

W / R / B

U N D E R W R I T I N G

DIRECTORS & OFFICERS LIABILITY AND COMPANY REIMBURSEMENT INSURANCE POLICY

WISDOM

IMPORTANT NOTICE TO THE INSURED

This Policy, together with the Schedule form a legally binding contract of insurance. Please read it carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions. The Insurance Broker or other intermediary who arranged this insurance should be contacted immediately if any correction is necessary. Your attention is particularly drawn to the notice that appears overleaf.

W. R. Berkley UK Limited
Registered Office: 34 Lime Street, London EC3M 7AT
Registered in England & Wales 09546454, FRN: 710822

a W. R. Berkley Company

NOTICE TO THE INSURED

W. R. Berkley UK Limited is a Service Company which is part of the W. R. Berkley Corporation group of companies. W. R. Berkley UK Limited is authorised and regulated by the Financial Conduct Authority (FRN:710822) as an Appointed Representative of W. R. Berkley Syndicate Management Limited. W. R. Berkley UK Limited has authority to enter in to contracts of insurance on behalf of the underwriting members of Lloyd's syndicate 1967 which is managed by W. R. Berkley Syndicate Management Limited.

WRB Underwriting is a trading name of W.R. Berkley UK Limited and W.R. Berkley Syndicate Management Limited.

Underwritten by certain underwriters at Lloyd's.

It is always our intention to provide a first class standard of service. However, if you have any cause for complaint or you wish to make any enquiry regarding this insurance you should, in the first instance, contact the Insurance Broker or other intermediary who arranged this insurance for you.

Alternatively you may contact:

Compliance Department
W. R. Berkley UK Limited
2nd Floor
40 Lime Street
London
EC3M 7AW
complaints@wrbunderwriting.com

In the event that you remain dissatisfied and wish to make a complaint, it may be possible in certain circumstances for you to refer the matter to Complaints team at Lloyd's. Their address is:

Complaints
Lloyd's
One Lime Street
London
EC3M 7HA
Tel: 020 7327 5693

Fax: 020 7327 5225
complaints@lloyd's.com

Details of Lloyd's complaints procedures are set out in a leaflet "Your Complaint – How We Can Help" available at www.lloyds.com/complaints and are also available from the above address. If you remain dissatisfied after Lloyd's has considered your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service.

The Financial Ombudsman Service is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more information on the Financial Ombudsman Service at www.financial-ombudsman.org.uk.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

We are covered by the FSCS. You may be entitled to compensation under the Scheme if we are unable to meet our financial obligations. The level of compensation is dependent upon the nature of this contract and circumstances of a claim. For more information contact the FSCS on 020 7892 7300 or visit their website at www.fscs.org.uk.

YOUR PERSONAL INFORMATION NOTICE

Who we are

We are the Lloyd's underwriter(s) identified in the contract of insurance and/or in the certificate of insurance.

The basics

We collect and use relevant information about you to provide you with your insurance cover or the insurance cover that benefits you and to meet our legal obligations.

This information includes details such as your name, address and contact details and any other information that we collect about you in connection with the insurance cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.

In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the insurance cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the insurance cover that we provide and to the extent required or permitted by law.

Other people's details you provide to us

Where you provide us or your agent or broker with details about other people, you must provide this notice to them.

Want more details?

For more information about how we use your personal information please see our full privacy notice(s), which is/are available online on our website(s) or in other formats on request.

Contacting us and your rights

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice(s), please contact:

The Compliance Officer

W. R. Berkley UK Limited

2nd Floor

40 Lime Street

London

EC3M 7AW

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
INSURING CLAUSES	4
EXTENSIONS	4
DEFINTIONS	7
DISCOVERY PERIOD	10
EXCLUSIONS	10
LIMIT OF LIABILITY	11
RETENTION	12
CLAIMS & NOTICE PROVISIONS	12
GENERAL CONDITIONS	13

DIRECTORS & OFFICERS LIABILITY AND COMPANY REIMBURSEMENT INSURANCE POLICY

In this Policy certain words are defined and have the meaning stated in Section 3. Definitions.

PREAMBLE

In consideration of the payment of the premium and subject to all terms, conditions and limitations of this Policy, the **Insurer** and the **Insured** and the **Company** agree as follows:

1.0 INSURING CLAUSES (What is covered by this Policy)

1.1 DIRECTORS & OFFICERS LIABILITY

The **Insurer** shall pay on behalf of the **Insured** any **Loss** resulting from any **Claim** which is first made against the **Insured** during the **Policy Period** and notified to the **Insurer** in accordance with the terms of this Policy, except when and to the extent that the **Company** has indemnified the **Insured**.

1.2 COMPANY REIMBURSEMENT LIABILITY

The **Insurer** shall pay on behalf of the **Company** any **Loss** resulting from any **Claim** which is first made against an **Insured** during the **Policy Period** and notified to the **Insurer** in accordance with the terms of this Policy, but only when and to the extent that the **Company** has indemnified the **Insured**.

2.0 EXTENSIONS

2.1 OUTSIDE DIRECTORSHIP LIABILITY

This Policy shall extend to include an **Insured** who at the specific written request of the **Company** is a director, officer, trustee, governor or equivalent of any **Associated Company** in their capacity as such, provided that:

- 2.1.1 the cover provided under this extension applies in excess of any other indemnification provided by the **Associated Company**; and
- 2.1.2 the cover provided under this extension applies in excess of any directors and officers liability insurance in force for such outside entity; and
- 2.1.3 if the **Associated Company** has insurance which covers a **Claim** which is also covered under this extension and that other insurance is provided by the **Insurer** then the maximum amount payable by the **Insurer** under both policies will not exceed the limit of liability of the policy which has the highest limit of liability.

2.2 COVERAGE FOR NEW SUBSIDIARIES

If the **Company** acquires or creates any entity during the **Policy Period** so that such entity becomes a **Subsidiary**, then such **Subsidiary** and its directors, officers and employees shall be covered under this Policy for **Claims** in respect of **Wrongful Acts** committed after such entity became a **Subsidiary**, subject to the Policy's terms and conditions, unless such **Subsidiary**:

- 2.2.1 is incorporated or formed in the United States of America and/or Canada, or any territories or possessions thereof and the total consolidated assets of such acquired **Subsidiary** as stated in their last Annual Reports and Accounts exceeds 20% of the total consolidated assets of the **Company**, as stated in their last Annual Report and Accounts, or exceeds £25,000,000; or
- 2.2.2 has any of its **Securities** publicly traded on any stock exchange or market (including any over-the-counter market) in the United States of America or any territories or possessions thereof in which case there shall be no cover in respect of such acquired or created entity.

Insurers may agree to include other acquired entities upon receiving full details of such acquired entity and making amendments to the Policy terms and conditions as necessary including charging an additional premium.

Unless otherwise agreed in writing and endorsed to this Policy, cover applies only to **Claims** against directors, officers and employees of such **Subsidiary** for **Wrongful Acts** that occurred after such entity became a **Subsidiary**.

2.3 NON-EXECUTIVE DIRECTORS ADDITIONAL LIMIT

In the event of the payment of **Loss** exhausting the Limit of Liability stated in Item 5 of the Policy Schedule and the Limits of Liability of any and all policies operating in excess of this Policy then the Limit of Liability of this Policy is reinstated once without payment of additional premium for the benefit only of **Non-executive Directors**.

The reinstated Limit of Liability shall only apply in respect of subsequent **Claims** made under this Policy.

2.4 RETIRED DIRECTOR AND OFFICER

If the **Company** does not renew or replace this Policy with any other policy affording Directors and Officers liability coverage, the **Insurer** shall provide an extension of this Policy for seventy-two (72) months from the end of the **Policy Period** to any **Insured** who voluntarily retired from the **Company** during the **Policy Period** other than as a result of a **Takeover** but only with respect to a **Wrongful Act** committed by such **Insured** prior to their date of retirement. This extension shall run concurrently with the Discovery Period provided by Section 4 of this Policy and there shall be no separate or additional Limit of Liability.

2.5 LEGAL REPRESENTATION EXPENSES

This Policy shall extend to include any reasonable and necessary legal fees, costs, expenses or related professional fees incurred by or on behalf of an **Insured** (but not including any remuneration of any **Insured**) with the prior written consent of the **Insurer** in connection with a **Formal Investigation** first ordered or commissioned and notified to the **Insurer** during the **Policy Period**.

2.6 HEALTH & SAFETY INVESTIGATIONS/CORPORATE MANSLAUGHTER

This Policy shall extend to include any reasonable legal fees, costs, expenses or related professional fees incurred by or on behalf of an **Insured** (but not including any remuneration of any **Insured**) arising from a **Health And Safety Investigation** first ordered or commissioned and notified to the **Insurer** during the **Policy Period**.

2.7 SPOUSAL LIABILITY

This Policy shall extend to include any spouse or civil partner (or the equivalent in any jurisdiction) of an **Insured** but only for a **Claim** arising solely out of their status as such and only where such **Claim** seeks damages from marital community property, jointly held property or property transferred from the **Insured** to the spouse or civil partner.

2.8 EXTRADITION PROCEEDING

This Policy shall extend to include **Defence Costs** and **Bail Bond Costs** arising from **Extradition Proceedings** and subject to the applicable sub limits stated in the Policy Schedule this Policy shall extend to include **Crisis Costs** and **Public Relations Expenses** arising from **Extradition Proceedings**.

2.9 LOSS MITIGATION

This Policy shall extend to include **Bail Bond Costs** and subject to the applicable sub limits stated in the Policy Schedule this Policy shall extend to include **Crisis Costs** and **Public Relations Expenses**.

2.10 ADDITIONAL DEFENCE COSTS

This Policy shall extend to provide an Additional Limit of Liability as stated in Item 5.a. of the Policy Schedule, but only in respect of that part of **Loss** which constitutes **Defence Costs**.

3.0 DEFINITIONS

In this Policy the words in bold shall have the following meaning:

Approved Persons

a natural person employed by the **Company** to whom the Financial Conduct Authority or the Prudential Regulation Authority has given its approval to perform one or more of controlled functions 1-20 for the **Company** pursuant to Section 59 of the Financial Services and Markets Act 2000.

Associated Company

means any:

- (a) Tax exempt, non-profit organisation, trade association or registered charity under the laws of any jurisdiction; or
- (b) Entity in which the **Company** has a shareholding but which is not a **Subsidiary**.

However, **Associated Company** does not include any entity registered or domiciled in the United States of America or any territories or possessions thereof, or which has any of its **Securities** publicly traded on any stock exchange or market (including any over the counter market) in the United States of America.

Bail Bond Costs

means the reasonable premium (not including collateral) for a bond or other financial instrument to guarantee an **Insured's** contingent obligation for bail or equivalent in any jurisdiction required by a court in respect of any **Claim**.

Claim

means:

- (a) any written demand for monetary damages or non-monetary relief; or
- (b) any civil or arbitration proceedings; or
- (c) any criminal proceedings; or
- (d) any formal administrative or regulatory proceedings, or
- (e) any **Securities Claim**; or
- (f) any **National Insurance Contributions Claim**; or
- (g) any **Extradition Proceeding**

against an **Insured** for a **Wrongful Act**.

More than one **Claim** arising out of the same **Wrongful Act** shall be deemed to constitute a single **Claim** first made at the time the earliest such **Claim** was deemed first made.

Company

means the organisation named in Item 2 of the Policy Schedule and any **Subsidiary**.

Crisis Costs

means any reasonable and necessary professional fees, costs and expenses of any accredited counsellor or tax advisor retained by an **Insured** with the **Insurer's** prior written consent (such consent not to be unreasonably withheld) where

- (a) there is an allegation of a **Wrongful Act**, and
- (b) there is an implicit risk to such **Insurer's** livelihood as a consequence of adverse publicity or media attention.

Defence Costs

means reasonable and necessary fees, costs and expenses which, with the prior written consent of the **Insurer** (such consent not to be unreasonably withheld) are incurred in the investigation, adjustment, defence, settlement or appeal of any **Claim**, and includes the cost of constitution of appeal bonds and/or security for costs or their equivalent in any jurisdiction.

Defence Costs shall not include salaries, wages, fees, overheads or benefit expenses of any **Insured**.

Employment Practices Claim

means a **Claim** based upon or arising out of an actual or alleged, wrongful or unfair, employment related: discipline, dismissal, discharge or termination of employment, breach of an oral or written contract, misrepresentation, discrimination, harassment, failure to employ or promote, deprivation of a career opportunity, failure to grant tenure, evaluation, invasion of privacy, defamation or infliction of emotional distress.

Extradition Proceeding

means:

- (a) any request for extradition of any **Insured**, any warrant for arrest in respect of any **Insured** or other proceeding under the provisions of the United Kingdom Extradition Act 2003; or
- (b) any associated appeal to the European Court of Human Rights, or court of similar standing, and the pursuit of judicial review proceedings against the decision of the Home Secretary or another appropriately authorised representative of the Government of the United Kingdom to issue an extradition certificate under the United Kingdom Extradition Act 2003; or
- (c) the equivalent of the above in any other jurisdiction.

Formal Investigation

means the legally required attendance by an **Insured** at any official investigation, examination, inquiry or other similar proceeding into the conduct of such **Insured** in relation to the affairs of the **Company**.

Health and Safety Investigation

means any official investigation, examination, inquiry or other similar proceeding arising from alleged involuntary manslaughter, constructive manslaughter or gross negligence manslaughter or a breach of the Health and Safety at Work Act 1974 or similar legislation in any jurisdiction.

Insured

means a natural person who was, now is or becomes during the **Policy Period**:

- (a) a director, officer, manager or trustee of the **Company** or the equivalent in any other jurisdiction; or
- (b) an employee of the **Company**, but only if such employee is:
 - i. named as a co-defendant with a director or officer of the **Company**, or
 - ii. is acting in a supervisory or managerial capacity, or
 - iii. named in a **Securities Claim**, or
 - iv. named in an **Employment Practices Claim**; or
- (c) an **Approved Person** or **Shadow Director** in their capacity or solely by reason of their status as such; or
- (d) the estates, heirs, legal representatives or assigns of a person defined in another sub-paragraph of this Section in the event of that persons death, incapacity, insolvency or bankruptcy.

Externally appointed auditors, liquidators, receivers administrators or bankruptcy trustees are not **Insureds**.

Insurer

means W. R. Berkley UK Limited, an Appointed Representative of W. R. Berkley Syndicate Management Limited.

Loss

means:

- (a) damages, judgments (including the award of pre-judgment and post-judgment interest and the award of claimant's costs) for which the **Insured** is legally liable resulting from a **Claim**;
- (b) any amounts payable by the **Insurer** in connection with any **Formal Investigation** or **Health and Safety Investigation**;
- (c) settlements entered into with **Insurer's** prior written consent (such consent not to be unreasonably withheld)
- (d) **Defence Costs**.

Loss does not include:

- (i) taxes, fines, penalties, punitive, exemplary, aggravated or multiplied damages, or any **Claim** arising as a result thereof, except for exemplary or aggravated damages arising from any **Claim** for libel, slander or defamation where insurable by law; or
- (ii) any **Claim** deemed uninsurable by law, sanction or regulation.

National Insurance Contributions Claim

means a claim under section 121(c) of the Social Security Administration Act 1992 for the total amount of any unpaid corporate contribution to the National Insurance Fund, plus interest, but solely where such corporate contribution was not paid due to the financial insolvency of the **Company**.

Non-Executive Director

means a natural person who is a director of the **Company** but is not also an employee of the **Company** and does not have day to day responsibility for the management of the **Company**.

Policy period

means the period stated in Item 4 of the Policy Schedule.

Pollutant

means, but is not limited to, any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, nuclear or radioactive material, chemicals, and waste.

Waste includes, but is not limited to, material to be recycled, reconditioned or reclaimed.

Pollution

means the actual, alleged or threatened discharge, release, escape, disposal of, or exposure to **Pollutant**, or any request, direction or order that the **Insured** or **Company** tests for, monitors, cleans up, removes, contains, treats, detoxifies, neutralises or in any way responds to or assesses the effect of **Pollutant**, or any voluntary decision or omission to do so.

Public Relations Expenses

means the reasonable and necessary fees and related expenses of a public relations firm or consultant, crisis management firm or law firm, which the **Insured** or **Company** may engage with the written consent of the **Insurer**, (such consent not to be unreasonably withheld) in order to

- (a) prevent or limit adverse effects or negative publicity which it is anticipated may arise from any **Claim** or **Formal Investigation**; or
- (b) disseminate to the public any resolution of a **Claim**, including the findings of a final adjudication in favour of the **Insured** or **Company**.

Securities

means any share capital, equity or debt instrument of the **Company**.

Securities Claim

means a **Claim** made against an **Insured** that is brought:

- (a) by any person or entity arising out of, based upon or attributable to the purchase or sale or offer or solicitation of an offer to purchase or sell any **Securities** of the **Company**; or
- (b) by a holder of **Securities** of the **Company** with respect to such holder's interest in **Securities** of the **Company**; or
- (c) derivatively on behalf of the **Company** by a holder of **Securities** of the **Company**.

Shadow Director

means a natural person acting as a Shadow Director as defined in Section 251 of the Companies Act 2006, or the equivalent in any jurisdiction.

Subsidiary

means any entity in respect of which the **Company**, at the commencement of the **Policy Period**:

- (a) controls the composition of the board of Directors; or
- (b) controls more than half the voting power; or
- (c) holds more than half of the issued share capital; or

- (d) any joint venture or entity over which the **Company** directly or indirectly exercises management control.

Cover in respect of any **Subsidiary** shall only apply for **Wrongful Acts** committed, or conduct or events taking place whilst such entity is a **Subsidiary**.

Takeover

means the:

- (a) acquisition by another entity or person, or group of entities or persons acting in concert, of 50% (fifty percent) or more of the issued share capital of the **Company**; or
(b) merger of the **Company** into another entity such that the **Company** is not the surviving entity.

Wrongful Act

means any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of trust or breach of duty committed or attempted by an **Insured** in their capacity as such.

4.0 DISCOVERY PERIOD

If the **Insurer** refuses to renew this Policy or the **Company** chooses not to renew this Policy, the **Company** shall have the right to purchase, upon payment of the additional premium stated in Item 8.b of the Policy Schedule, an extension of this Policy for the period described in Item 8.a. of the Policy Schedule, for any **Claim** first made or deemed to be made during such period for **Wrongful Acts** committed or alleged to have been committed prior to the commencement of this Discovery Period, provided that:

- 4.1 The **Insured** or the **Company** does not effect Directors and Officers Liability Insurance or similar insurance with any other insurer, underwriter or similar entity; and
4.2 Written notice of the **Company's** election to purchase this Discovery Period and the additional premium specified in Item 8.b. of the Policy Schedule are received by the **Insurer** within thirty (30) days following expiry of the Policy Period stated in Item 4 of the Policy Schedule; and
4.3 The **Company** shall not have the right to purchase a Discovery Period in the event of a **Takeover**; and
4.4 There is no separate or additional Limit of Liability for any Discovery Period.

The Discovery Period is non-cancellable and the entire premium shall be fully earned at its commencement. Any Discovery Period purchased shall lapse immediately upon a similar Policy being obtained, without any obligation upon the **Insurer** to return any portion of the premium.

5.0 EXCLUSIONS

The **Insurer** shall not be liable to make any payment in connection with any **Formal Investigation** or **Health and Safety Investigation**, or of **Loss** in connection with any **Claim**:

5.1 BODILY INJURY AND/OR PROPERTY DAMAGE

For any actual or alleged bodily injury, death, sickness, disease, emotional distress, mental anguish, injury, or defamation of any person, or damage to or destruction of any tangible property including loss of use. This exclusion shall not apply to emotional distress or mental anguish arising from an **Employment Practices Claim**.

5.2 PENSION TRUSTEES

For any actual or alleged violation of the responsibilities, obligations or duties imposed under the Pensions Act 1995, the Employee Retirement Income Security Act 1974 in the United States of America, or any similar provision of any statutory, civil or common law or any other jurisdiction applicable to trustees, fiduciaries or administrators of any superannuation scheme, programme, pension, profit sharing, health and welfare or other employee benefit plan or trust established or maintained to provide benefits to employees.

5.3 PRIOR CLAIMS AND CIRCUMSTANCES

Based upon, arising out of or attributable to:

- 5.3.1 any litigation or proceeding instigated or in existence prior to the date stated in Item 7 of the Policy Schedule or which arises from the same or essentially the same facts as alleged in such pending or prior litigation or proceeding; or
- 5.3.2 any **Wrongful Act** or series of related **Wrongful Acts** alleged in any **Claim**, circumstance or any investigation of which notice has been given, or should have been given, under any policy existing or expired before or on the inception date of this Policy.

For the purpose of this exclusion, the term 'litigation or proceeding' shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.

5.4 POLLUTION

Based upon, arising out of or attributable to **Pollution**, provided that if such **Claim** is brought or maintained entirely outside of, and not subject to the laws of the United States of America or Canada or any territories or possessions thereof, this exclusion shall not apply to:

- 5.4.1 that part of **Loss** which constitutes **Defence Costs** subject to the sub-limit stated in Item 5.b. of the Policy Schedule; or
- 5.4.2 any **Claim** instigated by any shareholder or group of shareholders of the **Company** in the name of the **Company** without the solicitation, participation or assistance of the **Insured** or the **Company**.

5.5 ILLEGAL PROFITS AND/OR DELIBERATE ACTS

- 5.5.1 Based upon, arising out of or attributable to any actual dishonest, fraudulent or malicious act of any **Insured** or the **Company** in the event the foregoing is established by final adjudication by a Court or Tribunal or by formal written admission by such **Insured**.
- 5.5.2 based upon, arising out of or attributable to any **Insured** or the **Company** gaining in fact any profit or advantage or receiving any remuneration to which they were not legally entitled in the event the foregoing is established by final adjudication by a Court or Tribunal or by formal written admission by such **Insured**.

5.6 INSURED V INSURED (NORTH AMERICA)

Brought by or on behalf of any **Insured** or the **Company** which are brought or maintained, in whole or in part in, or subject to the laws of, the United States of America or Canada or any territories or possessions thereof, provided however that this exclusion shall not apply to any:

- 5.6.1 **Employment Practices Claim** brought by an **Insured**, or
- 5.6.2 **Claim** that is in the form of a cross **Claim**, third-party **Claim** or otherwise for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded under this Policy; or
- 5.6.3 **Claim** brought or maintained by or on behalf of a liquidator, receiver, administrative receiver, or similar official under the laws of any jurisdiction; or
- 5.6.4 **Claim** brought by any former director or officer of the **Company**; or
- 5.6.5 **Claim** instigated by a shareholder or group of shareholders without the solicitation, participation or assistance of the **Insured** or the **Company**; or
- 5.6.6 **Defence Costs**.

6.0 LIMIT OF LIABILITY

6.1 AGGREGATE LIMIT OF LIABILITY

The Limit of Liability stated in Item 5. of the Policy Schedule is the aggregate limit of the **Insurer's** liability for all **Loss** under this Policy, other than:

- (a) in respect of payments for **Loss** in accordance with Section 2.3. Non-Executive Directors Additional Limit; and
- (b) in respect of payments for that part of **Loss** which represents **Defence Costs** in accordance with Section 2.10. Additional Defence Costs.

The payment by the **Insurer** of **Defence Costs** shall erode the Limit of Liability only after the exhaustion of the Additional Limit of Liability which is an aggregate amount.

6.2 SUB-LIMITS

Any sub-limit specified in this Policy shall be the **Insurer's** maximum aggregate liability under such sub-limited coverage irrespective of the number of **Claims** under this Policy, the amount claimed or the number of **Insureds** named in any **Claim**. Any sub-limit shall be part of and not in addition to the aggregate Limit of Liability shown in Item 5 of the Policy Schedule.

7.0 RETENTION

Insurers shall only be liable under Section 1.2. Company Reimbursement Liability to pay **Loss**, in excess of the amount stated in Item 6 of the Policy Schedule which amount applies to each and every **Claim**. This retention is to be borne by the **Company** and is not to be insured.

A single retention shall apply to all **Loss** arising from any **Claim** or series of **Claims** arising out of, based upon or attributable to continuous, repeated or related **Wrongful Acts**.

8.0 CLAIMS AND NOTICE PROVISIONS

Sections 8.1 to 8.3 contain important Policy conditions which must be followed in their entirety by the **Insured** and/or the **Company** if a **Claim** or other insured event is to be considered valid under the Policy.

8.1 NOTICE OF CLAIM

The **Insured** and/or the **Company** must give to the **Insurer** notice in writing of any **Claim** as soon as reasonably possible and in any event within 30 days of the end of the **Policy Period**.

Such notice to be sent using the details at item 11 of the Schedule.

8.2 NOTICE OF CIRCUMSTANCES

The **Insured** and/or the **Company** must give to the **Insurer** notice in writing of any circumstances which might reasonably be expected to give rise to a **Claim** against an **Insured**, including the reasons for the anticipation of such **Claim**, with full particulars as to dates and persons involved, as soon as reasonably possible. Any subsequent **Claim** arising out of the notified circumstances shall be deemed to have been made at the time of the notice to the **Insurers**.

8.3 DEFENCE OF CLAIMS

8.3.1 In the event of a **Claim** or circumstances which might reasonably be expected to give rise to a **Claim** the **Insured** and the **Company** shall give the **Insurer** such information and cooperation as the **Insurer** may reasonable require and must not disclose to anyone the existence of this Policy without the **Insurer's** written consent, unless required by law.

8.3.2 The **Insured** or the **Company** must not admit liability for or attempt to settle any **Claim** or incur any **Defence Costs** without the prior written consent of **Insurers** who shall be entitled at any time to take over and conduct in the name of the **Insured** and the **Company** the defence or settlement of any **Claim** or to prosecute in the name of the **Insured** and the **Company** for their own benefit any claim for payment indemnity or damages or otherwise against any third party. No action shall be taken which might prejudice **Insurers**.

8.4 CONTEST OF CLAIMS

8.4.1 Neither the **Insured** nor the **Company** shall be required to contest any legal proceedings unless a barrister (to be mutually agreed upon by the **Insured** and the **Company** and the **Insurers**) shall advise that such proceedings should be contested

8.4.2 The **Insurer** shall be entitled to nominate a solicitor and, if appropriate a barrister, to represent the **Insured**.

8.5 ALLOCATION OF LOSS

The **Insurer** shall advance **Defence Costs** on an ongoing basis prior to the final payment or settlement of any **Claim**. In the event that there is no cover under the Policy, the **Insured** or the **Company** shall repay such advanced payments made by the **Insurer** immediately and the Limit of Liability stated in Item 5 of the Policy Schedule shall be reduced by such amount until repaid to the **Insurer**.

With respect to those **Claims** made which include both covered and uncovered **Loss**, the **Company** and the **Insurer** agree to use their best efforts to determine a fair and proper allocation of the amount as between the **Company** and the **Insured** and the **Insurer**.

If the **Insured** and the **Company** and the **Insurer** cannot agree on an allocation between covered and uncovered **Loss** the matter shall be submitted to binding arbitration before a panel, which shall consist of one arbitrator selected by the **Insured** and the **Company**, one arbitrator selected by the **Insurer**, and a third independent arbitrator selected by the first two arbitrators.

9.0 GENERAL CONDITIONS

The following general conditions apply to this Policy

9.1 TERRITORY

Unless prohibited by law, sanction or regulation this Policy shall apply to **Claims** made and **Wrongful Acts** committed worldwide subject to the terms and conditions of this Policy.

9.2 SEVERABILITY

9.2.1 For the purpose of determining the applicability of any Exclusions, the **Wrongful Act** of any **Insured** or the **Company** shall not be imputed to any other **Insured**.

9.2.2 The Proposal Form shall be construed as a separate Proposal Form by each **Insured** and no statements or knowledge possessed by any **Insured** shall be imputed to any other **Insured** to determine whether cover is available for such other **Insured**.

9.3 OTHER INSURANCE

If the **Insured** is or would (but for the existence of this Policy) be entitled to cover under any other Policy, (unless such other insurance is written only as specific excess insurance over the Limit of Liability provided by this Policy) in respect of any **Claim, Formal Investigation** or **Health and Safety Investigation**, the **Insurer** shall not be liable for **Loss** other than in excess of any amount that is or would (but for the existence of this Policy) have been payable under any other such Policy.

9.4 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Any person who is not a party to this Policy may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

9.5 ASSIGNMENT OF INTEREST

Assignment of interest under this Policy shall not bind the **Insurer** unless the **Insurer's** consent to such assignment is endorsed to this Policy.

9.6 TAKEOVER

If during the **Policy Period** a **Takeover** occurs the coverage under this Policy shall continue until the end of the Policy Period specified in Item 4 of the Policy Schedule, but only with respect to **Claims** for **Wrongful Acts** prior to the date of the **Takeover**.

9.7 SUBROGATION AND RECOVERY

In the event the **Insurer** makes any payment under this Policy, the **Insurer** shall be subrogated to all the **Insured** and **Company's** rights of recovery, including without limitation the **Insured Person's** right to indemnification or advancement from the **Company**. In no event shall the **Insured** or the **Company** be entitled to recoup from recoveries any amount to satisfy any Retention until after all amounts which the **Insurer** is required to pay or pays under this Policy are reimbursed to the **Insurer**. The **Insurer** will not exercise any subrogation rights against an **Insured** or the **Company** unless it is established that the **Insured** or the **Company** committed a deliberate criminal act or obtained any profit or advantage to which the **Insured** or the **Company** was not entitled.

Neither the **Insured** nor the **Company** shall do anything to prejudice the **Insurer's** ability to assert such rights.

9.8 NOTICES TO THE COMPANY

Any notices to the **Company** under this Policy shall be provided to the **Company** at the last known address and to its insurance agent or broker.

If posted to the **Company** at such address, the date of posting shall constitute the date when notice was given.

9.9 CHANGES

Notice to or knowledge possessed by any agent or other person acting on behalf of the **Insurer** shall not effect a waiver or a change in any part of this Policy or stop the **Insurer** from asserting any right under the provisions of this Policy, nor shall the provisions be waived or changed except by written endorsement issued to form a part of this Policy.

9.10 COMPANY AUTHORISATION

The **Insured** and the **Company** agree that the **Company** will act on behalf of all **Insureds** and the **Company** with respect to this Policy.

9.11 INTERPRETATIONS

In this Policy:

9.11.1 Descriptions in the headings are solely for convenience, and form no part of the terms and conditions of coverage; and

9.11.2 Singular includes the plural and vice versa; and

9.11.3 References to specific legislation include amendments to, and re-enactments of, such legislation and similar legislation in any jurisdiction in which a **Claim** is made; and

9.11.4 References to positions, offices or titles shall include their equivalents in any jurisdiction in which a **Claim** is made.

9.12 GOVERNING LAW AND JURISDICTION

This Policy shall be governed by and construed in accordance with the laws of the England and Wales and the parties agree to submit to the exclusive jurisdiction of the Courts of England and Wales.

9.13 SEVERABLE LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The

subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

9.14 SANCTIONS

The **Insurer** shall not provide any benefit under this contact of insurance to the extent of providing cover, payment of any **Loss** or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.