

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>Claim</b>	Any written demand or civil, criminal, regulatory or arbitration proceeding first made against <b>you</b> during the <b>period of insurance</b> alleging a <b>wrongful act</b> and seeking monetary damages or other legal relief or penalty.
<b>Defence costs</b>	<ol style="list-style-type: none"> <li>1. 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 <b>you</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>2. <b>Emergency defence costs</b>.</li> </ol>
<b>Emergency defence costs</b>	Reasonable and necessary costs, not including any overheads, additional costs or remuneration, where it is not possible to obtain <b>our</b> prior written agreement, provided that <b>you</b> notify <b>us</b> as soon as possible after such sums are incurred.
<b>Emergency legal representation costs</b>	Reasonable and necessary 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> notify <b>us</b> as soon as possible after such sums are incurred.
<b>Employee</b>	<ol style="list-style-type: none"> <li>1. Any person under a contract of service with <b>you</b>.</li> <li>2. Any independent person seconded to <b>you</b>.</li> <li>3. Any applicant or candidate for employment with <b>you</b>.</li> </ol>
<b>Employee dishonesty loss</b>	<b>Your</b> direct financial loss discovered during the <b>period of insurance</b> in the performance of <b>your business</b> within the <b>geographical limits</b> , arising from the dishonesty of an <b>employee</b> , where there was a clear intention to cause <b>you</b> financial loss or damage and to obtain a personal financial gain in addition to salary, bonus or commission.
<b>Employment claim</b>	<p>Any <b>claim</b> by any <b>employee</b> for any actual or alleged:</p> <ol style="list-style-type: none"> <li>1. wrongful, unfair or constructive dismissal, discharge or termination of employment;</li> <li>2. breach of written or implied contract of employment;</li> <li>3. employment related misrepresentation;</li> <li>4. wrongful deprivation of a career opportunity, failure to grant tenure or negligent employee evaluation;</li> <li>5. harassment, unlawful discrimination or failure to provide adequate employee procedures and policies;</li> <li>6. retaliation; or</li> <li>7. defamation or invasion of privacy;</li> </ol> <p>arising solely as a result of the employment or non-employment by <b>you</b> of such <b>employee</b>.</p>
<b>Health and safety /manslaughter claim</b>	Any <b>claim</b> 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.
<b>Health and safety/ manslaughter investigation</b>	Any <b>investigation</b> 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.

## Management liability – corporate legal liability

### Policy wording

An agreement entered into by any third-party representing themselves as **you**.

#### Investigation

An official examination, official enquiry or official investigation into **you** 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** conduct.

#### Investigation mitigation costs

Reasonable and necessary costs incurred by **you** 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 **you** 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**.

#### Loss

In respect of a **claim** or **investigation** the amount **you** become 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 or remuneration; 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.

#### 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 **you** 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 corporate legal liability or other equivalent entity insurance that has run continuously without a break in cover. If during such period **you** have merged or consolidated with another company or entity, 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.

#### Relevant 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.

## Management liability – corporate legal liability

### Policy wording

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.

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

#### 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
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 **you** arising from any act, incident or occurrence performed, or 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 **you** including:

1. breach of any duty, including fiduciary or statutory duty, breach of confidence or data loss;
2. breach of trust;
3. negligence, negligent misstatement, misleading statement or negligent misrepresentation;
4. breach of warranty of authority; or
5. any other act, error or omission attempted or allegedly committed or attempted by **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 you

#### Losses including defence costs

Health and safety/  
manslaughter

Pension or employee  
benefit schemes

Shareholder pollution claims

Cyber and data

Identity crime

- a. **We** will pay on **your** behalf the **loss** arising from a **claim** against **you** for any **wrongful act** within the **geographical limits**, including any:
  - i. **health and safety/manslaughter claim**;
  - ii. **claim** arising from **your** operation or administration of any pension or employee benefit scheme or trust fund of **yours**;
  - iii. **claim** arising from **pollution** brought by any shareholder of **you** either directly or derivatively;
  - iv. **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;
  - v. **claim** arising from **identity crime**;

**Management liability – corporate legal liability**  
Policy wording

Taxation	vi. <b>claim</b> arising from <b>your</b> failure to comply with any taxation regulations; or
Bodily injury and property damage	vii. <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>1. suffered the <b>bodily injury</b>; or</li> <li>2. 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 <b>your</b> behalf the <b>defence costs</b> only arising from a <b>claim</b> against <b>you</b> for any <b>wrongful act</b> within the <b>geographical limits</b> :
Pollution	i. arising from <b>pollution</b> , other than for a <b>claim</b> brought by any shareholder of <b>you</b> either directly or derivatively;
Bodily injury and property damage	ii. for any <b>claim</b> brought by or on behalf of any party who: <ol style="list-style-type: none"> <li>1. suffered the <b>bodily injury</b>; or</li> <li>2. owns or is legally responsible for the tangible property that suffered such <b>property damage</b>.</li> </ol> <p>The most <b>we</b> will pay for <b>defence costs</b> relating to <b>bodily injury</b> and <b>property damage</b> is £50,000 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>
Breach of contract	iii. for breach of contract, whether actual or implied, written or oral which is greater than the liability <b>you</b> would have at law without the contract. <p>The most <b>we</b> will pay for <b>defence costs</b> relating to such breach of contract 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>
Intellectual property	iv. for infringement of intellectual property, including any patent, trade mark, copyright, registered design or other intellectual property right. <p>The most <b>we</b> will pay for <b>defence costs</b> relating to infringement of intellectual property is £25,000 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>
<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>
<b>2. Investigations</b>	
<b>Losses including legal representation costs</b>	a. <b>We</b> will pay on <b>your</b> behalf the <b>loss</b> arising from an <b>investigation</b> and 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>i. <b>health and safety/manslaughter investigation</b>;</li> <li>ii. <b>investigation</b> arising from <b>your</b> operation or administration of any pension or employee benefit scheme or trust fund;</li> <li>iii. <b>investigation</b> arising from <b>pollution</b>;</li> <li>iv. <b>investigation</b> arising from 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;</li> <li>v. <b>investigation</b> arising from <b>your</b> failure to comply with any taxation regulations; or</li> <li>vi. <b>investigation</b> arising from <b>bodily injury</b> or <b>property damage</b>.</li> </ol>
Health and safety/manslaughter	
Pension or employee benefit schemes	
Pollution	
Cyber and data	
Taxation	
Bodily injury and property damage	

## Management liability – corporate legal liability

### Policy wording

#### Investigation mitigation costs

- b. **We** will also pay **investigation mitigation costs** in relation to a covered **investigation**, 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.

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.

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

#### Pre-investigation costs

- c. **We** will pay **pre-investigation costs** in relation to a covered **investigation**.

The most **we** will pay for **pre-investigation 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.

#### Emergency legal representation costs

- d. **We** will pay **emergency legal representation costs** in relation to a covered **investigation**.

The most **we** will pay for **emergency legal representation 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.

### 3. Additional covers

#### Public relations expenses

- a. **We** will pay **public relations expenses** on **your** behalf following a covered **claim** or **investigation** which, without the incurrance 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.

The most **we** will pay for **public relations expenses** in total for each **relevant person** is £25,000 in the aggregate, regardless of the number of **claims** or **investigations**. 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 **public relations expenses** for all **relevant persons** across all management liability sections of this **policy** is £100,000 in the aggregate, regardless of the number of **claims** or **investigations**. This limit is included within, and not in addition to, the limits of indemnity shown on the schedule.

#### Court attendance compensation

- b. If any **relevant 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 for court attendance compensation for all **relevant persons** across all management liability sections is £100,000 in the aggregate, regardless of the number of **claims** or **investigations**.

#### Dishonesty of employees

- c. **We** will pay **your employee dishonesty loss**.

#### Loss of documents

- d. If during the **period of insurance** any document, information or data of **yours** which is necessary for the performance of **your business** is lost, damaged or destroyed while in **your** possession within the **geographical limits**, **we** will pay the reasonable expenses **you** incur with **our** prior written agreement in restoring or replacing it.

The most **we** will pay for this additional cover is £100,000 in the aggregate. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.

<b>What is not covered</b>	<p>A. <b>We</b> will not make any payment for any <b>claim, loss, investigation</b>, or any other liability under this section:</p>
Deliberate or dishonest acts	<p>1. against or suffered by <b>you</b> based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> <li>a. a dishonest or fraudulent act or omission or any intentional breach of any statute or regulation;</li> <li>b. an act intended to secure or which does secure profit or advantage to which the individual concerned is not legally entitled; or</li> <li>c. an act intended to secure or which does secure a profit for any other company or entity to which the company or entity was not legally entitled.</li> </ul> <p>where such act or omission was committed or condoned by <b>you</b> or any individual who falls within paragraphs 1. to 3. of the definition of <b>relevant person</b>. This exclusion will only apply after a judgment or other final adjudication or an admission by <b>you</b> or the <b>relevant person</b> that such act, breach of statute or omission did occur. In the event of such finding or admission, <b>you</b> must reimburse all payments made by <b>us</b> in relation to the corresponding <b>claim, loss</b> or <b>investigation</b>.</p>
Prior claims and litigation	<p>2. based upon, attributable to or arising out of:</p> <ul style="list-style-type: none"> <li>a. anything that has been reported to and accepted under any policy existing or expired, before the start of the <b>period of insurance</b>; or</li> <li>b. any prior or pending litigation or proceedings, including allegations deriving from the same or essentially the same facts, involving a <b>relevant person, you</b> or an <b>outside entity</b>, initiated before the <b>prior and pending date</b>.</li> </ul>
Defamation	<p>3. based upon, attributable to or arising out of defamation.</p>
Claims by you or a relevant person	<p>4. based upon, attributable to or arising out of any <b>claim</b> brought or maintained by:</p> <ul style="list-style-type: none"> <li>a. <b>you</b>; or</li> <li>b. a <b>relevant person</b> within or subject to the laws of the United States of America.</li> </ul> <p>This exclusion does not apply to:</p> <ul style="list-style-type: none"> <li>i. <b>defence costs</b>;</li> <li>ii. any shareholder derivative proceedings brought in <b>your</b> name without <b>your</b> or any <b>relevant person's</b> solicitation, assistance or participation;</li> <li>iii. any <b>claim</b> brought by <b>your</b> liquidator, receiver or administrative receiver or similar body; or</li> <li>iv. any <b>claim</b> seeking a contribution or indemnity if such <b>claim</b> would otherwise be covered by this section.</li> </ul>
Bodily injury and property damage in relation to motor vehicles	<p>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 <b>you</b> are obliged under any compulsory insurance law to maintain insurance in respect of any liability.</p> <p>This exclusion does not apply to <b>defence costs</b> or <b>legal representation costs</b> relating to any criminal or regulatory proceeding.</p>
Pollution clean-up costs	<p>6. based upon, attributable to or arising out of any:</p> <ul style="list-style-type: none"> <li>a. statutory, contractual or common law obligation <b>you</b> have to clean up or remedy any <b>pollution</b> or contamination; or</li> <li>b. land or property being identified as contaminated land under the Environmental Protection Act 1990 or any similar or successor legislation.</li> </ul>
Takeovers and mergers	<p>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 place, after:</p> <ul style="list-style-type: none"> <li>a. <b>you</b> merge or consolidate with another company; or</li> <li>b. any party acquires: <ul style="list-style-type: none"> <li>i. more than 50% of <b>your</b> issued share capital;</li> <li>ii. the majority of <b>your</b> voting rights; or</li> </ul> </li> </ul>

## Management liability – corporate legal liability

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	iii.	the right to appoint or remove a majority of <b>your</b> board of directors.
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: <ul style="list-style-type: none"> <li>a. before the date of creation or acquisition by <b>you</b> of such <b>subsidiary</b>; or</li> <li>b. after an entity ceases to be a <b>subsidiary</b>.</li> </ul>
Financial advantage	9.	based upon, attributable to or arising out of the gaining of any financial advantage to which the <b>you</b> were not entitled, including the repayment of any wrongfully received monies.
Defined benefit pension schemes	10.	based upon, attributable to or arising out of <b>your</b> operation or administration of any defined benefit pension scheme or the breach of any legislation or regulation relating to these activities.
Failure to fund pension and employee benefit schemes	11.	based upon, attributable to or arising out of <b>your</b> failure to fund any pension, employee benefit scheme or trust fund.
Employment claims	12.	based upon, attributable to or arising out of any <b>employment claim</b> .
Products	13.	based upon, attributable to or arising out of the manufacture, sale, supply, installation or maintenance of any product.
Securities offerings	14.	based upon, attributable to or arising out of any <b>claim</b> or <b>investigation</b> in relation to any actual public offering of <b>your securities</b> .
Infringement of intellectual property	15.	based upon, attributable to or arising out any actual or alleged infringement of patent, trade mark, infringement of copyright, intellectual property right or registered design. This exclusion does not apply to <b>defence costs</b> .
Contractual liability	16.	based upon, attributable to or arising out any <b>claim</b> or <b>investigation</b> in respect of a breach of contract, whether actual or implied, written or oral which is greater than the liability <b>you</b> would have at law without the contract.  This exclusion does not apply to <b>defence costs</b> .
Market fluctuation	17.	based upon, attributable to or arising out of any market trends or fluctuations over which <b>you</b> or any <b>relevant person</b> have no control.
Anti-competitive practices	18.	based upon, attributable to or arising out of any breach of anti-competition laws or regulations.
Breach of professional duty	19.	based upon, attributable to or arising out of any <b>claim</b> or investigation relating to any breach of professional duty or failure to provide professional services.
Claims outside the applicable courts	20.	first brought outside the <b>applicable courts</b> .  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	21.	other than <b>defence costs</b> for any <b>claim</b> covered under <b>What is covered, 1. Claims against you, b. Defence costs only</b> .
Matters specific to dishonesty of employees	B.	<b>We</b> will not make any payment under <b>What is covered, 3. Additional covers, c. Dishonesty of employees</b> for: <ul style="list-style-type: none"> <li>1. any loss based upon, attributable to or arising out of any: <ul style="list-style-type: none"> <li>a. accounting or arithmetical error or omission or unexplained shortage;</li> <li>b. default or non-payment of any loan or other credit arrangement;</li> <li>c. loss of interest, loss of profit or any any indirect losses which result from the incident which caused <b>you</b> to claim; or</li> <li>d. act, breach, omission or infringement deliberately, spitefully, dishonestly or recklessly committed, condoned or ignored by any director, officer or partner of <b>yours</b>.</li> </ul> </li> <li>2. <b>your</b> or any <b>relevant person's</b> expenses incurred in establishing the amount of any financial loss.</li> </ul>

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**Special conditions**

## 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** may purchase an extended notification period, in accordance with the options shown 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, loss, 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** and the premium is paid to **us** within 90 days following the end of the **period of insurance**.

If **you** do so, the first paragraph 1a. under **Your obligations** in this section will then be amended to:

- a. unless **you** notify **us** as soon as reasonably practicable of the following, and within the **period of insurance** or the extended notification period:

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** cancel the extended notification period before it ends.

**You** will not have the right to purchase an extended notification period if:

1. cover under this section is continued solely as a result of an extended notification period;
2. this section of the **policy** is replaced or succeeded by any other policy providing corporate legal or equivalent entity 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 45 days from the buy-out date for any **wrongful act**, act, incident or occurrence performed, or taking place, or alleged to have taken place subsequent to the buy-out.

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

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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** or 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 **you** 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.

Dishonesty of employees

When **we** settle **employee dishonesty loss** under **What is covered, 3. Additional covers, c. Dishonesty of employees**, for losses perpetrated by any individual or group of individuals who own or control any shares in **you** or who are entitled to participate in **your** profits, the amount **we** pay will be reduced in proportion to such person or persons' share in **your business** or entitlement to participate in **your** profits.

**Special limit**

Pollution defence costs and legal representation costs

1. The most **we** will pay for **defence costs** under **What is covered, 1. Claims against you, b. Defence costs only, i. Pollution and cover under What is covered, 2. Investigations, a. Losses including legal representation costs, iii. Pollution** is £100,000 in the aggregate, regardless of the number of **claims** or **investigations**. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.

Dishonesty of employees

2. The most **we** will pay for **employee dishonesty loss** under **What is covered, 3. Additional covers, c. Dishonesty of employees** is £100,000 in the aggregate, regardless of the number of **claims** or **investigations**. This limit is included within, and not in addition to, the limit of indemnity shown on the schedule.

**Your obligations**

Notification

1. **We** will not make any payment under this section:
  - a. unless **you** notify **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** become aware of within the 30 days before expiry:
    - i. any **claim** against **you**;
    - ii. any **investigation** into **you**;
    - iii. the commencement of proceedings against **you** for **pollution**.
2. When dealing with a third-party, **you** must not admit that **you** are liable for what has happened, or make any offer, deal or payment without **our** prior written agreement. If **you** do, **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** 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** 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 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 **you** over cover, proposed settlement or continuing the defence of a **claim investigation**, or any other covered liability, **you** 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 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** and covered by this section on an ongoing basis prior to the final resolution of any **claim, investigation**, or any other covered liability. **You** 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** and any other party which is not covered under this section, **we** and **you** shall use our best endeavours to agree a fair allocation between **loss** that is covered and **loss** not covered by this section.