

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an each and every claim or loss basis unless otherwise specified.

### Special definitions for this section

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Applicable courts</b>                    | The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Bodily injury</b>                        | Mental or emotional distress, sickness, disease, bodily injury or death suffered by anyone.                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Bail costs</b>                           | Costs incurred with <b>our</b> prior written agreement to pay for a bond or other financial instrument to guarantee an <b>insured person's</b> bail or equivalent in any other jurisdiction.                                                                                                                                                                                                                                                                                                                                     |
| <b>Claim</b>                                | <ol style="list-style-type: none"> <li>Any written demand or civil, criminal, regulatory or arbitration proceeding first made against an <b>insured person</b> during the <b>period of insurance</b> alleging a <b>wrongful act</b> and seeking monetary damages or other legal relief or penalty.</li> <li>Any <b>extradition proceeding</b> made against an <b>insured person</b> during the <b>period of insurance</b>.</li> </ol>                                                                                            |
| <b>Defence costs</b>                        | <ol style="list-style-type: none"> <li>Reasonable costs, not including any overheads, additional costs or remuneration, incurred with <b>our</b> prior written agreement to investigate, settle or defend any <b>claim</b> made against an <b>insured person</b> or to fund an appeal, including any premium paid for an appeal bond or similar bond obtained in relation to it, arising from any judgment, decision or award in relation to any <b>claim</b>.</li> <li><b>Emergency defence costs.</b></li> </ol>               |
| <b>Deprivation of assets expenses</b>       | <p>Payment for the following services in the event of an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an <b>insured person</b> or creating a charge over real property or personal assets of the <b>insured person</b>:</p> <ol style="list-style-type: none"> <li>schooling;</li> <li>housing;</li> <li>utilities; and</li> <li>personal insurances.</li> </ol>                                                                  |
| <b>Emergency defence costs</b>              | Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or defend any <b>claim</b> (other than an <b>employment claim</b> ) made against an <b>insured person</b> , where it is not possible to obtain <b>our</b> prior written agreement, provided that <b>you</b> or the <b>insured person</b> notify <b>us</b> as soon as possible after such sums are incurred.                                                                                                         |
| <b>Emergency legal representation costs</b> | Reasonable costs, not including any overheads, additional costs or remuneration to investigate or respond to any <b>investigation</b> , where it is not possible to obtain <b>our</b> prior written agreement, provided that <b>you</b> or the <b>insured person</b> notify <b>us</b> as soon as possible after such sums are incurred.                                                                                                                                                                                          |
| <b>Employee</b>                             | <ol style="list-style-type: none"> <li>Any person under a contract of service with <b>you</b>.</li> <li>Any independent person seconded to <b>you</b>.</li> <li>Any applicant or candidate for employment with <b>you</b>.</li> </ol>                                                                                                                                                                                                                                                                                            |
| <b>Employee contract benefits</b>           | <p>Any amounts awarded to an <b>employee</b> in respect of:</p> <ol style="list-style-type: none"> <li>remuneration, including incentives, bonus, commission, health benefits, holiday or notice pay, whether under statute or contract;</li> <li>family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under contract or statute;</li> <li>amounts due under an employee benefit or pension scheme;</li> <li>share or stock options;</li> </ol> |

## Management liability – directors and officers’ liability

### Policy wording

5. deferred compensation; or
6. equal pay or redundancy pay.

#### Employment claim

Any **claim** by any **employee** for any actual or alleged:

1. wrongful, unfair or constructive dismissal, discharge or termination of employment;
2. breach of written or implied contract of employment;
3. employment related misrepresentation;
4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation;
5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies;
6. retaliation; or
7. defamation or invasion of privacy,

arising solely as a result of the employment or non-employment by **you** of such **employee**.

#### Extradition proceeding

Any proceeding commenced under the provisions of the United Kingdom Extradition Act 2003 or any similar or successor legislation in any other jurisdiction, including any associated appeals.

#### Health and safety/ manslaughter claim

Any **claim** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

#### Health and safety/ manslaughter investigation

Any **investigation** under the provisions of the Corporate Manslaughter and Homicide Act 2007 or the Health & Safety at Work etc. Act 1974 or any similar or successor legislation.

#### Insured person

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

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

#### Investigation

An official examination, official enquiry or official investigation into **your business** activities, or into an **insured person**, arising from activities performed in their capacity as an **insured person**, first notified as being required during the **period of insurance** and conducted by any regulator, government department or other body legally empowered.

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

#### Investigation mitigation costs

Reasonable and necessary costs incurred by an **insured person** to prevent or minimise the likelihood of an **investigation** or mitigate the potential consequences of an **investigation** which, if such steps were not taken, would be likely to result in an **investigation** being brought against such **insured person** that would be covered by this section of the **policy** or would be likely to increase the severity of such an **investigation**.

#### Legal representation costs

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

## Management liability – directors and officers’ liability

### Policy wording

#### Loss

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

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

**Loss** does not include any:

- a. criminal fines or penalties, taxes (except for personal tax liability), remuneration, **employee contract benefits**, or punitive, exemplary and multiplied damages in relation to an **employment claim**; or
- b. regulator’s costs or expenses (including Health and Safety Executive fees for intervention or similar regulator’s costs and expenses) other than those in respect of an intended **investigation** or prosecution.

#### Outside entity

Any organisation other than **you**:

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

**Outside entity** does not include:

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

#### Pollution

Any actual, alleged or threatened discharge, seepage, treatment, removal, disposal, dispersal, emission, release or escape of any solid, liquid, gaseous or thermal contaminant or irritant, including, but not limited to, lead, smoke, oil, oil products, dust, fibres, soot, fumes, acids, alkalis, chemicals or waste (including materials that have been or are intended to be recycled, reconditioned or reclaimed), or any regulatory order, direction or request to test for, monitor, remove, contain, treat, detoxify, or neutralise any such material.

#### Pre-investigation costs

Reasonable costs incurred by an **insured person** with **our** prior written agreement to notify a regulator, government department or other body legally empowered of any material breach, incident or event occurring within the **geographical limits** where such notice is obligatory and it is likely that a covered **investigation** will be brought as a result of the notification.

#### Prior and pending date

The date on which **you** first purchased directors’ and officers’ liability insurance that has run continuously without a break in cover. If since that date **you** have merged or consolidated with another company, or any party has acquired more than 50% of **your** issued share capital or the majority of **your** voting rights, the ‘prior and pending date’ will be the date of such merger, consolidation or acquisition.

#### Property damage

The loss, damage or destruction of any tangible property including loss of use of such property.

#### Public relations expenses

The reasonable and necessary costs incurred with **our** prior written agreement in utilising the services of a public relations consultant.

#### Securities

Any debt or equity interest in **you**.

#### Subsidiary

Any entity in which **you**:

1. own directly or through one or more of **your** subsidiaries more than 50% of the share capital or a majority of the voting rights or have the right to appoint or remove a majority of the entity’s board of directors; or

## Management liability – directors and officers’ liability

### Policy wording

2. control a majority of its voting rights under a written agreement with other shareholders or members.

If an entity ceases to be a **subsidiary** during the **period of insurance**, cover will continue but only for a **claim** or **investigation** against an **insured person** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place before it ceased to be a **subsidiary**.

#### Wrongful act

Any actual or alleged act, error or omission committed or attempted by an **insured person** arising from the performance of the **insured person's** duties solely in their capacity as a director, partner, member, officer or **employee** of:

1. **you**; or
2. for the purposes of the cover in **What is covered**, Outside entity, an **outside entity**, including:
  - a. breach of any duty, including fiduciary or statutory duty, breach of confidence or data loss;
  - b. breach of trust;
  - c. negligence, negligent misstatement, misleading statement or negligent misrepresentation;
  - d. defamation;
  - e. wrongful trading under Section 214 of the Insolvency Act 1986 or any similar or successor legislation, including its equivalent legislation in any other jurisdiction;
  - f. breach of warranty of authority; or
  - g. any other act, error or omission attempted or allegedly committed or attempted by an **insured person** solely because of their status as a director, partner, member, officer or **employee** of **you**.

#### You/your

Also includes any **subsidiary**:

1. existing at the start of the **period of insurance**;
2. created or acquired during the **period of insurance** provided that the newly created or acquired **subsidiary**:
  - a. is not domiciled in the United States of America or Canada; and
  - b. does not trade any of its securities on any stock exchange.

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## What is covered

### 1. Claims against an insured person

#### Losses including defence costs

Health and safety/  
manslaughter

Pension or employee  
benefit schemes

Pollution

Employment claims

Outside entity

- a. **We** will pay on behalf of any **insured person** the **loss** arising from a **claim** against any **insured person** for any **wrongful act** within the **geographical limits**, including any:
  - i. **health and safety/ manslaughter claim**;
  - ii. **claim** arising from an **insured person's** operation or administration of any pension or employee benefit scheme or trust fund of **yours**;
  - iii. **claim** arising from **pollution**.;
  - iv. **employment claim**. This cover does not apply if the **insured person** is covered under the **Management liability – employment practices liability** section of this **policy**;
  - v. **claim** arising directly from any activity performed by an **insured person** in their capacity as a director or officer of an **outside entity**, provided that the **insured person** acts in that capacity at **your** specific written request. However, **we** will only pay in excess of any indemnity provided by the **outside entity** to its directors, partners, members or officers or any other insurance available to such individuals for such **claim**;

## Management liability – directors and officers’ liability

### Policy wording

|                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cyber and data                    | vi. <b>claim</b> arising from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;                                                                                                                                                                                                                                                                                    |
| Bodily injury and property damage | viii. <b>claim</b> for <b>bodily injury</b> or <b>property damage</b> , other than any <b>claim</b> brought by or on behalf of any party who: <ol style="list-style-type: none"> <li>suffered the <b>bodily injury</b>; or</li> <li>owns or is legally responsible for the tangible property that suffered such <b>property damage</b>.</li> </ol>                                                                                                                    |
| <b>Defence costs only</b>         | b. <b>We</b> will pay on behalf of any <b>insured person</b> the <b>defence costs</b> only arising from a <b>claim</b> for any <b>wrongful act</b> within the <b>geographical limits</b> : <p>for any <b>claim</b> brought by or on behalf of any party who:</p> <ol style="list-style-type: none"> <li>suffered the <b>bodily injury</b>; or</li> <li>owns or is legally responsible for the tangible property that suffered such <b>property damage</b>.</li> </ol> |
| Bodily injury and property damage |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Emergency defence costs</b>    | c. <b>We</b> will pay <b>emergency defence costs</b> in relation to a covered <b>claim</b> . <p>The most <b>we</b> will pay for <b>emergency defence costs</b> is £100,000 in the aggregate, regardless of the number of <b>claims</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                      |

## 2. Investigations

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Losses including legal representation costs</b> | a. <b>We</b> will pay on behalf of any <b>insured person</b> the <b>loss</b> arising from an <b>investigation</b> arising from any <b>wrongful act</b> , act, incident or occurrence performed, taking place, or alleged to have taken place within the <b>geographical limits</b> , including any: <ol style="list-style-type: none"> <li><b>health and safety/manslaughter investigation</b>;</li> <li><b>investigation</b> arising from an <b>insured person’s</b> operation or administration of any pension or employee benefit scheme or trust fund of <b>yours</b>;</li> <li><b>investigation</b> arising from <b>pollution</b>;</li> <li><b>investigation</b> arising directly from any activity performed by an <b>insured person</b> in their capacity as a director or officer of an <b>outside entity</b>, provided that the <b>insured person</b> acts in that capacity at <b>your</b> specific written request. However, <b>we</b> will only pay in excess of any indemnity provided by the <b>outside entity</b> to its directors or officers or any other insurance available to such individuals for such <b>investigation</b>;</li> </ol> |
| Health and safety/<br>manslaughter                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Pension or employee<br>benefit schemes             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Pollution                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Outside entity                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Cyber and data                                     | v. <b>investigation</b> arising from the misuse of data or any computer hardware or software, including a breach of the Data Protection Act 1998 or any similar or successor legislation;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Bodily injury and property<br>damage               | vi. <b>investigation</b> arising from <b>bodily injury</b> or <b>property damage</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Investigation mitigation costs</b>              | b. <b>We</b> will also pay <b>investigation mitigation costs</b> in relation to a covered <b>investigation</b> , provided that: <ol style="list-style-type: none"> <li>where reasonably possible, the <b>insured person</b> must obtain <b>our</b> prior written agreement before incurring such costs. Where it is not possible to obtain <b>our</b> written agreement, the <b>insured person</b> must notify <b>us</b> as soon as possible after such sums are incurred; and</li> <li><b>we</b> will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an <b>investigation</b> if not complied with.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

The most **we** will pay for **investigation mitigation costs** is £100,000 in the aggregate, regardless of the number of **investigations**. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.

## Management liability – directors and officers' liability

### Policy wording

**We** will not make any payment for any part of an **investigation** not covered by this section.

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|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pre-investigation costs                                 | <p>c. <b>We</b> will pay <b>pre-investigation costs</b> in relation to a covered <b>investigation</b>.</p> <p>The most <b>we</b> will pay for <b>pre-investigation costs</b> is £100,000 in the aggregate, regardless of the number of <b>investigations</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Emergency legal representation costs                    | <p>d. <b>We</b> will pay <b>emergency legal representation costs</b> in relation to a covered <b>investigation</b>.</p> <p>The most <b>we</b> will pay for <b>emergency legal representation costs</b> is £100,000 in the aggregate, regardless of the number of <b>investigations</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 3. Entity reimbursement                                 | <p><b>We</b> will pay on <b>your</b> behalf the <b>loss</b> which <b>you</b> are legally obliged or permitted to pay on behalf of an <b>insured person</b> arising from a covered <b>claim</b> or <b>investigation</b>. If <b>you</b> are permitted or obliged to provide such payment but fail to do so for any reason other than <b>your</b> insolvency, regardless of whether <b>you</b> advanced payment or indemnified an <b>insured person</b> for such <b>loss</b>, <b>we</b> will pay the amount of the <b>claim</b> or <b>investigation</b> less any relevant <b>excess</b>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 4. Additional covers                                    | <p>a. <b>We</b> will pay on behalf of any <b>insured person</b>:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Extradition proceedings                                 | <p>i. the <b>loss</b> arising from any <b>extradition proceeding</b> against any <b>insured person</b> during the <b>period of insurance</b> arising from any <b>wrongful act</b>, act, incident or occurrence performed, taking place or alleged to have taken place within the <b>geographical limits</b>;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Deprivation of assets expenses                          | <p>ii. <b>deprivation of assets expenses</b> following an interim or interlocutory order as a direct result of a covered <b>claim</b> or <b>investigation</b>.</p> <p>The most <b>we</b> will pay for <b>deprivation of assets expenses</b> is £100,000 in the aggregate, regardless of the number of <b>claims</b> or <b>investigations</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Public relations expenses                               | <p>iii. <b>public relations expenses</b> following a covered <b>claim</b> or <b>investigation</b> to mitigate the actual or potential adverse effect on their reputation by disseminating news of a final adjudication that absolved them of any fault. The <b>insured person</b> must obtain <b>our</b> prior written agreement before incurring such costs.</p> <p>The most <b>we</b> will pay in total for <b>public relations expenses</b> for each <b>insured person</b> is £25,000 in the aggregate, regardless of the number of <b>claims</b> or <b>investigations</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p> <p>The most <b>we</b> will pay in total for <b>public relations expenses</b> for all <b>insured persons</b> across all management liability sections of this <b>policy</b> is £100,000 in the aggregate, regardless of the number of <b>claims</b> or <b>investigations</b>. This limit is included within, and not in addition to, the limits of indemnity shown on the schedule.</p> |
| Bail costs                                              | <p>iv. <b>bail costs</b> arising from a covered <b>claim</b> or <b>investigation</b>.</p> <p>The most <b>we</b> will pay for <b>bail costs</b> is £250,000 in the aggregate or 10% of the limit for this section, whichever is the lesser, regardless of the number of <b>claims</b> or <b>investigations</b>. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Personal tax liability                                  | <p>v. their liability occurring in the <b>period of insurance</b> within the <b>geographical limits</b> under any insolvency rules or insolvency legislation to pay <b>your</b> unpaid taxes following <b>your</b> insolvency, dissolution, administration or winding up, where such liability arises solely as a result of the <b>insured person's</b> status as <b>your</b> director, partner, member or officer.</p> <p>The most <b>we</b> will pay for the liability of all <b>insured persons</b> to pay <b>your</b> unpaid taxes is £250,000 in the aggregate. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.</p>                                                                                                                                                                                                                                                                                                                                                                                                  |
| Additional defence costs and legal representation costs | <p>vi. additional <b>defence costs</b> and <b>legal representation costs</b> in the event that the limit of indemnity for this section is exhausted, provided that the <b>insured person</b> has previously not been the subject of a <b>claim</b> or <b>investigation</b> that led to the exhaustion of the limit of indemnity for this section.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



Where an **insured person** has been the subject of such a **claim** or **investigation**, any amount **we** will pay on behalf of that individual will be reduced by an amount equal to the amount of that **claim** or **investigation** or the part of that **claim** or **investigation** relating to such individual.

The most **we** will pay for additional **defence costs** and **legal representation costs** is £250,000 in the aggregate or the limit of indemnity shown in the schedule in the aggregate, whichever is the lesser, regardless of the number of **claims** or **investigations**. This limit is in addition to the limit of indemnity shown on the schedule.

**We** will only pay in excess of any other insurance available to such individuals.

#### Court attendance compensation

- c. If any **insured person** has to attend court as a witness in connection with a **claim** or **investigation** covered under this section, **we** will pay **you** compensation for each day, or part of a day that their attendance is required by **us**.

The most **we** will pay for court attendance compensation is £250 each day for each **employee** or £500 each day for each director, partner, member or officer. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.

The most **we** will pay in total for court attendance compensation for all **insured persons** across all management liability sections of this **policy** is £100,000 in the aggregate, regardless of the number of **claims** or **investigations**.

### What is not covered

**We** will not make any payment for any **claim**, **loss**, **investigation**, or any other liability under this section:

#### Deliberate or dishonest acts

1. against or suffered by an **insured person** based upon, attributable to or arising out of:
- a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation;
  - an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled;
  - an act intended to secure or which does secure a profit for any other company or entity to which that company or entity was not legally entitled,

where such act or omission was committed or condoned by that **insured person**.

These exclusions will only apply after a judgment or other final adjudication or an admission by the **insured person** that such act or omission did occur. In the event of such finding or admission, the **insured person** must reimburse all payments made by **us** in relation to the corresponding **claim**, **loss** or **investigation**.

#### Prior claims and litigation

2. based upon, attributable to or arising out of:
- anything that has been reported to and accepted under any policy existing or expired, before the start of the **period of insurance**; or
  - any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving an **insured person**, **you** or an **outside entity**, initiated before the **prior and pending date**.

#### Securities offerings

3. based upon, attributable to or arising out of any **claim** or **investigation** in relation to any actual public offering of **your securities**.

This exclusion does not apply to a failed public offering of **your securities**.

#### Claims brought by a related party in the United States of America

4. based upon, attributable to or arising out of any **claim** brought or maintained by **you**, an **outside entity** or an **insured person** within or subject to the laws of the United States of America. This exclusion will not apply to:
- defence costs**;
  - any shareholder derivative proceedings in **your** name without **your** or any **insured person's** solicitation, assistance or participation;
  - any **claim** brought by **your** liquidator, receiver or administrative receiver or similar body;
  - any **employment claim**;
  - any **claim** made by a former **insured person**; or

## Management liability – directors and officers’ liability

### Policy wording

|                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                 | f. any <b>claim</b> seeking a contribution or indemnity if such <b>claim</b> is otherwise covered by this section.                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Bodily injury and property damage in relation to motor vehicles | 5. for <b>bodily injury</b> or <b>property damage</b> arising from the use, ownership or possession of any motor vehicle in relation to which the <b>insured person</b> is obliged under any compulsory insurance law to maintain insurance in respect of any liability.<br><br>This exclusion does not apply to <b>defence costs</b> or <b>legal representation</b> costs relating to any criminal or regulatory proceeding.                                                                                                                                           |
| Pollution clean-up costs                                        | 6. based upon, attributable to or arising out of any: <ol style="list-style-type: none"> <li>statutory, contractual or common law obligation <b>you</b> or an <b>insured person</b> have to clean up or remedy any <b>pollution</b> or contamination; or</li> <li>land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.</li> </ol>                                                                                                                                                |
| Takeovers and mergers                                           | 7. based upon, attributable to or arising out of any <b>wrongful act</b> , act, incident or occurrence performed, taking place, or alleged to have taken, after: <ol style="list-style-type: none"> <li><b>you</b> merge or consolidate with another company; or</li> <li>any party acquires:             <ol style="list-style-type: none"> <li>more than 50% of <b>your</b> issued share capital;</li> <li>the majority of <b>your</b> voting rights; or</li> <li>the right to appoint or remove a majority of <b>your</b> board of directors.</li> </ol> </li> </ol> |
| Changes to subsidiaries                                         | 8. based upon, attributable to or arising out of any <b>wrongful act</b> , act, incident or occurrence performed, taking place, or alleged to have taken place: <ol style="list-style-type: none"> <li>before the date of creation or acquisition by <b>you</b> of such <b>subsidiary</b>; or</li> <li>after an entity ceases to be a <b>subsidiary</b>.</li> </ol>                                                                                                                                                                                                     |
| Financial advantage                                             | 9. based upon, attributable to or arising out of the gaining of any financial advantage to which the <b>insured person</b> was not entitled, including the repayment of any wrongfully received monies.                                                                                                                                                                                                                                                                                                                                                                 |
| Defined benefit pension schemes                                 | 10. based upon, attributable to or arising out of an <b>insured person's</b> operation or administration of any defined benefit pension scheme or their breach of any legislation or regulation relating to these activities.                                                                                                                                                                                                                                                                                                                                           |
| Claims outside the applicable courts                            | 11. first brought outside the <b>applicable courts</b> .<br><br>This exclusion also applies to proceedings in the <b>applicable courts</b> to enforce, or which are based on, a judgment or award from outside the <b>applicable courts</b> .                                                                                                                                                                                                                                                                                                                           |
| Defence costs only                                              | 12. other than <b>defence costs</b> for any <b>claim</b> covered under <b>What is covered, 1. Claims against an insured person, b. Defence costs only</b> .                                                                                                                                                                                                                                                                                                                                                                                                             |

## Special conditions

|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| General terms | <p>The General definitions, General conditions and General claims conditions set out in the <b>General terms and conditions</b> all apply equally to each <b>insured person</b> and to <b>you</b>, except for General condition 6, Premium payment which applies only to <b>you</b>.</p> <p>General conditions 3 and 4 shall not apply to this section.</p> <p>General condition 7. Cancellation shall only apply to this section at the end of the <b>period of insurance</b> or the anniversary date whichever comes first.</p> <p><b>You</b> agree to act on behalf of all the <b>insured persons</b> as regards paying the premium and giving or receiving notice of all matters relevant to this section.</p> |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



## Management liability – directors and officers' liability

### Policy wording

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |                                            |                   |                                             |                 |                                             |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------|-------------------|---------------------------------------------|-----------------|---------------------------------------------|
| Information provided by an insured person | All information which any <b>insured person</b> provided before <b>we</b> agreed to insure <b>you</b> will be considered as a separate application for each <b>insured person</b> and as such the knowledge of or any statement made by an <b>insured person</b> will not be imputed to any other <b>insured person</b> for the purposes of determining whether cover is available for any <b>claim</b> or <b>investigation</b> against such other <b>insured person</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                                            |                   |                                             |                 |                                             |
| Severability of exclusions                | When determining the applicability of the exclusions within <b>What is not covered</b> , the <b>wrongful act</b> , act, incident or occurrence performed, taking place, or alleged to have taken place of one <b>insured person</b> shall not be imputed onto any other <b>insured person</b> who neither committed nor condoned such <b>wrongful act</b> , act, incident or occurrence.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |                                            |                   |                                             |                 |                                             |
| Extended notification period              | <p>If:</p> <ol style="list-style-type: none"> <li><b>we</b> or <b>you</b> refuse to renew this section of the <b>policy</b> for any reason other than non-payment of premium, administration, liquidation or insolvency; or</li> <li><b>you</b> merge or consolidate with another entity or any party acquires more than 50% of <b>your</b> issued share capital or the majority of <b>your</b> voting rights during the <b>period of insurance</b>;</li> </ol> <p><b>you</b> or any <b>insured person</b> may purchase an extended notification period, in accordance with the options stated below:</p> <table> <tr> <td>One-year period</td><td>50% of the annual premium for this section</td></tr> <tr> <td>Three-year period</td><td>100% of the annual premium for this section</td></tr> <tr> <td>Six-year period</td><td>200% of the annual premium for this section</td></tr> </table> <p>If <b>you</b> do so, <b>we</b> will cover an <b>insured person</b> for any covered <b>claim</b>, <b>loss</b> or <b>investigation</b> arising during the extended notification period, subject to the terms and conditions of this section. <b>We</b> will not cover any <b>wrongful act</b>, act, incident or occurrence performed, taking place, or alleged to have taken place after the end of the original <b>period of insurance</b>.</p> <p>This extended notification period is only available if <b>we</b> receive written notice of purchase from <b>you</b> or an <b>insured person</b> and the premium is paid to <b>us</b> within 90 days following the end of the <b>period of insurance</b>.</p> <p>If <b>you</b> or an <b>insured person</b> does so, the first paragraph 1a. under <b>Your obligations</b> in this section will then be amended to:</p> <ol style="list-style-type: none"> <li>unless <b>you</b> or any <b>insured person</b> notifies <b>us</b> as soon as reasonably practicable and within the <b>period of insurance</b> or the extended notification period of the following:</li> </ol> <p>The limit of indemnity for the extended notification period will be part of and not in addition to the limit of indemnity stated in the schedule.</p> <p>The entire premium for this section is considered fully earned at the beginning of the extended notification period. <b>We</b> will not refund any premium if <b>you</b> or any <b>insured person</b> cancels the extended notification period before it ends.</p> <p><b>You</b> or any <b>insured person</b> will not have the right to purchase an extended notification period if:</p> <ol style="list-style-type: none"> <li>cover under this section is continued solely as a result of the former directors special condition or an extended notification period;</li> <li>this section of the <b>policy</b> is replaced or succeeded by any other policy providing directors' and officers' liability cover; or</li> <li>this section or the <b>policy</b> is cancelled, other than by <b>you</b> on an anniversary date.</li> </ol> <p>If <b>we</b> offer renewal terms, conditions, limits of liability or premium different from those of the expiring policy, this does not constitute a refusal to renew.</p> | One-year period | 50% of the annual premium for this section | Three-year period | 100% of the annual premium for this section | Six-year period | 200% of the annual premium for this section |
| One-year period                           | 50% of the annual premium for this section                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                                            |                   |                                             |                 |                                             |
| Three-year period                         | 100% of the annual premium for this section                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                                            |                   |                                             |                 |                                             |
| Six-year period                           | 200% of the annual premium for this section                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                                            |                   |                                             |                 |                                             |
| Management buy-outs                       | <p>If during the <b>period of insurance</b> the existing management conduct a management buy-out, <b>we</b> agree to provide cover to the same level and terms of this <b>policy</b> for the new company for a period of 45 days from the buy-out date for any <b>wrongful act</b>, act, incident or occurrence performed, or taking place, or alleged to have taken place by any individual <b>insured person</b> subsequent to the buy-out.</p> <p>This cover will only apply excess of any other insurance and indemnification available from any other source.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                                            |                   |                                             |                 |                                             |
| Former directors                          | In the event that <b>you</b> do not renew or replace this section of the <b>policy</b> , and only in respect of any <b>insured person</b> who ceases to be a director, partner, member or officer of <b>you</b> prior to the date of non-renewal for reasons other than disqualification from holding such position or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                                            |                   |                                             |                 |                                             |

## Management liability – directors and officers' liability

### Policy wording

**your** insolvency, administration or liquidation, this section shall continue in force indefinitely from the date of non-renewal, provided that:

1. this section shall only apply to **claims** or **investigations** arising from any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place prior to the date that the **insured person** ceased to be a director, partner, member or officer of **you**;
2. no similar insurance is effected elsewhere; and
3. this section or the **policy** has not been cancelled, other than by **you** on an anniversary date.

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### How much we will pay

The most **we** will pay for each **claim**, **loss**, **investigation**, or any other covered liability, including their **defence costs** and **legal representation costs** is the limit of indemnity shown in the schedule or within the relevant clause of **What is covered**.

All **claims**, **losses**, **investigations**, or any other covered liabilities and circumstances likely to give rise to a **claim**, **loss**, **investigation**, or any other covered liability, which arise from the same original cause, a single source or a repeated or continuing shortcoming will be regarded as one claim under the **policy**. This includes **claims**, **losses**, **investigations**, and any other covered liabilities arising after, as well as during, the **period of insurance**.

Each **claim**, **loss**, **investigation**, or other covered liability shall be treated as first made when **we** receive notice of the first **claim**, **loss**, **investigation**, or other covered liability.

**You** must pay any relevant **excess** shown in the schedule.

Paying out the limit of indemnity

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

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### Your obligations

Notification

1. **We** will not make any payment under this section:
  - a. unless **you** or any **insured person** notifies **us** as soon as reasonably practicable of the following within the **period of insurance** or at the latest within 90 days after it expires for any problem **you** or such **insured person** becomes aware of within the 30 days before expiry:
    - i. any **claim** against an **insured person** or the **insured person's** lawful spouse, civil or unmarried partner;
    - ii. any **investigation** into **you** or an **insured person**;
    - iii. the commencement of any disqualification proceedings against any **insured person**; or
    - iv. the commencement of proceedings against any **insured person** for **pollution**.
  - b. to any **insured person** if, prior to the **period of insurance**, such **insured person** had knowledge of a material misstatement in or omission from the information provided to **us** upon which **we** agreed to insure **you**.
2. When dealing with a third party, **you** or the **insured person** must not admit that **you** or the **insured person** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** or an **insured person** does, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result.

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**Control of defence  
and payment under  
this section**

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

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

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

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

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