursuant to this Priority of Payment of Claims Condition shall fully discharge the Insurer from its obligations under this Section.

8. Subrogation

In the event of a payment under this Section, the Insurer shall be subrogated to all applicable rights of recovery of the Policyholder and any Insured Person in respect of such payment. In addition, the Policyholder and Insured Person shall execute all and any documentation and undertake any action necessary to enable the Insurer to bring a recovery action or suit (at the Insurer's option) in the name of the Insurer or (as applicable), the Policyholder or Insured Person. Any recovery received shall first be applied against any payment made by the Insurer with any balance remaining thereafter being remitted to or retained by the Policyholder or Insured Person.

The Insurer shall not exercise any right of subrogation against an Insured Person unless it is established that such Insured Person has committed a deliberate criminal act or obtained any profit or advantage to which such Insured Person was not legally entitled in accordance with Exclusion 1.

Section General Conditions

1. Severability

For the purposes of determining the availability of coverage under this Section (including the application of any Exclusion), no fact pertaining to, knowledge possessed by, or conduct of one Insured Person shall be imputed to any other Insured Person.

2. Non-Avoidance

The Insurer shall not avoid this Section or any severable part of the Section or exercise any other legal remedy on the grounds of misrepresentation or non-disclosure, save in the case of fraudulent misrepresentation or fraudulent non-disclosure.

If there has been fraudulent misrepresentation or fraudulent non-disclosure, then the Insurer shall be entitled to avoid this Section ab initio with respect to:

- a) an Insured Person who has fraudulently misrepresented or fraudulently non-disclosed material information prior to the conclusion of this contract; or
- b) cover for the Company under Cover B, Cover D and Cover E (where operative) where the fraudulent misrepresentation or fraudulent non-disclosure was made by the chief executive officer and/or the chief financial officer and/or the chief operating officer and/or the chief risk officer or equivalent position of that Company or of the Policyholder.

3. Change of Control

The Insurer shall not be liable for any Loss or any Investigation Costs arising out of, based upon or attributable to a Wrongful Act committed after a Change of Control or in respect of any Company when an administrator, liquidator or receiver (or the equivalent in any jurisdiction) is appointed to such Company.

4. Assignment

This Section and any rights under or in respect of it cannot be assigned by the Policyholder or any Insured Person without the prior written consent of the Insurer and any assignment in breach of this Condition shall be null and void.

5. Governing Law and Jurisdiction

This Section shall be governed by the laws of, and subject to the exclusive jurisdiction of the Courts of England and Wales.

6. Contracts (Rights of Third Parties) Act 1999

This Section is not intended to confer any directly enforceable benefit upon any third party other than a Company or an Insured Person and no other third parties shall acquire any rights in relation to this Section under the Contracts (Rights of Third Parties) Act 1999, or any re-enactment thereof, to enforce any term of this contract or otherwise.

7. Plurals, Headings and Titles

The descriptions in the headings and titles of this Section are solely for reference and convenience and do not lend any meaning to this contract. Words and expressions in the singular shall include the plural and vice versa. Words that are not specifically defined in this Section have the meaning normally attributed to them.

8. Deductible

A Deductible shall apply with respect to each and every Claim other than for Non-indemnifiable Loss.

In the event that the Policyholder and/or the relevant Subsidiary does not indemnify an Insured Person, the Insurer shall advance the Loss covered by the provisions of this Section to such Insured Person. However, any applicable Deductible shall then become immediately payable by the Policyholder and/or the Subsidiary to the Insurer.

9. Other Insurance

Unless otherwise required by law, cover under this Section is provided only as excess over any other valid and collectible insurance, unless such insurance is written as specific excess insurance over the Limit of Liability.

Other insurance shall be regarded as valid and collectible if there is an entitlement to indemnity thereunder in respect of Loss covered under this Section, or if there would be such an entitlement to indemnity but for the existence of this Section and/or but for any provision in such other policy to the same or similar effect as General Condition 9 of this Section.

10. Sanctions

This Section does not provide any cover or benefit for any business or activity to the extent that

- (i) such cover or benefit and/or
- (ii) such business or activity

would violate any applicable economic or trade sanction law or regulations of the UN and/or the EU/EAA and/or any other applicable national economic or trade sanction law or regulations.

11. Administration

The Policyholder shall act on behalf of itself and each and every Subsidiary and each and every Insured Person with respect to:

- a) Claim notifications;
- b) the necessary notifications regarding any new Subsidiary;
- c) the payment of the premium and any additional premiums and the receipt of return premiums that may become due under this Section;
- d) the receipt and acceptance of any endorsements issued by the Insurer to form part of this Section; and
- e) the exercising or declining of any right to a Discovery Period.

