

The General terms and conditions and the following terms and conditions all apply to this section. Cover under this section is given on an aggregate basis unless otherwise specified.

Special definitions for this section

Applicable courts	The courts of competent jurisdiction in those countries stated as the applicable courts in the schedule.
Bodily injury	Mental or emotional distress, sickness, disease, bodily injury or death suffered by anyone.
Bail costs	Costs incurred with our prior written agreement to pay for a bond or other financial instrument to guarantee an insured person’s bail or equivalent in any other jurisdiction.
Claim	- Any written demand or civil, criminal, regulatory or arbitration proceeding first made against an insured person during the period of insurance alleging a wrongful act and seeking monetary damages or other legal relief or penalty. - Any extradition proceeding made against an insured person during the period of insurance.
Defence costs	- Reasonable costs, not including overheads, additional costs or remuneration, incurred with our prior written agreement to investigate, settle or defend any claim or securities claim made against an insured person 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 claim or securities claim. Emergency defence costs.
Deprivation of assets expenses	The amounts for which an insured person is contractually committed to pay for: - school fees for the insured person’s immediate family; - rent or mortgage payments on the insured person’s principal residence, not including any mortgage overpayments; - utilities supplied to the insured person’s principal residence; and - insurance premiums that are personal to the insured person and their immediate family.
Emergency defence costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, to investigate or defend any claim (other than an employment claim) or securities claim , where it is not possible to obtain our prior written agreement, provided that you or the insured person notify us as soon as possible after such sums are incurred.
Emergency legal representation costs	Reasonable and necessary costs, not including any overheads, additional costs or remuneration to investigate or respond to any investigation or securities investigation , where it is not possible to obtain our prior written agreement, provided that you or the insured person notify us as soon as possible after such sums are incurred.
Employee	- Any person under a contract of service with you. - Any independent person seconded to you. - Any applicant or candidate for employment with you.
Employee contract benefits	Any amounts awarded to an employee in respect of: - remuneration, including incentives, bonus, commission, health benefits, holiday or notice pay, whether under statute or contract; - family leave payments, including maternity pay, paternity pay, parental leave pay, shared parental leave pay or adoption pay, whether under contract or statute; - amounts due under an employee benefit or pension scheme; - share or stock options; - deferred compensation; or - equal pay or redundancy pay.

Management liability – directors and officers’ liability for publicly traded companies

Policy wording

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 you or an insured person to prevent or minimise the likelihood of an investigation or securities investigation or mitigate the potential consequences of an investigation or securities investigation which, if such steps were not taken, would be likely to result in an investigation or securities investigation being brought against you or an insured person that would be covered by this section of the policy or would be likely to increase the severity of such an investigation or securities investigation.
Legal representation costs	1. Reasonable and necessary 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 or securities investigation. 2. Emergency legal representation costs.

Management liability – directors and officers’ liability for publicly traded companies

Policy wording

Loss

In respect of a **claim** or **investigation** the amount:

1. any **insured person** becomes; or
2. in respect of a **securities claim** or **securities investigation**, the amount **you** become; legally liable to pay, including following a settlement entered into with **our** written agreement, for:
 - a. awards of damages, including punitive and exemplary damages and civil fines and penalties if insurable in the jurisdiction where such award was first ordered;
 - b. claimants’ legal costs and expenses;
 - c. **defence costs** and **legal representation costs**; and
 - d. **public relations expenses**.

Loss does not include any criminal fines or penalties, regulator’s costs or expenses (including Health and Safety Executive fees for intervention or similar regulator’s costs and expenses), taxes (except for personal tax liability), remuneration, **employee contract benefits**, or punitive, exemplary and multiplied damages in relation to an **employment claim**.

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 outside of the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar;
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 and necessary costs incurred by **you** or 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** or **securities 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**.

Securities claim

Any written demand or civil, criminal, regulatory or arbitration proceeding first made against **you** or an **insured person** during the **period of insurance** seeking monetary damages or other legal relief or penalty in relation to a breach of any laws, rules or regulations relating to the purchase or sale, or offer of purchase or sale, or registration, of or any other dealing in relation to any **securities**.

Securities 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 in relation to any **securities**.

Securities investigation does not include any routine regulatory supervision, enquiry or compliance review, any internal investigation or any investigation into **securities** which is not solely related to **you** or any **insured person's** conduct.

Subsidiary

Any entity domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar 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
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. does not trade any of its securities on any stock exchange; and
 - b. does not increase **your** total gross consolidated assets, as stated in **your** last annual report and accounts, by more than 50%.

What is covered

1. Claims against an insured person

Losses including defence costs

- 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:

Health and safety/ manslaughter	i. health and safety/ manslaughter claim ;
Pension or employee benefit schemes	ii. claim arising from an insured person ’s operation or administration of any pension or employee benefit scheme or trust fund of yours ;
Shareholder pollution claims	iii. claim arising from pollution brought by any shareholder either directly or derivatively;
Employment claims	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 ;
Outside entity	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 or officers or any other insurance available to such individuals for such claim ;
Cyber and data	vi. claim 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;
Securities claims	vii. securities claim .
Bodily injury and property damage	viii. claim for bodily injury or property damage , other than any claim brought by or on behalf of any party who: a. suffered the bodily injury; or b. owns or is legally responsible for the tangible property that suffered such property damage.
Defence costs only	b. We will pay on behalf of any insured person the defence costs only arising from a claim for any wrongful act within the geographical limits :
Pollution	i. arising from pollution , other than for a claim brought by any shareholder of you either directly or derivatively;
Bodily injury and property damage	ii. for any claim brought by or on behalf of any party who: a. suffered the bodily injury; or b. owns or is legally responsible for the tangible property that suffered such property damage.
Emergency defence costs	c. We will pay emergency defence costs in relation to a covered claim or securities claim .

2. Investigations

Losses including legal representation costs	a. We will pay on behalf of any insured person the loss arising from an investigation arising from any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place within the geographical limits , including any: i. health and safety/ manslaughter investigation; ii. investigation arising from an insured person’s operation or administration of any pension or employee benefit scheme or trust fund of yours; iii. investigation 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 or officers or any other insurance available to such individuals for such investigation; iv. investigation 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; v. securities investigation; or
Health and safety/ manslaughter	
Pension or employee benefit schemes	
Outside entity	
Cyber and data	
Securities investigations	

Bodily injury and
property damage

vi. **investigation** arising from **bodily injury** or **property damage**.

**Legal representation
costs only**

b. **We** will pay on behalf of any **insured person** **legal representation costs** only arising from an **investigation** arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place within the **geographical limits** in relation to:

Pollution

pollution;

**Investigation mitigation
costs**

c. **We** will also pay **investigation mitigation costs**, provided that:

- i. where reasonably possible, the **insured person** must obtain **our** prior written agreement before incurring such costs. Where it is not possible to obtain **our** written agreement, the **insured person** must notify **us** as soon as possible after such sums are incurred; and
- ii. **we** will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an **investigation** if not complied with.

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

Pre-investigation costs

d. **We** will pay **pre-investigation costs**.

**Emergency legal
representation costs**

e. **We** will pay **emergency legal representation costs** in relation to a covered **investigation** or **securities investigation**.

3. Entity reimbursement

We will pay on **your** behalf the **loss** which **you** are legally obliged or permitted to pay on behalf of an **insured person** arising from a covered **claim** or **investigation**. If **you** are permitted or obliged to provide such payment but fail to do so for any reason other than **your** insolvency, regardless of whether **you** advanced payment or indemnified an **insured person** for such **loss**, **we** will pay the amount of the **claim** or **investigation** less any relevant **excess**.

4. Additional covers

a. **We** will pay on behalf of any **insured person**:

Extradition proceedings

i. the **loss** arising from any **extradition proceeding** against any **insured person** during the **period of insurance** arising from any **wrongful act**, act, incident or occurrence performed, taking place or alleged to have taken place within the **geographical limits**;

Deprivation of assets
expenses

ii. their **deprivation of assets expenses**, if, as a direct result of a covered **claim** or **investigation**, an interim or interlocutory order:

- a. confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **insured person**; or
- b. creating a charge over real property or the personal assets of the **insured person**; is made, other than where the court has made an allowance for the **insured person** in respect of such sums;

Public relations expenses

iii. **public relations expenses** following a covered **claim** or **investigation** 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 **insured person** must obtain **our** prior written agreement before incurring such costs;

Bail costs

iv. **bail costs** arising from a covered **claim** or **investigation**;

Personal tax liability

v. their liability occurring in the **period of insurance** within the **geographical limits** under any insolvency rules or insolvency legislation to pay **your** unpaid taxes following **your** insolvency, dissolution, administration or winding up, where such liability arises solely as a result of the **insured person**’s status as **your** director, partner, member or officer;

Additional defence costs and
legal representation costs

vi. additional **defence costs** and **legal representation costs** in the event that the limit of indemnity for this section is exhausted, provided that the **insured person** has previously not been the subject of a **claim** or **investigation** for any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place that led to the exhaustion of the limit of indemnity for this section.

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.

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

Additional limit for directors and officers

In the event that the limit of indemnity for this section is exhausted, **we** will provide cover under this section to any director or officer of **yours**. Where such an individual has been the subject of a **claim**, **securities claim**, **investigation**, **securities investigation** or any other covered liability that contributed to the exhaustion of the limit of indemnity, any amount **we** will pay on behalf of that individual will be reduced by an amount equal to the amount of the part of that **claim**, **securities claim**, **investigation**, **securities investigation** or any other covered liability, relating to such individual. This cover will only apply in excess of any other insurance and indemnification available from any other source.

5. Cover for you

Losses including defence costs

Health and safety/
manslaughter claims

Securities claims

a. **We** will pay on **your** behalf the **loss** arising from any:

i. **health and safety/ manslaughter claim**; or

ii. **securities claim**;

brought against **you** for any **wrongful act** within the **geographical limits**.

Losses including legal representation costs

Health and safety/
manslaughter investigations

Securities investigations

b. **We** will pay on **your** behalf the **loss** arising from any:

i. **health and safety/ manslaughter investigation**; or

ii. **securities investigation**;

arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place within the **geographical limits**.

Investigation mitigation costs

c. **We** will also pay **your investigation mitigation costs**, provided that:

i. where reasonably possible, **you** must obtain **our** prior written agreement before incurring such costs. Where it is not possible to obtain **our** written agreement, **you** must notify **us** as soon as possible after such sums are incurred; and

ii. **we** will not pay for the costs incurred in dealing with routine business, regulatory, legal, compliance or other matters, which could lead to an **investigation** if not complied with.

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

Pre-investigation costs

d. **We** will pay **your pre-investigation costs**.

Public relations expenses

e. **We** will pay on **your** behalf **public relations expenses** following a covered **claim** or **investigation** which, without the inurrence of **public relations expenses**, would in the reasonable opinion of **your** Chief Financial Officer or equivalent be likely to result in the imminent reduction in **your** gross annual revenue of more than 20%, by reference to **your** most recent financial forecast. **You** must obtain **our** prior written agreement before incurring such costs.

Court attendance compensation

f. 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**.

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. based upon, attributable to or arising out of: a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation; b. an act intended to secure or which does secure a personal profit or advantage to which the individual concerned was not legally entitled; or c. 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. This exclusion will only apply: i. for claims or securities claims against you, or for investigations or securities investigations into your business, where such act or omission was committed or condoned by you or any individual who falls within paragraphs 1. to 3. of the definition of insured person; ii. for claims or securities claims against an insured person, or for investigations, or securities investigations into an insured person, where such act or omission was committed or condoned by that insured person; and iii. after a judgment or other final adjudication or an admission that such act did occur. In the event of such finding or admission, you or the insured person, as appropriate, must reimburse all payments made by us in relation to the corresponding claim, securities claim, loss, investigation or securities investigation.
Prior claims and litigation	2. based upon, attributable to or arising out of: a. anything that has been reported to and accepted under any policy existing or expired, before the start of the period of insurance; or b. 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 securities claim or securities investigation in relation to any actual public offering of your securities during the period of insurance unless: a. the total value of such offering is less than the securities offering threshold in the schedule; or b. we have given our written agreement and you have paid any additional premium and accepted any amendments we may require to the terms and conditions of this section. 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 or securities 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 does not apply to: a. defence costs; b. any shareholder derivative proceedings in your name without your or any insured person's solicitation, assistance or participation; c. any claim or securities claim brought by your liquidator, receiver or administrative receiver or similar body; d. any employment claim; e. any claim or securities claim made by a former insured person; or f. any claim or securities claim seeking a contribution or indemnity if such claim or securities claim is otherwise covered by this section.
Bodily injury and property damage in relation to motor vehicles	5. for bodily injury or property damage arising from the use, ownership or possession of any motor vehicle in relation to which the insured person is obliged under any compulsory insurance law to maintain insurance in respect of any liability.

Management liability – directors and officers’ liability for publicly traded companies

Policy wording

Pollution clean-up costs	6. based upon, attributable to or arising out of any: a. statutory, contractual or common law obligation you or any insured person have to clean up or remedy any pollution or contamination; or b. land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.
Takeovers and mergers	7. based upon, attributable to or arising out of any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place by an insured person , after: a. you merge or consolidate with another company; or b. any party acquires: i. more than 50% of your issued share capital; ii. the majority of your voting rights; or iii. the right to appoint or remove a majority of your board of directors.
Changes to subsidiaries	8. based upon, attributable to or arising out of any wrongful act , act, incident or occurrence performed, taking place, or alleged to have taken place: a. before the date of creation or acquisition by you of such subsidiary; b. after an entity ceases to be a subsidiary.
Financial advantage	9. based upon, attributable to or arising out of the gaining of any financial advantage to which the insured person 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 insured person’s 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 applicable courts . This exclusion also applies to proceedings in the applicable courts to enforce, or which are based on, a judgment or award from outside the applicable courts .
Defence costs only	12. other than defence costs for any claim covered under What is covered, 1. Claims against an insured person, b. Defence costs only .
Legal representation costs only	13. other than legal representation costs for any investigation covered under What is covered, 2. Investigations, b. Legal representation costs only .

Special conditions

General terms	The General definitions, General conditions and General claims conditions set out in the General terms and conditions all apply equally to each insured person and to you, except for General condition 6, Premium payment which applies only to you. General conditions 3 and 4 shall not apply to this section. General condition 7. Cancellation shall only apply to this section at the end of the period of insurance or the anniversary date whichever comes first. You agree to act on behalf of all the insured persons as regards paying the premium and giving or receiving notice of all matters relevant to this section.
Information provided by an insured person	All information which any insured person provided before we agreed to insure you will be considered as a separate application for each insured person and as such the knowledge of or any statement made by an insured person will not be imputed to any other insured person for the purposes of determining whether cover is available for any claim or investigation against such other insured person.

Management liability – directors and officers’ liability for publicly traded companies

Policy wording

Severability of exclusions

When determining the applicability of the exclusions within **What is not covered**, the **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place of one **insured person** shall not be imputed onto any other **insured person** who neither committed nor condoned such **wrongful act**, act, incident or occurrence.

Extended notification period

If:

1. **we** or **you** refuse to renew this section of the **policy** for any reason other than non-payment of premium, administration, liquidation or insolvency; or
2. **you** merge or consolidate with another entity or any party acquires more than 50% of your issued share capital or the majority of **your** voting rights during the **period of insurance**;

you or any **insured person** may purchase an extended notification period, in accordance with the options stated below:

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

If **you** do so, this section will remain in force but only in respect of any covered **claim**, **securities claim**, **loss**, **investigation**, **securities investigation** or any other covered liability arising from any **wrongful act**, act, incident or occurrence performed, taking place, or alleged to have taken place before the end of the original **period of insurance**.

This extended notification period is only available if **we** receive written notice of purchase from **you** or an **insured person** and the premium is paid to **us** within 90 days following the end of the **period of insurance**.

If **you** or an **insured person** does so, the first paragraph of item 1a. under **Your obligations** in this section will then be amended to:

- a. unless **you** or any **insured person** notifies **us** as soon as practicable and within the **period of insurance** or the extended notification period of the following:

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.

The entire premium for this section is considered fully earned at the beginning of the extended notification period. **We** will not refund any premium if **you** or any **insured person** cancels the extended notification period before it ends.

You or any **insured person** will not have the right to purchase an extended notification period if:

1. cover under this section is continued solely as a result of the Former directors special condition or an extended notification period;
2. this section of the **policy** is replaced or succeeded by any other policy providing directors and officers liability cover; or
3. this section or the **policy** is cancelled, other than by **you** on an anniversary date.

If **we** offer renewal terms, conditions, limits of liability or premium different from those of the expiring policy, this does not constitute a refusal to renew.

Management buy-outs

If during the **period of insurance** the existing management conduct a management buy-out, **we** agree to provide cover to the same level and terms of this **policy** for the new company for a period of 30 days from the buy-out date for any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place by any individual **insured person** subsequent to the buy-out.

We will only provide such cover if the new company is domiciled in the United Kingdom of Great Britain and Northern Ireland, the Channel Islands, the Isle of Man or Gibraltar.

This cover will only apply excess of any other insurance and indemnification available from any other source.

Acquired subsidiaries

If during the **period of insurance** **you** create or acquire a new **subsidiary**, which does not increase **your** total gross consolidated assets, as stated in **your** last annual report and accounts, by more than 50%, **we** agree to provide cover to the same level and terms of this **policy** for the new **subsidiary** for a period of 90 days from the date of creation or acquisition for any **wrongful act**, act, incidence or occurrence performed, or taking place, or alleged to have taken place subsequent to the date of creation or acquisition.

Management liability – directors and officers’ liability for publicly traded companies

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If **you** require cover for any newly created or acquired **subsidiaries** which do not fall within the above parameters, **we** will consider providing cover at **our** sole discretion subject to **you** providing all appropriate information.

We shall be entitled to amend the terms and conditions of this section during the **period of insurance** and may charge an additional premium.

Former directors

In the event that **you** do not renew or replace this section of the **policy**, and only in respect of any **insured person** who ceases to be a director, partner, member or officer of **you** prior to the date of non-renewal for reasons other than disqualification from holding such position or **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.

How much we will pay

The most **we** will pay for total of all **claims**, **losses**, **investigations**, and any other covered liability, including their **defence costs** and **legal representation costs** is the limit of indemnity stated in the schedule, irrespective of the number of **claims** made or **losses**, **investigations** or other covered liabilities arising.

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** stated 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 any **claim**, **loss**, **investigation** or any other covered liability.

Special limits

All special limits below are included within, and not in addition to, the limit of indemnity stated on the schedule.

The most **we** will pay in total for each item below is the corresponding amount stated in the schedule, regardless of the number of **claims**, **losses**, **investigations**, or other covered liabilities:

- | | |
|--|---|
| Pollution defence costs and legal representation costs | 1. pollution defence costs and legal representation costs . This limit does not apply to shareholder pollution claims ; |
| Public relations expenses | 2. public relations expenses ; |
| Emergency defence costs | 3. emergency defence costs ; |
| Emergency legal representation costs | 4. emergency legal representation costs ; |
| Deprivation of assets expenses | 5. deprivation of assets expenses ; |
| Personal tax liability | 6. cover under What is covered, 4. Additional covers , v. Personal tax liability; |
| Bodily injury and property damage | 7. defence costs under What is covered, 1. Claims against an insured person , b. Defence costs only , Bodily injury and property damage. This does not apply to health and safety/manslaughter claims ; |
| Investigation mitigation costs | 8. investigation mitigation costs under What is covered, 2. Investigations , c. Investigation mitigation costs and What is covered, 5. Cover for you , c. Investigation mitigation costs ; |
| Pre-investigation costs | 9. pre-investigation costs under What is covered, 2. Investigations , d. Pre-investigation costs and What is covered, 5. Cover for you , d. Pre-investigation |

costs;

Bail costs

10. **bail costs**; and

Court attendance
compensation

11. court attendance compensation, including any court attendance compensation payable under any Management liability sections of this **policy**.

Additional cover

The limits below are in addition to the limit of indemnity stated on the schedule.

Additional defence costs and
legal representation costs

The most **we** will pay in total for all **defence costs** and **legal representation costs** under **What is covered, 4. Additional covers**, vi. Additional defence costs and legal representation costs, is the amount stated in the schedule, regardless of the number of **claims**.

Additional limit for directors
and officers

The most **we** will pay per individual director or officer for their **loss** and in total for all **loss** under **What is covered, 4. Additional covers**, Additional limit for directors and officers, is the amount stated in the schedule, regardless of the number of **claims** or **investigations**, or other covered liabilities.

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. **you** or the **insured person**'s first awareness of any **wrongful act** that is likely to lead to a **claim**;
 - ii. any **claim** or anything likely to lead to a **claim** against **you** or an **insured person**;
 - iii. any **investigation** into **you** or an **insured person**;
 - iv. the threat or commencement of any disqualification proceedings against any **insured person**;
 - v. any **securities claim** or **securities investigation** or any threatened **securities claim** or **securities investigation**; or
 - vi. **your** or the **insured person**'s first awareness of any act, omission or occurrence that is likely to lead to any other covered liability;
 - b. to **you** or any **insured person** if, prior to the **period of insurance**, **you** or 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.

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.

Management liability – directors and officers’ liability for publicly traded companies

Policy wording

Where there is a dispute between **us** and **you** or any **insured person** over cover, proposed settlement or continuing the defence of a **claim, investigation**, or any other covered liability, **you**, 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**, **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** 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, investigation**, or any other covered liability is made which is not wholly covered by this section or is also made against **you** or an **insured person** and any other party which is not covered under this section, **we, you** 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.