



# MANAGEMENT PROTECTION

Etraded – Any One Claim Policy (Deals)



This Policy is a legal contract between you the 'Insured' (also referred to as the You/Your) and Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group). In this information the 'Company', 'RSA', 'We' or 'Us' refers to Royal & Sun Alliance Insurance plc unless otherwise stated.

This Policy and any Schedule, Endorsements, Clauses and Certificates should be read as if they are one document.

Our acceptance of this risk is based on the information presented to Us being a fair presentation of the Insured's business including any unusual or special circumstances which increase the risk and any particular concerns which have led them to seek insurance.

Any reference to the singular will include the plural and vice versa.

The male gender includes the female and neutral genders. Person includes bodies corporate.

Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto.

Any heading in this Policy is for ease of reference only and does not affect its interpretation.

Any Legal references within this Policy shall include any equivalent legal provision in the jurisdiction of ordinary residence of the Insured or location of the risk insured provided that such jurisdiction falls within the territorial scope of this Policy.

References to any Act or law include any rule, order, regulation or other similar instrument made thereunder and shall include any amendment, replacement, consolidation or re-enactment of such Act or law.

We will provide the insurance described in the Policy (subject to the terms set out herein) for the Period of Insurance shown in the Schedule and any subsequent period for which You shall pay and We shall agree to accept the premium.

If any of the information disclosed by You changes prior to the date on which the Period of Insurance commences those changes must also be disclosed to Us prior to that commencement date.

A failure by You to properly disclose information to the Company may invalidate this Policy or result in the insurance cover otherwise provided under this Policy not operating fully.

If You are in any doubt as to whether any information is something that should be disclosed to the Company the Insured should immediately contact Your Insurance Adviser.

**PLEASE READ THE POLICY WORDING CAREFULLY.**

# Claims Notification

Conditions that apply to the Policy and in the event of a claim are set out in this Policy. It is important that You comply with all policy conditions and You should familiarise yourself with any requirements. Directions for claim notification are included in the Claims Conditions Section VIII of this Policy.

This information requested within the Claims Conditions will enable RSA to make an initial evaluation on policy liability and claim value. RSA may, however, request additional information depending upon circumstances. Sometimes RSA, or someone acting on our behalf, may wish to meet with You to discuss the circumstances of the Claim, or to undertake further investigations.

Notification of any Circumstance or Claim must be sent in writing to:

Professional & Financial Risks Claims Department  
St Mark's Court Chart Way Horsham West Sussex RH12 1XL

RSA recognise that there may be some occasions when You need to notify us of matters urgently and RSA is pleased to be able to offer a Claims Helpline.

The Claims Helpline number is 0345 300 4006

Please quote Your policy number when you call.

For your protection, telephone calls may be recorded or monitored.

## Additional Benefits

Choosing this RSA policy means that the Insured benefits from a number of additional services that RSA provide free of charge. RSA advice-lines have highly qualified experts who can offer information and assistance on a number of issues. Advice-lines are completely free and there is no limit to the number of times you can call.

### A Legal Assistance

A 24 hour service that provides access to a team of legal experts offering confidential advice on business matters such as defence of prosecutions, employment, customer and supplier disputes.

### B Health & Safety

Help is available 24 hours a day on health and safety legislation, including its interpretation, and advice on civil and criminal liability for accidents at work.

### C Tax Advice

A confidential telephone advisory service offering assistance on all taxation issues such as PAYE, VAT and income tax. This service is available Monday to Friday, 9am to 5pm.

### D Stress Counselling

Stress affects most people at some point in their working lives. Our stress counselling service will help deal with stress at work by addressing minor problems before they become major crises.

Confidentiality is of the utmost importance, and counsellors are both qualified and experienced in assessing problems quickly so they can provide immediate therapy.

The advice-line number is 0345 078 3863.

Please quote reference number 72666.

Advice lines are intended for business use and are a service provided to the Insured in their capacity as an Insured Person for the Company.

This page should be read together with the rest of your policy documents.

# Contents

Claim Notification	3	VI. CLAIMS CONDITIONS	24
Additional Benefits	4	Claims Notification	24
I. DIRECTORS & OFFICERS LIABILITY		Allocation	24
Directors & Officers Liability Insuring Clauses	6	Defence and Cooperation	24
Directors & Officers Limit of Indemnity	6	Disputes as to Contesting Legal Proceedings	25
Directors & Officers Extensions	6	Other Insurance	25
		Related Claims	26
		Subrogation and Recoveries	
II. CORPORATE LIABILITY	11	VIII. POLICY DEFINITIONS	27
Corporate Liability Insuring Clause	11	Fair Processing Notice	34
Corporate Liability Limit of Indemnity	11	Complaints Procedure	35
Corporate Liability Extensions	11		
Corporate Liability Exclusions	12		
III. EMPLOYMENT PRACTICES LIABILITY	14		
Employment Practices Liability Insuring Clause	14		
Employment Practices Limit of Indemnity	14		
Employment Practices Liability Extensions	14		
Employment Practices Liability Exclusions	14		
IV. Fidelity Cover	16		
Fidelity Insuring Clause	16		
Fidelity Limit of Indemnity	16		
Fidelity Exclusions	16		
V. Difference in Condition Extension	17		
VI. POLICY EXCLUSIONS	18		
Exclusions applicable to all Insuring Clauses	18		
Severability of Exclusions	18		
VII POLICY CONDITIONS	19		
Acquisition or Creation of Subsidiary	19		
Alteration and Assignment	19		
Acquisitions Prior to the Period of Insurance	19		
Authorisation Clause	20		
Dispute Resolution	20		
Consumer Credit Termination Clause	20		
Defence Costs	20		
Discovery Period	20		
Financial or Trade Sanctions	21		
Interpretation of Legal References	21		
Law Applicable	21		
Partial Invalidity	21		
Severability	21		
Retention/Excess	21		
Territory	22		
Third Party Rights	22		
Transactions Changing Coverage	22		
Insurance Act 2015	22		
Valuation	23		

# I. DIRECTORS & OFFICERS LIABILITY

## A Directors & Officers Liability Insuring Clauses

### 1 Directors and Officers Liability Cover

RSA shall indemnify the Insured Persons against any Loss incurred by the Insured Persons arising from a Claim that first arises during the Period of Insurance,

provided that:

- a) such Claim is notified to RSA during the Period of Insurance or any applicable Discovery Period; and
- b) the Company has not already provided an indemnity to that Insured Person in respect of such Loss.

### 2 Company Reimbursement Cover

RSA shall indemnify the Company against any Loss incurred by the Insured Persons arising from a Claim that first arises during the Period of Insurance if and to the extent that the Company:

- a) is legally required and permitted to indemnify the relevant Insured Person; and
- b) has provided an indemnity to an Insured Person, in respect of such Loss,

provided that:

- i) such Claim is notified to RSA during the Period of Insurance or any applicable Discovery Period; and
- ii) RSA shall not be liable to indemnify the Company in respect of such Loss and the Company shall be liable to pay any applicable Excess.

## B Directors & Officers Limit of Indemnity

RSA's liability under this Coverage Section shall not exceed the Limit of Indemnity specified in the Schedule,

provided that:

the amount of the Limit of Indemnity available under B. Directors & Officers Limit of Indemnity to pay any judgements or settlements shall be inclusive of any applicable Defence Costs and the amount of any such Defence Costs shall correspondingly reduce the overall Limit of Indemnity

## C Directors & Officers Extensions

The following coverage Extensions shall be provided under this Section I ("Directors & Officers Liability"),

provided that:

- a) the terms of sub-section A. ("Directors & Officers Liability Insuring Clauses") above shall apply; and
- b) the maximum liability of RSA during the Period of Insurance under each Extension shall, unless specified in the relevant Extension, be subject to the Limit of Indemnity as detailed in sub-section B. ("Directors & Officers Limit of Indemnity") above:

### 1 Civil Fines and Penalties

RSA shall indemnify the Insured against any civil fine or penalty imposed upon an Insured Person by any regulator, disciplinary body, criminal authority, government body, government agency, official trade body or any other body that is empowered by statute to investigate the affairs of an Insured, as a direct result of such person acting in their capacity as an Insured Person,

provided that this Extension shall not apply if and to the extent such civil fine or penalty is uninsurable under the laws or regulations of the relevant territory.

### 2 Compensation for Court Attendance

If any legal advisers acting on behalf of the Insured, with the consent of RSA, require any Director of the Insured to attend any court tribunal, arbitration, adjudication, mediation or other hearing as a witness in connection with a Claim made against an Insured Person that is the subject of the cover provided under this Policy RSA shall provide compensation to the Insured at the rate of £250 per person for each day on which such attendance is required,

provided that the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

### 3 Corporate Manslaughter

RSA shall indemnify the Insured against that part of any Loss comprising of Defence Costs incurred by an Insured Person,

provided that:

- a) such Defence Costs are incurred in respect of corporate manslaughter and Corporate Homicide Act 2007 (or other similar or equivalent criminal offence in any jurisdiction in which the Company operates), related criminal proceedings arising from any Wrongful Act or Investigation; and
- b) such Defence Costs shall not include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the Company operates).

### 4 Crisis Management & Regulatory Event Public Relations Costs

RSA shall indemnify the Insured against any fees, costs and Expenses reasonably and necessarily incurred by an Insured Person in employing the services of an external public relations consultant, crisis management firm or law firm for the sole purpose of providing guidance to an Insured Person in order to minimise or limit any adverse publicity in relation to the circumstances or events that could reasonably be considered as having the potential to give rise to a Probable Claim or Investigation,

provided that:

- a) RSA has given its prior written consent to incurring such costs and Expenses (such consent shall not be unreasonably denied, withheld or delayed); and
- b) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

### 5 Cyber Liability

RSA shall indemnify the Insured Persons against any Loss incurred by the Insured Persons arising from a Claim that first arises during the Period of Insurance in respect of a Cyber Liability Event.

In respect of this Extension RSA shall indemnify the Insured against any fees, costs and Expenses reasonably and necessarily incurred by an Insured Person in employing the services of an external public relations consultant, crisis management firm or law firm for the sole purpose of providing guidance to the Insured Persons in order to minimise or limit any adverse publicity in relation to a Cyber Liability Event,

provided that:

RSA has given its prior written consent to incurring such costs and Expenses (such consent shall not be unreasonably denied, withheld or delayed).

### 6 Deprivation of Assets

RSA shall indemnify the Insured against any Deprivation of Asset Expenses and Expenses incurred by an Insured Person,

provided that:

- a) RSA has given its express prior written consent to such Deprivation of Asset Expenses and Expenses being incurred;
- b) the indemnity provided under this Extension shall only apply in respect of the amount of such Deprivation of Asset Expenses and Expenses that are in excess of the applicable Excess under Insuring Clauses A.1 ("Directors & Officers Liability") or A.2. ("Company Reimbursement Cover"); and
- c) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

### 7 Emergency Costs and Expenses

If, after having used reasonable efforts, an Insured is unable to obtain RSA's prior written consent to an Insured Person incurring Defence Costs RSA shall retrospectively approve and indemnify the Insured in respect of such Defence Costs, less any applicable Excess,

provided that:

- a) such Defence Costs would otherwise be covered;
- b) such Defence Costs are notified to RSA as soon as reasonably possible but no later than 10 days after they are incurred;

- c) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £50,000; and
- d) this Extension shall not apply in addition to any other Extension for any Loss, Claim or Related Claim.

#### 8 Employment Wrongful Acts

RSA shall indemnify the Insured Persons against any Loss incurred by an Insured Person arising from a Claim that first arises during the Period of Insurance in respect of an Employment Wrongful Act,

provided that:

- a) such Claim is notified to RSA during the Period of Insurance or any applicable Discovery Period; and
- b) RSA shall not be liable to indemnify the Company in respect of any applicable Excess.

#### 9 Investigation Defence Costs

RSA shall indemnify the Insured against that part of any Loss which relates to Defence Costs incurred by an Insured Person in defending themselves in respect of any Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document,

provided that, RSA shall not be liable under this Extension for the cost of the Insured Person's time, or any costs, expenses, fees or overheads incurred by any Company incurred in respect of that Investigation.

#### 10 Kidnap & Ransom Event

RSA shall indemnify the Insured against any fees, costs and Expenses reasonably and necessarily incurred by the Insured in employing the services of an external public relations consultant, crisis management firm or law firm for the sole purpose of providing guidance to the Insured in order to minimise or limit any adverse publicity in relation to the circumstances or events that could reasonably be considered being a Kidnap & Ransom Event

provided that:

- a) any Kidnap & Ransom Event includes a request for a ransom;
- b) any Kidnap & Ransom Event has been notified and acknowledged by the Police (or equivalent body sanctioned by local, state, or national government to enforce laws and apprehend those who break them);
- c) RSA shall not be liable under this Extension in respect of any Kidnap & Ransom Event that occurs in Brazil, Columbia, Ecuador, Georgia, Haiti, Iran, Iraq, Israel, Lebanon, Mexico, Nigeria, Pakistan, Philippines, Russia, Somalia, Syria, Ivory Coast and Venezuela; and
- d) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

#### 11 Management Buy-Outs

If a Subsidiary ceases to be owned or controlled by the Company as a result of a buy-out by existing management RSA shall maintain the cover provided by this Policy in respect of that Subsidiary:

- a) for a period of 30 calendar days from the date of that buy-out; and
- b) in respect of Wrongful Acts committed during that 30 calendar day period referred to in (a) above,

provided that:

- i) this Extension shall be excess of any other insurance in force which provides cover in respect of such Wrongful Acts;
- ii) shall apply to existing Directors of the original Subsidiary only;
- iii) this Extension shall not apply to Policy Condition H. Discovery Period; and
- iv) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

#### 12 Mental Anguish or Emotional Distress

RSA shall indemnify the Insured against that part of any Loss which comprises Defence Costs incurred by an Insured Person in defending themselves in any Employment Wrongful Act related legal proceeding which arises in relation to any actual or alleged mental anguish or emotional distress suffered by any past, present or prospective employee or non-executive Director of the Company as a result of that Insured Person acting in their capacity as a Director or Officer.



### 13 Outside Directorship / Entities

RSA shall indemnify any Insured Person and any Employee of the Company where, at the specific request of the Company that Insured Person or Employee was, is, or becomes during the Period of Insurance a director, officer, trustee, governor or occupies a position of equivalent status, of any Outside Entity, against any Loss arising from Claims made against such Insured Person or Employee in respect of any Wrongful Act committed or attempted by such Insured Person or Employee in their respective capacities as a director, officer, trustee, governor or position of equivalent status, of such Outside Entity,

provided that,

- b) the cover provided by this Extension shall be excess of any indemnification provided by such Outside Entity and any valid and collectable directors and officers liability insurance in respect of such Outside Entity; and
- c) the cover provided by this extension shall exclude any trusteeship or administration of any pension plan, programme or scheme or any Insured Person acting in a fiduciary capacity in respect of the Pensions Act 2014.

### 14 Pension Liability

RSA shall indemnify the Insured against any Loss arising from a Claim that first arises during the Period of Insurance in respect of any matter asserted against an Insured Person for a Pension Management Event.

provided that:

the cover provided by this Extension

- a) shall be excess of any indemnification provided by such valid and collectible directors and liability insurance or pension trustee insurance in respect of any relevant pension scheme; and
- b) shall not include Loss resulting from a failure to contribute to any pension scheme correctly or on time.

### 15 Personal Liability for Unpaid Taxes following Insolvency

RSA shall indemnify any Insured against that part of any Loss that arises from that Insured Person's personal liability for any unpaid taxes and Employee wages where the Company has become insolvent,

provided that:

- a) the cover provided under this Extension shall not apply if and to the extent that such liability for unpaid taxes arises from improper personal financial gain, fraud, dishonesty or willful intent of the Insured Person to breach any statutory duty governing the payment of taxes; and
- b) the maximum liability of RSA during the Period of Insurance under this Extension shall be £100,000.

### 16 Pollution

RSA shall indemnify the Insured Persons against Loss incurred by the Insured in defending themselves against criminal or regulatory proceedings in respect of Pollution which results from a Wrongful Act,

provided that this Extension shall not apply to or in respect of any Claim arising in or in relation to the USA.

### 17 Retired and Former Directors

- a) If any Insured Person Retires as a Director or Officer of the Company prior to the expiry of the Period of Insurance such Insured Person shall be entitled to a free Discovery Period for a period of 72 months after the expiry of the Period of Insurance,

provided that this Discovery Period shall not apply where:

- i) You or the Insured renews or replaces this Policy (whether with RSA or otherwise); or
  - ii) a Discovery Period has been activated in accordance with Policy Condition H. ("Discovery Period"), of this Policy;
- b) If any Insured Person ceases to be a Director or Officer of the Company during the Period of Insurance for reasons other than Retirement such Insured Person shall be entitled to a free Discovery Period of 180 calendar days after the expiry of the Period of Insurance,

provided that this Discovery Period shall not apply where:

- i) the Insured Person has ceased to be a Director or Officer of the Company as a result or consequence of:
  - a) disqualification from holding the office of Director;
  - b) the acquisition, Merger or winding up of You as detailed under Policy Condition Q. Transactions Changing Coverage; or
  - c) You becoming insolvent or being wound up,
- ii) You or the Insured renews or replaces this Policy (whether with RSA or otherwise); or
- iii) a Discovery Period has been activated in accordance with Policy Condition H. ("Discovery Period") of this Policy.

#### 18 Shareholder Action deriving from Pollution

RSA shall indemnify the Insured against any Loss that arises in respect of civil proceedings brought against any Insured Person, either directly or derivatively, by any shareholder or bondholder of the Company alleging loss in the value of the share capital of the Company by reason of Pollution which results from a Wrongful Act,

provided that this Extension shall not apply:

- a) in circumstances where on or before the Original Inception Date any Insured Person or any Employee of the Company whose responsibilities include environmental control or compliance knew or should reasonably have foreseen that a Circumstance existed which could have given rise to a Claim against the Company or any Insured Person; or
- b) in respect of any Claim arising in or in relation to the USA.

#### 19 Shareholder Claim Cover

RSA shall indemnify the Company against any costs and Expenses reasonably and necessarily incurred by a shareholder of the Company in pursuing a Claim in the name of the Company against a Director or Officer and which the Company is liable to pay such costs and Expenses in accordance with an order of any court,

provided that:

- a) such Claim by the shareholder in the name of the Company was first made during the Period of Insurance;
- b) any costs and expenses incurred by a shareholder under this Extension shall be considered as Loss for the purposes of applying any Exclusion; and
- c) RSA shall not unreasonably withhold its consent to the incurring of costs and Expenses under this Extension.

#### 20 Spouses

If a Claim against an Insured Person includes a Claim against the Insured Persons Spouse solely by reason of;

- d) such Spouses legal status as a Spouse of the Insured Person; or
- e) such Spouses ownership interest in property which the claimant seeks as recovery for Claims made against the Insured Person,

any Loss which such Spouse becomes legally obliged to pay by reason of such Claim shall be treated for the purposes of this Policy as Loss which the Insured Person is legally obliged to pay on account of the Claims made against the Insured Person,

provided that:

- i) all terms and conditions of this Policy (including, without limitation, the Excess) applicable to any Loss incurred by such Insured Person in the Claim shall also apply to such Spousal Loss; and
- ii) this Extension shall not apply if and to the extent that the Claim alleges any Wrongful Act or omission by the Insured Persons Spouse.

## II. CORPORATE LIABILITY

### A Corporate Liability Insuring Clause

RSA shall indemnify the Company against any Loss incurred by the Company arising from a Claim that first arises during the Period of Insurance,

provided that:

- a) such Claim is notified to RSA during the Period of Insurance or any applicable Discovery Period; and
- b) RSA shall not be liable to indemnify the Company in respect of any applicable Excess.

### B Corporate Liability Limit of Indemnity

RSA's liability under this Coverage Section shall not exceed the Limit of Indemnity specified in the Schedule,

provided that:

where RSA is liable to indemnify more than one person, firm, company or body the total amount of indemnity payable under this Policy shall not exceed the Limit of Indemnity.

### C Corporate Liability Extensions

The following coverage Extensions shall be provided under this Section II ("Corporate Liability"),

provided that:

- a) the terms of sub-section A. ("Corporate Liability Insuring Clause") above shall apply; and
- b) the maximum liability of RSA during the Period of Insurance under each Extension shall, unless specified in the relevant Extension, be subject to the limit as detailed in sub-section B. ("Corporate Liability Limit of Indemnity") above:

#### 1 Contractual Liability Defence Costs

RSA shall indemnify the Company against any Defence Costs arising from or in connection with actual or alleged contractual liability of any Company under any express, oral, written or implied contracts or agreements arising from a Wrongful Act,

provided that:

- a) the Company has obtained the express prior written consent from RSA to the incurring of those Defence Costs (such consent shall not be unreasonably denied, withheld or delayed); and
- b) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

#### 2 Corporate Manslaughter

RSA shall indemnify the Company against that part of any Loss comprising of Defence Costs incurred by the Company in respect of corporate manslaughter (or other similar or equivalent criminal offence in any jurisdiction in which the Company operates) related criminal proceedings arising from a Wrongful Act or Investigation,

provided that:

- a) the Company has obtained the express prior written consent from RSA to the incurring of those Defence Costs (such consent shall not be unreasonably denied, withheld or delayed); and
- b) such Defence Costs shall not include costs relating to any publicity or remedial orders imposed by any court (or similar or equivalent judicial remedial or punitive measure imposed in any jurisdiction in which the Company operates).

#### 3 Cyber Liability

RSA shall indemnify the Company against any Loss incurred by the Company arising from a Claim that first arises during the Period of Insurance for a Cyber Liability Event.

In respect of this Extension RSA shall indemnify the Insured against any fees, costs and Expenses reasonably and necessarily incurred by the Company in employing the services of an external public relations consultant, crisis management firm or law firm for the sole purpose of providing guidance to the Insured in order to minimise or limit any adverse publicity in relation to a Cyber Liability Event,

provided that:

- a) RSA has given its prior written consent to incurring such costs and Expenses (such consent shall not be unreasonably denied, withheld or delayed);
- b) the maximum liability of RSA during the Period of Insurance for such fees, costs and Expenses shall be the single aggregate limit of £100,000.

#### 4 Emergency Costs and Expenses

If, having used reasonable efforts, the Company is unable to obtain RSA's prior written consent to the Company incurring Defence Costs the subject of II. A Corporate Liability Insuring Clause RSA shall retrospectively approve and indemnify the Company against such Defence Costs, less any applicable Excess,

provided that:

- a) such Defence Costs would otherwise be covered under A. Corporate Liability Insuring Clause;
- b) such Defence Costs are notified to RSA by the Company as soon as possible but no later than 10 days after they are incurred;
- c) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £50,000; and
- d) this Extension shall not apply in addition to any other Extension for any Loss, Claim or Related Claim.

#### 5 Pollution

RSA shall indemnify the Company against that part of any Loss which relates to Defence Costs incurred by the Company in defending itself against criminal or regulatory proceedings in respect of Pollution which results from a Wrongful Act,

provided that:

- a) the Company has obtained the express prior written consent to the incurring of those Defence Costs (such consent shall not be unreasonably denied, withheld or delayed); and
- b) this Extension shall not apply to or in respect of any Claim arising in or in relation to the USA.

#### 6 Social Media Public Relations Consultancy Fees

RSA shall indemnify the Company in respect of any Public Relations Consultancy Fees reasonably and necessarily incurred by the Company in order to mitigate the adverse effect or potentially adverse effect on the Company's reputation of any negative publicity in relation to the Company's alleged business practices that is posted on any internet-based social media platform or website,

provided that:

- a) the Company has obtained the express prior written consent from RSA to the incurring of those Public Relations Consultancy Fees (such consent shall not be unreasonably denied, withheld or delayed); and
- b) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000.

## D Corporate Liability Exclusions

RSA shall not be liable to indemnify the Insured against any Loss which arises directly or indirectly based on, arising out of or in any way involving (the "Exclusions"):

#### 1 Contractual Liability

any actual or alleged contractual liability of any Company under any express, oral, written or implied contracts or agreements,

provided that this Exclusion shall not apply in respect of Defence Costs otherwise covered by Extension C.1. ("Contractual Liability Defence Costs").

#### 2 Employment Wrongful Act

any Employment Wrongful Act.

### 3 Pension Trusteeship or Administration

the trusteeship or administration by any Insured of any pension plan, programme or scheme or other employee benefit programme or any Insured acting in a fiduciary capacity in respect thereof, including any obligation incurred under the Pensions Act 1995, Pensions Act 2004, Pensions Act 2014 or for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (USA) or any regulations promulgated there or within any similar or equivalent law or regulation,

provided that this Exclusion shall not apply to any Loss arising from a Claim for Retaliation.

### 4 Pollution

- a) Pollution; or
- b) any direction or request that any Insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralise Pollutants, or any voluntary decision to do so (including, without limitation, any claim for financial loss to the Company, its shareholders, bondholders or its creditors based on, arising out of, or in any way involving the matters described in this Exclusion).

### 5 Professional Services Risks

professional Services undertaken by or on behalf of the Company arising from or in connection with:

- a. Advice;
- b. Design; or
- c. specification

provided for a fee.

### 6 Unfair Trade Practices

any actual or alleged violation of any law (whether statutory, regulatory or common law) with respect to any of the following activities:

- a) anti-trust;
- b) business competition;
- c) unfair trade practices; or
- d) tortious interference in another's business or contractual relationships.

### 7 Workers Compensation

any actual or alleged liability relating to workers compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, pension benefits or any similar law or obligation whatsoever.

### III. EMPLOYMENT PRACTICES LIABILITY

#### A Employment Practices Liability Insuring Clause

RSA shall indemnify the Company against any Loss incurred by the Company arising from a Claim that first arises during the Period of Insurance as a result of any Employment Wrongful Act,

provided that such Claim is brought against the Company by:

- 1 an Employee or prospective Employee;
- 2 a partner or prospective partner of the Insured;
- 3 a director, non-executive director or officer or prospective director, prospective non-executive director or prospective officer of any Company;
- 4 a natural person at work (whether self employed or employed by an organisation other than the Company), provided that such natural person is providing services to the Company on premises owned and occupied by the Company; or
- 5 where such Claim is in respect of an Investigation; the Equal Opportunities Commission, the Commission for Racial Equality, the Disability Rights Commission or any other officially recognised regulatory, professional, or trade body, or any similar or equivalent body.

#### B Employment Practices Limit of Indemnity

RSA's liability under this Coverage Section shall not exceed the Limit of Indemnity in the Schedule,

provided that:

where RSA is liable to indemnify more than one person, firm, company or body the total amount of indemnity payable under this Policy shall not exceed the Limit of Indemnity.

#### C Employment Practices Liability Extensions

The following coverage Extensions shall be provided under this Section III ("Employment Practices Liability"),

provided that:

- a) the terms of sub-section A. ("Employment Practices Liability Insuring Clause") above shall apply; and
- b) the maximum liability of RSA during the Period of Insurance under each Extension shall, unless specified in the relevant Extension, be subject to the limit as detailed in sub-section B. ("Employment Practices Liability Limit of Indemnity") above:

##### 1 Employment Practices Excess Waiver

No Excess shall apply under this policy with respect to any Claim in Connection with III. Employment Practices Liability provided that:

- a) the Company has a formal written grievance procedure in place; and
- b) for any dispute which is the subject of a Loss, the Company is able to demonstrate they have followed the ACAS statutory Code of Practice on disciplinary and grievance procedures from the date the Company's formal written grievance procedure is first invoked.

##### 2 Social Media Public Relations Consultancy Fees

RSA shall indemnify the Company in respect of any Public Relations Consultancy Fees reasonably and necessarily incurred by the Company in order to mitigate the adverse effect or potentially adverse effect on the Company's reputation of any negative publicity in relation to the Company's alleged employment practices that is posted on any internet-based social media platform or website,

provided that:

- a) the Company has obtained the express prior written consent from RSA to the incurring of those Public Relations Consultancy Fees (such consent shall not be unreasonably denied, withheld or delayed);
- b) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate limit of £100,000; and
- c) this Extension shall not apply in addition to II Corporate Liability, C. Corporate Liability Extensions, 6. Social Media Public Relations Consultancy Fees.

## D Employment Practices Liability Exclusions

### 1 Exclusions applicable to all types of Loss

RSA shall not be liable to indemnify the Company against any Employment Wrongful Act related Loss which arises directly or indirectly based on, arising out of or in any way involving:

#### a) USA Claims

any Claim arising in or in relation to the USA;

#### b) Pension Trustee Liability

the trusteeship or administration by an Insured of any pension, profit share or other employee benefit programme or an Insured acting in a fiduciary capacity in respect thereof including, but not limited to, any obligation incurred under the Pensions Act 1995, Pensions Act 2004 or Pensions Act 2014; or for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (USA) or any regulations promulgated there or within any similar or equivalent law or regulation.

#### c) Strikes, Collective Redundancies, Labour Disputes

any Claim incurred as a result of strikes, obligations to consult representatives and employees in relation to collective redundancies, lockouts, trade union disputes, labour disputes or negotiations or other similar actions (including, but not limited to, disputes in respect of recognition); or

#### d) Violation of Health & Safety, Workers' Compensation or Similar Law

any actual or alleged violation of the responsibilities, obligations or duties imposed by any law governing health and safety, workers' compensation, unemployment insurance, social security, disability benefits or similar law,

provided that Exclusions D.1.(c), and D.1.(d) above shall not apply, and cover shall be provided under Clause III. A. ("Employment Practices Liability Insuring Clause") above if and to the extent that a Claim relates to any actual or alleged Retaliatory treatment of the claimant by the Company arising from the claimant's exercise of rights in accordance with any of the regulations or activities set out in Exclusion D.1.(c) above.

### 2 Exclusions Applicable to all types of Loss, other than Defence Costs

RSA shall not be liable to indemnify the Company against any Employment Wrongful Act related Loss which is directly or indirectly based on, arising out of or in any way involving:

#### a) Accommodation for Disabled Persons

any costs incurred by the Company to make any accommodation for any disabled person in respect of working practices or otherwise;

#### b) Breach of Employment Contract, Breach of Minimum Wage Legislation for Benefits Due to Employees

any liability for:

- (i) payment of wages or any other form of payment due under a contract of employment or otherwise, (including, but not limited to, compensation payable in respect of contractual or statutory notice periods and contractual or statutory payments due on redundancy) or liability for awards of damages for breach of, or for the payment of a debt under, an Employee's contract of employment,

provided that this Exclusion shall not apply if and to the extent that any breach of an Employee's contract of employment relates to a breach of any disciplinary or grievance procedures or equal opportunities policy;

- ii) repayment of deductions wrongfully made from salary, wages or Benefits or from any other form of payment due under the contract of employment;
- iii) breach of any obligation in accordance with any minimum wage legislation, save that this Exclusion shall not apply, and cover shall be provided under Clause A. ("Employment Practices Liability Insuring Clause") above, where a Claim relates to any actual or alleged Retaliation in connection with such breach; or
- iv) payment of Benefits due to an Employee from the Insured or otherwise or to become due or the equivalent value of such Benefits,

provided that the Exclusions set out in (a) and (b) above shall not apply if and to the extent that Defence Costs form part of such Employment Wrongful Act related Loss.

## IV. FIDELITY COVER

### A Fidelity Liability Insuring Clause

RSA shall indemnify the Company for Fidelity Loss first Discovered by the Insured Persons of the Company during the Period of Insurance,

provided that;

- a) such Fidelity Loss is notified to RSA during the Period of Insurance or any applicable Discovery Period; and
- b) to the extent that such Loss is not reasonably recoverable from the said Insured Person or Employee; and
- c) RSA shall not be liable to indemnify the Company in respect of any applicable Excess; and
- d) Your Business does not participate in activities associated with a Financial Institution.

### B Fidelity Limit of Indemnity

RSA shall indemnify the Insured Persons of the Company against Loss under this Policy for any and all Losses arising from all Claims and all Related Claims first Discovered and notified during the Period of Insurance or any applicable Discovery Period,

provided that;

- a) Where RSA is liable to Indemnify more than one person, firm, company or body the total amount of indemnity payable under this Policy shall not exceed the Limit of Indemnity; and
- b) The Limit of Liability shall not apply separately for each Insured; and
- c) All Fidelity Loss of any kind sustained as a result of any act, or series of related acts of fraud or dishonesty committed alone or in collusion with others shall be deemed to be one Fidelity Loss for the purpose of the calculation of the Limit of Indemnity and Excess regardless of the number of Companies who sustained such Fidelity Loss; and
- d) the maximum liability of RSA during the Period of Insurance under this Extension shall be the single aggregate
- e) limit of £100,000; and
- f) the Company shall be liable to pay the Excess of £2,500 for each and every Fidelity Loss.

### C Fidelity Exclusions

#### 1 Exclusions applicable to all types of Loss

RSA shall not be liable to indemnify the Company against any Fidelity Loss which arises directly or indirectly based on arising out of or in any way involving (the "Exclusions");

- a) a profit and loss computation or comparison; or
- b) a comparison of inventory records with an actual
- c) physical count,  
provided that this Exclusion shall not apply where the Company establishes wholly apart from such comparison that it has sustained Loss covered under the Policy caused by an identified Employee or Insured Person then it may offer its inventory records and actual physical count of inventory in support of the amount of Loss claimed; or
- d) caused by an Employee or Insured Person which is sustained after Discovery by another Insured Person of any fraud, or dishonesty committed by such Employee or Insured Person; or
- e) sustained by one Company or one part of a Company to the advantage of any other Company or other part of a Company; or
- f) taxes, fines or other penalties, punitive or exemplary damages or any multiplied portion of damages; or
- g) which amounts to indirect or consequential loss of any kind, including but not limited to interest, profits,
- h) dividends or other income; and
- i) any Financial Institution



## V. Difference In Conditions and Limits Provision

RSA shall provide indemnity to the Insured for any difference in Condition or Difference in Sub Limit between this RSA Policy and the preceding Directors Liability Policy, of which this is a direct replacement.

This extension expires 36 months from the first RSA policy inception date stated in the Schedule as the Period of Insurance – From Date.

This agreement will only apply

- a) where RSA has been supplied with a copy of the previous policy wording and schedule which evidences the previous broader cover or sub-limit

## A Difference in Conditions and Limits Exclusions

### 1 Exclusions applicable to all types of Loss

RSA will not provide indemnity to the Proposer or Insured under this extension in respect of:

- a) any Cover that is shown as "Not Insured" in the Schedule to the RSA Policy; or
- b) any Cover which was not insured under the Preceding Directors Liability Policy; or
- c) any differences in cover between the Preceding Directors Liability Policy and the RSA policy which exist because RSA has been asked to change, delete or reduce Cover or Limits of Indemnity under the RSA Policy; or
- d) Any Financial Institution

There are certain exceptions and limits of cover contained in the RSA Policy which will always apply in the way described no matter what the equivalent exceptions and limits in the Preceding Directors Liability Policy may have been. These are as follows;

- a) Unlimited run off period for any retiring director, manager, Officer, member or similar shall not apply. Run off cover for Retired and former Directors shall apply as set out in this Policy; 1. Directors & Officers Liability, Directors & Officers Extensions, 17 Retired and Former Directors.
- b) The Limit of Indemnity applicable to each Section; e.g Directors & Officers, Corporate Liability, Employment Practices Liability & Fidelity.
- c) Any existing endorsement or wording relating to DIC/DIL extensions shall not apply.
- d) Any reinstatement of limits shall not apply where RSA provide cover on an Any One Claim basis.
- e) Any waiver of excess linked to a service provider.
- f) Policy conditions; Dispute Resolution and Financial or Trade Sanctions.
- g) Claims Conditions; Defence and Co-operation.
- h) Legal Expenses or Legal Protection insurance.
- i) Public Liability, Products Liability or Employer's Liability insurance.
- j) Professional Indemnity insurance.
- k) Pension Trustee Liability.
- l) Help advice or other telephone services.
- m) The provision for Service providers, Panels or arrangements.

## VI. POLICY EXCLUSIONS

### A Exclusions applicable to all Insuring Clauses

RSA shall not be liable to indemnify the Insured against any Loss which arises:

1) Bodily Injury/Property Damage

for any bodily injury, mental anguish or emotional distress, illness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof,

provided that;

- a) this Exclusion shall not apply to bodily injury in respect of that element of Loss for Insured Persons comprising Defence Costs otherwise covered under Claims Condition B. ("Allocation") unless and until such time as that Insured has been found by way of any judgment or other final adjudication to have committed such act of dishonesty or fraud; and
- b) RSA reserves its right to reduce liability under this Policy by an amount that fairly represents the extent to which RSA's interests have been prejudiced by the Policyholder's act or omission to have placed or in force valid and collectable Employers Liability and Third Party Liability insurance; and
- c) Loss has not been declined, refused, exhausted under a valid and collectible Property Damage, Employers Liability and Third Party Liability insurance;

2) Fraud or Dishonesty

directly or indirectly based on, arising out of, or in any way involving any act of dishonesty or fraud found by way of any judgment or other final adjudication to have been committed by any Insured,

provided that this Exclusion shall not apply in respect of that element of Loss comprising Defence Costs otherwise covered under Claims Condition B. ("Allocation") unless and until such time as that Insured has been found by way of any judgment or other final adjudication to have committed such act of dishonesty or fraud;

3) Illegal Profit or Advantage

directly or indirectly based on, arising out of, or in any way involving any Insured being found by way of judgment or other final adjudication to have gained any profit or advantage or to have received any remuneration to which that Insured was not legally entitled,

provided that this Exclusion shall not apply in respect of that element of Loss comprising Defence Costs otherwise covered under Claims Condition B. ("Allocation") unless and until such time as that Insured has been found by way of any judgment or other final adjudication to have gained any profit or advantage or to have received any remuneration to which that Insured was not legally entitled;

4) Prior Knowledge of Fact, Circumstance or Situation

directly or indirectly based on, arising out of, or in any way involving any fact, Circumstance or situation:

- a) which has been or should have been the subject of any written notice given under any contract of insurance of which this Policy is a direct or indirect renewal or replacement; or
- b) alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) pending on or prior to the Original Inception Date;

5) Retroactive Date

directly or indirectly based on, arising out of, or in any way involving any Wrongful Act committed on or before the Retroactive Date.

### B Severability of Exclusions

No fact pertaining to or knowledge possessed by any Insured shall be imputed to any other Insured for the purposes of applying any of the Exclusions set out in sub-section A. ("Exclusions applicable to all Insuring Clauses") above.

## VII. POLICY CONDITIONS

### A Acquisition or Creation of Subsidiary

- a) Subject to (b) and (c) below, if during the Period of Insurance any Company creates or acquires a new Subsidiary (either directly or indirectly):
  - i) that new Subsidiary shall be automatically covered under this Policy in relation to Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by the Company; and
  - ii) the Company shall not be required to provide RSA with any particulars of the new Subsidiary until the next renewal date following creation or acquisition of the Subsidiary,
- b) The automatic coverage provided under (a) above shall not apply if a new Subsidiary created or acquired by any Company:
  - i) has gross consolidated assets that increase the gross consolidated assets of the Company by more than fifty per cent (50%) (by reference to the Company's most recent consolidated annual accounts);
  - ii) is a Financial Institution;
  - iii) has any of its Securities listed on any exchange;
  - iv) is situated outside of the United Kingdom and in a country in which the Company does not already hold a Subsidiary; or
  - v) has increased the number of Employees by more than 50% in the Period of Insurance; and
  - vi) if such new Subsidiary employs any person in the USA.
- c) If any Company acquires or creates a Subsidiary that falls within the parameters specified in (b) above, the cover provided under this Policy shall be extended to such new Subsidiary in relation to Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by the Company, provided that, in respect of that new Subsidiary, You shall:
  - i) provide RSA with written notice of any such creation or acquisition as soon as possible, together with such additional information as RSA may require;
  - ii) accept any notified alteration in the terms of this Policy that RSA (at its sole and absolute discretion) may require; and
  - iii) pay any additional premium that RSA (at its sole and absolute discretion) may require.
- d) Once the conditions precedent set out in (c) above have been met RSA shall include the new Subsidiary within the scope of this Policy by way of endorsement.
- e) RSA shall have no liability under (c) above in respect of any matter which the Insured fails to notify to RSA in accordance with the requirements of this Clause A ("Acquisition or Creation of Subsidiary").
- f) RSA shall, at its sole and absolute discretion, be entitled to consider the provision of retroactive cover for any new Subsidiary in respect of Wrongful Acts committed or alleged to have been committed prior to the date of any such acquisition or creation upon specific request from You.
- g) If RSA, at its sole and absolute discretion, agrees to provide such retroactive cover referred to above it shall be recorded by way of an endorsement to this Policy.

### B Alteration and Assignment

No change in, modification of, or assignment of interest under this Policy shall be effective without a written endorsement to this Policy agreed and issued by RSA.

### C Acquisitions Prior to the Period of Insurance

If a new Subsidiary has been acquired by the Company prior to the Period of Insurance, such Subsidiary shall be covered under this Policy but only for Losses in relation to Wrongful Acts committed or alleged to have been committed:

- a) after the date on which such Subsidiary was acquired by the Company; and
- b) during the Period of Insurance.

## D Authorisation Clause

You shall act on behalf of all Insureds with respect to:

- a) the giving and receiving of notice of any Claim or Circumstance;
- b) the payment of premiums and the receiving of any return premiums that may become due under this Policy;
- c) the negotiation, agreement to and acceptance of endorsements to this Policy; and
- d) the giving or receiving of any notice provided for in this Policy except the giving of notice to apply for any Discovery Period which extends to include Insured Persons.

## E Dispute Resolution

Subject to Claims Condition B ("Allocation") and Claims Condition D ("Disputes as to Contesting Legal Proceedings") of this Policy, any dispute arising in respect of this Policy, or any obligations, whether contractual or non-contractual, arising out of or in respect of it, shall be subject to the exclusive jurisdiction of the courts of England and Wales.

## F Consumer Credit Termination Clause

RSA shall have the right to terminate this Policy with immediate effect if there is a default in instalment payments due under any linked loan agreement.

## G Defence Costs

Defence Costs incurred by RSA, or by the Insured with the written consent of RSA shall form part of and shall not be in addition to the applicable Limit of Indemnity and the payment by RSA of any such Defence Costs shall correspondingly reduce such Limit of Indemnity.

## H Discovery Period

- a) The Insured Persons or You shall be entitled to elect a Discovery Period on the terms set out below if:
  - i) RSA declines to offer any terms for renewal of this Policy; or
  - ii) You make a specific written request to RSA for such Discovery Period, which is accepted by RSA.
- b) Subject to (c) below, the terms of the Discovery Period shall be 12 months for fifty per cent (50%) of that part of the Full Annual Premium payable in respect of this Policy.
- c) Options to purchase a Discovery Period of up to 72 months may be available but shall be at RSA's sole and absolute discretion.
- d) The application to elect any Discovery Period shall be given to RSA within 30 calendar days of the expiry of the Period of Insurance, and payment of the requisite premium, if applicable, in respect of that Discovery Period shall be made within 30 calendar days of the expiry of the Period of Insurance (such premium being non-refundable). Any time delay between the expiry of the Period of Insurance and the election of any Discovery Period shall form part of and shall not be in addition to the Discovery Period elected.
- e) If a Merger or administration takes place, You shall not be entitled to purchase a Discovery Period on the terms set out in this Extension, however within 30 calendar days of the expiry of the Period of Insurance You may request a quotation from RSA for a Discovery Period. RSA shall consider such request and may, at its sole and absolute discretion, offer a Discovery Period on such terms as RSA may consider appropriate.
- f) At any time during:
  - i) the 30 calendar day application period referred to in (d) above; and
  - ii) the Discovery Period,

(and without prejudice to Claims Condition A.2. ("Claims Notification")) You and the Insured Persons shall be entitled to continue to notify Claims and Circumstances to RSA but only in respect of Wrongful Acts committed prior to the expiry of the Period of Insurance. Any such Claim or Circumstance so notified to RSA during the Discovery Period shall be deemed to have been notified during the Period of Insurance.
- g) If the Insured Persons or You elect a Discovery Period then upon expiry of such Discovery Period no further Discovery Period will be available under this policy (except as provided for under I. Directors & Officers Liability C. Directors & Officers Extensions 17. Retired & Former Directors)
- h) The purchase by the Insured of any Discovery Period shall not increase or reinstate the applicable Limit of Indemnity (which shall continue be RSA's maximum liability for the Period of Insurance and Discovery Period combined).

## I Financial or Trade Sanctions

RSA shall not be liable or required to provide any coverage, or be liable to provide any indemnity, payment or other benefit under this Policy if and to the extent that doing so would violate or breach any prohibition or restriction imposed by law, sanction or regulation.

If any such prohibition or restriction takes effect during the Period of Insurance the Insured or RSA may cancel that part of this Policy which is so prohibited or restricted with immediate effect by giving written notice to the other at their last known address.

If the whole or any part of the Policy is cancelled RSA shall, if and to the extent that it does not breach any Prohibition, return a proportionate amount of the premium for the unexpired period subject to minimum premium requirements

provided that:

- a) no circumstances that could reasonably be considered as being likely to give rise to a claim under the Policy have been notified to RSA by the Insured; and
- b) no claims have been paid by RSA or have accrued and are outstanding awaiting payment in respect of such claims, prior to the date on which such prohibition or restriction took effect.

For this purposes of this clause, Prohibition shall mean any prohibition or restriction imposed by law or regulation.

## J Interpretation of Legal References

Any legal references within this Policy shall include any equivalent legal provision in the jurisdiction of Your ordinary residence or location of the risk insured, provided that such jurisdiction falls within the territorial scope of this Policy.

## K Law Applicable

This Policy and any obligations, whether contractual or non- contractual, arising out of or in respect of it shall be governed by the laws of England and Wales.

## L Partial Invalidity

If any provision of this Policy is, or becomes, invalid or unenforceable in accordance with the law to which this Policy is subject, such provision shall be deemed to be deleted and all other terms and conditions of this Policy shall remain in full force and effect.

## M Severability

The Proposal shall be construed as a separate application for cover by each of the Insureds with respect to the statements, representations and declarations contained therein.

No fact relating to, or statement of, or knowledge possessed by, any Insured shall be imputed to any other Insured for the purpose of determining the availability of cover under this Policy.

Provided that no cover shall be provided under this Policy in respect of:

- a) any Insured Person who knew of such misrepresentation or non-disclosure; or
- b) the Company where the Company has a requirement, legally or otherwise, to indemnify any Insured Person with knowledge of such misrepresentation or non-disclosure.

## N Retention/Excess

- a) RSA's liability under this Policy for any Loss arising from:

- i) any single Claim; and
- ii) any and all Related Claims,

shall apply only to that part of such Loss which is excess of the applicable Excess.

- b) The Insured shall bear at their own risk the amount of any applicable Excess in respect of:

- i) each and every Claim; and
- ii) any Related Claim.

- c) If the Company is permitted or required to indemnify any Insured Persons in respect of any Loss suffered by them but fails to do so, RSA shall pay such Loss directly to that Insured Person, on behalf of the Company, provided that the Company shall be liable to pay any applicable Excess.

- d) In respect of I. Directors and Officers Liability and II. Corporate Liability any Excess borne by an Insured in respect of any Claim shall be reimbursed by RSA if final judgment or adjudication is given in favour of an Insured by a court or tribunal of competent jurisdiction. For the purposes of this condition, final judgment or adjudication shall only be adjudged to have been given when all rights of appeal to higher courts or tribunals have been foregone or exhausted.
- e) Any Excess shall not form part of the Limit of Indemnity and it shall be payable by the Insured before the application of the Limit of Indemnity.

## O Territory

Unless otherwise endorsed, the insurance cover provided under this Policy shall extend worldwide.

## P Third Party Rights

A person who is not a party to this Policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Policy, provided that this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

## Q Transactions Changing Coverage

### 1) Acquisition, Merger or Winding Up of You

Unless otherwise agreed in writing by RSA (at its sole and absolute discretion), this Policy shall terminate for all Insureds upon:

- a) the acquisition of Your entire issued share capital or of all or substantially all of Your assets, by another entity, or the Merger or consolidation of You into or with another entity such that You are not the surviving entity;
- b) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least 50% of Your directors;
- c) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, supervisor, trustee or other similar insolvency appointee or fiduciary to You; or
- d) the winding-up of You (but not, for this purpose, any Subsidiary).

Following the termination of this Policy pursuant to the above, You shall be entitled to continue to notify Circumstances and Claims that first arise prior to the termination of the Policy (or any applicable Discovery Period),

provided that:

- i) cover shall only apply to any Loss or that part of any Loss that arises as a direct result of a Wrongful Act occurring prior to the termination of this Policy; and
- ii) this Policy has not been replaced by a similar policy of insurance issued by RSA or by another insurer irrespective of whether such other insurance provides cover for loss sustained prior to the effective date of that similar policy of insurance.

### 2) Disposal or Winding Up of Subsidiary Companies

Unless otherwise agreed in writing by RSA, this Policy shall terminate for a Subsidiary upon;

- a) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, supervisor, trustee, or other similar insolvency appointee or fiduciary in respect of such Subsidiary; or
- b) falling outside of the definition of Subsidiary. Following the termination of this Policy pursuant to the above, You shall be entitled to continue to notify Circumstances and Claims that first arise prior to the termination of the Policy,

provided that cover shall only apply to any Loss or that part of any Loss that arises as a direct result of a Wrongful Act occurring prior to the termination of this Policy.

## R Insurance Act 2015

In respect of any

- i) duty of disclosure; or
- ii) effect of warranties; or
- ii) effects of acts of fraud

the rights and obligations that apply to You and RSA shall be interpreted in accordance with the provisions of the Insurance Act 2015.

## S Valuation

RSA shall not be liable for more than:

- 1) the actual market value of securities at the close of business on the business day immediately preceding the day on which the Fidelity Loss was Discovered or the actual cost of replacing securities whichever is less plus the cost of posting any required lost instrument bond (which cost shall be paid by RSA on behalf of the Insured);
- 2) the value of a foreign currency calculated in pounds sterling at the rate of exchange published as the Financial Times closing mid point rate on the date of Discovery.

## VIII. CLAIMS CONDITIONS

### A Claims Notification

- 1) Subject to Claims Condition A.2 below, You must give written notice to RSA as soon as possible after You receive notice of any Claim or become aware of any Circumstances,  
  
provided that, notwithstanding the above, such written notice shall be given to RSA:
  - a) during the Period of Insurance (or any applicable Discovery Period); or
  - b) within 60 calendar days for Claims made to the Insured that have not been notified to RSA for the Period of Insurance immediately prior to expiry (excluding any Discovery Period).
- 2) If You fail or refuse to give notice under Claims Condition A.1 above a Director or Officer shall be entitled to give written notice of a Claim directly to RSA, provided that all other terms and conditions of Claims Condition A.1 shall otherwise apply.
- 3) Notification of any Claim or Circumstance pursuant to Claims Conditions A.1 and A.2 above shall be sent to RSA at the Claims Department, Professional & Financial Risks, St Mark's Court, Chart Way, Horsham, West Sussex RH12 1XL and marked for the attention of the "Professional & Financial Risks Claims Manager, Profin & Major Claims".

Each notification shall so far as possible provide full details of the Claim or Circumstance including, but not limited to:

- a) the identity of the claimant or potential claimant;
  - b) the nature of the Claim;
  - c) the likely quantum of the Claim; and
  - d) Your preliminary views (and those of the Insured) on the merits of such Claim and You shall provide RSA with such further information and documentation (where appropriate documentation includes evidence of invoices, receipts, proof of payments and the like) as it may reasonably require.
- 4) Any Claim arising from any notification of Circumstances shall be deemed to have been made in the Period of Insurance (including any applicable Discovery Period) in which the Circumstances were first notified to RSA.

### B Allocation

- 1) If and to the extent that an Insured incurs both a Loss (or part thereof) insured by this Policy and a Loss (or part thereof) not insured by this Policy (either because a Claim is made against both Insured Persons and the Company or because a Claim includes both a Loss which is insured and a Loss that is not) RSA shall negotiate in good faith with the Insured to determine a fair and reasonable allocation of the insured and uninsured Loss taking into account the relative legal exposures of RSA and the Insured with respect to the insured and uninsured Loss.

Whilst such Claim referred to above is ongoing RSA shall advance all Defence Costs to any Insured Persons whilst they are named in any legal action or Investigation,

provided that such Defence Costs shall not be included in any allocation of the insured Loss.

- 2) If the Insured and RSA cannot agree on an 'insured vs. uninsured' allocation in respect of Loss, the Insured and RSA shall submit the issue of allocation to a Queen's Counsel. The identity of the Queen's Counsel shall be agreed between the parties and failing agreement within 30 calendar days of one party receiving written notice of a nomination being made by the other party, shall be chosen by the Chairman for the time being of the Bar Council whose decision shall be binding on RSA and the Insured. The Queen's Counsel shall be directed to apportion all costs of the determination between RSA and the Insured as the Queen's Counsel so determines.
- 3) All references to Queen's Counsel and Chairman of the Bar Council include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status or equivalent appointee.

### C Defence and Cooperation

- 1) RSA shall have the right (but is not obliged or required) to:
  - a) conduct, in the name of the Insured, the defence and settlement of any Claim insured, either in whole or in part, under this Policy and
  - b) appoint lawyers or other representatives for this purpose (even if any of the allegations against the Insured are groundless, false or fraudulent),

provided that RSA's right to conduct such defence or appoint such lawyer or other representatives shall cease upon exhaustion of the Limit of Indemnity.

- 2) With respect to any Claim or Circumstance notified under this Policy:



- a) the Insured shall execute all papers required and shall do everything necessary to defend such Claim and provide RSA with all information, documentation, assistance and co-operation as RSA may reasonably request; and
- b) RSA shall advance to the relevant Insured the amount of any Defence Costs in excess of any applicable Excess,

provided that if and to the extent it is finally established or determined that such Defence Costs (or any part thereof) are not insured under this Policy, the Insureds, severally according to their respective interests under this Policy, shall repay such uninsured Defence Costs to RSA.

- 3) The Insured shall not settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim, without RSA's express prior written consent (such consent shall not be unreasonably denied, withheld or delayed). RSA shall not be liable for, and any applicable Excess shall not be depleted or exhausted by any settlement, Loss or Defence Costs, assumed obligation or admission to which RSA has not provided its express prior written consent (such consent shall not be unreasonably denied, withheld or delayed).
- 4) If a Claim arises the Insured shall:
  - a) do nothing that prejudices RSA's position or its potential or actual rights of recovery in respect of that Claim; and
  - b) at all times use reasonable endeavours to do, and concur in doing, all such things as are reasonably practicable to avoid or diminish any Loss that may arise in respect of that Claim and assist with the defence or settlement of any Claim.

RSA shall be entitled to undertake any investigation it deems necessary in respect of such Claim.

For the purposes of (b) above, "reasonable endeavours" in this context shall include, but not be limited to, the self-reporting to any regulator an actual or suspected material breach of a Company's or an Insured Person's legal or regulatory duties where the Company or Insured Person is required to give notice of such an actual or potential breach,

provided that:

- i) the cost incurred by the Insured in taking any such steps shall constitute Defence Costs; and
- ii) any self-reporting shall not constitute an admission of liability on the part of the Insured with regard to any Claim.

## D Disputes as to Contesting Legal Proceedings

- 1) In the event of any disagreement arising between RSA and an Insured as to whether or not to contest or settle any legal proceedings or proceed with any appeal of a decision of a Court, the issue shall be remitted to a Queen's Counsel whose decision on the probability of successfully defending the Claim or the acceptability of the proposed terms of settlement or the probability of succeeding on appeal shall be final and RSA and the Insured shall be bound by that decision.
- 2) The identity of such Queen's Counsel referred to in Claims Condition D.1 above shall be agreed by RSA and You or, failing such agreement within 30 calendar days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council.
- 3) The costs and expenses of the Queen's Counsel referred to in Claims Conditions D.1 and D.2 above shall be deemed to form part of the Defence Costs.
- 4) All references in this Claims Condition D to Queen's Counsel and Chairman of the Bar Council include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status or equivalent appointee.

## E Other Insurance

The insurance cover provided under this Policy shall only apply in excess of the cover and limits of any other valid and collectible contract of insurance providing cover to the relevant Insured (including, but not limited to, any insurance which is stated to be primary, contributory, excess, contingent or otherwise), unless such other contract of insurance and the cover and limits stated therein is specifically stated to operate in excess of this Policy.

If at the time of any Loss that is insured under this Policy there is any other contract of insurance effected by or on behalf of any Insured that covers the same Loss, the liability of RSA under this Policy to indemnify the Insured in respect of such Loss shall be limited to the Insured's rateable portion (as between this Policy and such other contract of insurance) of such Loss, subject always to the Limit of Indemnity and any applicable coverage Extensions.

Any Loss which is covered partly by this Policy and partly by another contract of insurance (including any contract of insurance of which this Policy is a renewal) issued by RSA to the Insured for which any previous

applicable Discovery Period has not expired, shall be limited to the larger amount and broader cover of:

- a) that provided under such previous contract of insurance; and
- b) this Policy,

and shall not be cumulative.

## F Related Claims

For the purposes of the cover provided under this Policy all Related Claims shall be deemed to be one Claim, and such Claim shall be deemed to have first arisen on the date the earliest of such Related Claims first arises, regardless of whether such date is before or during the Period of Insurance (or any applicable Discovery Period).

## G Subrogation and Recoveries

- 1) If any payment is made by RSA to an Insured pursuant to this Policy in respect of any Loss:
  - a) RSA shall, to the extent of such payment, be subrogated to all the Insured's rights of recovery in respect of such Loss; and
  - b) the Insured shall do everything reasonably necessary to secure and preserve such rights of recovery referred to in (a) above (including, but not limited to, the execution of such documents as are necessary to enable RSA to bring proceedings or otherwise exercise its rights of subrogation in the name of the Insured)
- 2) Notwithstanding Claims Condition G.1 above, RSA shall not be entitled to exercise its rights of subrogation against an Insured Person unless such Insured Person has been fraudulent, committed a criminal act or obtained any profit or advantage to which such Insured Person was not legally entitled.
- 3) Any and all recoveries obtained by the Insured from any other party in respect of any Loss insured under this Policy shall be allocated, after the settlement of any Claim, from the top down in respect of such Loss as follows:
  - a) firstly, to the benefit of the Insured to reduce or extinguish the amount of the Insured's Loss if and to the extent that such Loss would have been paid under this Policy but for the fact that the amount of such Loss exceeds the Limit of Indemnity together with any applicable Excess;
  - b) secondly, to the benefit of RSA for all sums paid in settlement of any Loss arising under this Policy; and
  - c) thirdly, to the benefit of the Insured for the amount of any applicable Excess,

provided that:

- i) such allocation shall only apply after the deduction by the relevant party of the reasonable costs incurred by them (or on their behalf) in obtaining such recovery; and
- ii) any and all recoveries made prior to settlement of any Claim shall be held for the benefit of RSA and only be so allocated after that Claim has been settled(if applicable).

## VIII. POLICY DEFINITIONS

### 1 Definitions

When used in this Policy:

- A Benefits means perquisites, fringe benefits, amounts due or payments made in connection with an employee benefit plan or pension scheme, share or stock options or any other right to purchase, acquire or sell shares or stock, and any other obligation or payment, made to or for the benefit of an Employee other than salary (including bonus) or wages.
- B Circumstance means an incident, occurrence, fact, matter, act or omission which might reasonably be considered to give rise to a Claim.
- C Claim means:
  - 1) service of a Claim Form, counterclaim, Related Claim, Application Notice, Notice of Appeal, Witness Summons or similar legal document (including an application for any related injunction) served upon any Insured in respect of a Wrongful Act;
  - 2) any arbitration proceeding or request to nominate an arbitrator served upon any Insured in respect of a Wrongful Act;
  - 3) any written communication (including electronic communications), whether or not containing a demand for compensation or damages, received by any Insured threatening commencement of proceedings in respect of a Wrongful Act, and any written demand against any Insured Person for monetary damages, reinstatement or other non-monetary relief;
  - 4) any criminal prosecution of an Insured Person resulting from a Wrongful Act;
  - 5) any notice of an Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document:
    - a) into the affairs of the Company or the affairs of an Outside Entity as provided in Directors & Officers Liability Extension C.13 ("Outside Directorship/Entities") and where an Insured Person is required to attend or give evidence; or
    - b) involving a Wrongful Act alleged to have been committed by an Insured Person or in respect of which an Insured Person is required to attend or give evidence by reason of that Insured Person acting in their capacity as a Director or Officer,

and

- 6) any proceedings brought against any Insured Person during the Period of Insurance by any Official Body seeking:
  - a) extradition of an Insured Person where the allegations from which the extradition proceedings result arise from a Wrongful Act by reason of that Insured Person acting in their capacity of a Director or Officer;
  - b) confiscation, assumption or ownership and control, suspension or freezing of rights of ownership of real property or personal assets of any Insured Person;
  - c) a charge over real property or personal assets of such Insured Person;
  - d) a temporary or permanent prohibition on such Insured Person holding the office or performing the function of a Director or Officer of the Company;
  - e) restriction of such Insured Person's liberty to a specified domestic residence or an Official Detention; or
  - f) deportation of an Insured Person following revocation of otherwise proper, current and valid immigration status for any reason other than an Insured Person's conviction of a crime,

provided that any Claim is first made against, or received by, an

Insured Person during the Period of Insurance. D Company means You and Your Subsidiaries.

- D Computer System shall mean any Company computer network, software programmes or similar electronic social media content for which the Company is responsible.
- E Contribution means Excess
- F Coverage Section shall mean the terms and conditions relating to each of I. Directors & Officers Liability, II. Corporate Liability, III. Employment Practices Liability, IV. Fidelity Cover, V Difference in Conditions and Limits provision.
- G Cyber Liability Event means any Wrongful Act as provided in VII Directors & Officers Definitions. Wrongful Act CCC. I. ("an

Insured Person") arising from use of any Computer System or Data for which the Company is legally liable.

- H Data characters, or symbols on which operations are performed by a computer, being stored and transmitted in the form of electrical signals and recorded on magnetic, optical, or mechanical recording media the property of any Company or for which any Company is responsible that is required by law to be protected from public disclosure.
- I Defence Costs means that part of a Loss consisting of any costs, charges and fees (including, but not limited to, lawyers' and agents' fees and expenses) incurred by RSA or reasonably and necessarily incurred by the Insured:
- 1) in defending, investigating or settling any Claim or assisting RSA in investigating, defending or settling any Claim (including the amount of any premiums paid for any insurance instruments or bonds which may be required in certain jurisdictions to institute an appeal or enter a Court appearance);
  - 2) in respect of the attendance or giving of evidence by any Insured Person at any Investigation into the affairs of the Company or the affairs of an Outside Entity as provided in Directors & Officers Liability Extension C.13 ("Outside Directorship/Entities");
  - 3) in respect of any Investigation involving a Wrongful Act alleged to have been committed by any Insured Person or relating to which any Insured Person is required to attend or give evidence by reason of them acting in their capacity as a Director or Officer; or
  - 4) in respect of an Employment Wrongful Act Defence Costs shall extend to include Preliminary Hearings where a Claim is Probable,
- provided that Defence Costs shall not include any regular or overtime wages, salaries, fees or benefits of the Directors, Officers or Employees of the Company.
- J Deprivation of Assets Expenses means the amount paid by the Insured directly to the provider of any:
- 1) schooling;
  - 2) housing;
  - 3) utilities; or
  - 4) personal insurances,
- as a direct result of any interim or interlocutory order confiscating or suspending the rights of ownership over personal assets or real property of any Insured Person during the Period of Insurance in circumstances where a personal allowance has been directed by a Court to meet such payments and that personal allowance has been exhausted.
- K Director means any natural person who was, is, or becomes:
- 1) a Director of the Company (including a shadow Director (as defined under section 251 of the Company 2006 Act or any equivalent provision in the jurisdiction in which the Company is incorporated)) and any person named in any prospectus issued by the Company as a prospective Director;
  - 2) a shadow Director of any Company directly as a result of that person's activities as a Director or Officer of the Company; or
  - 3) a Member.
- L Discovery means when a Trustee (not in collusion with a dishonest Trustee or Employee or any other person) first becomes aware of facts which would cause a reasonable person to believe that a Fidelity Loss covered by the Policy has been or is likely to be incurred, regardless of when the act or acts causing or contributing to such Fidelity Loss occurred, even though the exact amount or details of such Fidelity Loss may not then be known, and Discovered shall be construed accordingly.
- M Discovery Period means the period immediately following the expiry of the Period of Insurance during which You shall be entitled to continue to notify Claims or Circumstances pursuant to the terms of:
- 1) Policy Condition H. ("Discovery Period"); or
  - 2) Directors & Officers Extension C.17 ("Retired and Former Directors"), (each as applicable) of this Policy.
- N Documents means:
- 1) documents (excluding bearer bonds, coupons, bank or currency notes or other negotiable instruments); or
  - 2) computer systems records the property of the Insured or for which the Insured is legally responsible.
- O Employee means any natural person who was, or is, or becomes during the Period of Insurance:
- 1) an employee (which shall include trainees, casual, part-time, seasonal, temporary, voluntary and work experience personnel) of the Company whilst acting in such capacity; or
  - 2) seconded to the Company and acting in such capacity.

- P** Employment Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect or breach of duty committed by any one or more Insured Persons in their capacities as such against any past, present or prospective Employee, Director or partner of Yours, in connection with any:
- 1) wrongful, unlawful or unfair dismissal, discharge or termination of employment;
    - a) breach of any written or oral employment contract or quasi-employment contract;
    - b) employment-related misrepresentation;
  - 2) violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability);
  - 3) violation or non-compliance with legislation regulating working hours;
  - 4) wrongful failure to employ or promote;
  - 5) wrongful demotion;
  - 6) wrongful discipline;
  - 9) wrongful deprivation of a career opportunity;
  - 10) failure to grant tenure;
  - 11) failure to adopt adequate workplace or employment policies and procedures;
  - 12) Retaliatory treatment of whistleblowers or others;
  - 13) negligent evaluation;
  - 14) employment-related invasion of privacy;
  - 15) employment-related breach of data protection legislation;
  - 16) employment-related libel, slander, humiliation and defamation;
  - 17) failure to furnish accurate job references;
  - 18) employment-related wrongful infliction of mental anguish or emotional distress; or
  - 19) breach of any obligation which has been transferred to the Company by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer.
- Q** Expenses means the necessary and reasonable costs, charges and fees incurred by the Insured or by RSA in investigating, defending or settling any Claim
- provided that Expenses shall not include
- 1) salaries, commissions, emoluments, fees or any other benefits from employment or costs and expenses normally incurred by the Insured in the absence of a Claim; or
  - 2) costs and expenses incurred by a customer to whom the Insured provides goods or services under a written contract unless ordered by a court or other legally authorised tribunal; and
  - 3) Expenses incurred without the prior written consent of RSA.
- R** Excess means that part of each and every Claim or Loss, as applicable, which shall not be indemnified by RSA and is payable by the Insured, the amount of which is specified in the Policy Schedule.
- S** Financial Institution means any entity whose principal business activity is as a clearing bank, deposit/lending bank, building society, foreign exchange broker or trader, merchant bank, stockbroker, securities broker, commodity trader or broker, derivative trader or broker, hedge fund, insurance broker, insurance company (general or life), financial advisor (including independent financial advisors), asset management company, investment trust provider, Independent Saving Account provider, unit trust or other financial investment provider, credit provider or currency exchange operation or any other similar entity.
- T** Fidelity Loss means direct loss of tangible property, Money or securities belonging to the Charity or for which the Charity is legally responsible, such loss caused by a fraudulent act (not committed or occurring prior to the Original Inception Date committed by any Trustee or Employee whilst:
- 1) acting in that capacity or in the first 60 days following ceasing to act in that capacity; and
  - 2) resident within the United Kingdom.
- U** Full Annual Premium means the annual insurance premium payable by You, including any additional insurance premium which becomes payable immediately prior to the expiry of the Period of Insurance.
- V** Identity means publicly available data held by an official registry or any other party which relates to the formation and identity of the Insured and relied upon by investors or vendors in establishing the financial standing and credit worthiness of the Insured.

**W Insured means:**

- 1) the Insured Persons;
- 2) the Company; or
- 3) You,

declared to RSA prior to the commencement of the Period of Insurance and as may be acquired or created during the Period of Insurance pursuant to the terms of Policy Condition A. ("Acquisition or Creation of a Subsidiary").

**X Insured Persons means;**

- 1) any natural person who was, is, or becomes during the Period of Insurance, a Director, manager or Officer;
- 2) any natural person falling within the definition of Insured in accordance with Definition K ("Director") who is incompetent, incapacitated, bankrupt or deceased and against whose estates, heirs, executives or other legal representatives claims are being pursued which would, absent such incompetence, incapacity, bankruptcy or death be covered by the Policy; and
- 3) in connection with Employment Wrongful Acts only, any Employee of the Company or any natural person (whether self-employed or employed by an entity other than the Company) who is contracted to and supervised by the Company,

provided that:

- i) the contract between that Employee of the Company or natural person and the Company provides for the Company to indemnify that Employee or natural person in respect of any Claim and the Company has agreed to do so; and
- ii) RSA has agreed (at its sole and absolute discretion) to provide such cover and each such Employee or natural person is added to the Policy Schedule by written endorsement.

**Y Investigation means any formal or official investigation (other than the Company's own internal investigation) or where an official investigation is Probable: examination, dawn raids, site raids, regulatory interviews or other proceedings made or commenced during the Period of Insurance by a governmental body, professional body or other institution duly authorised to carry out such investigations.**

**Z Limit of Indemnity means the limit specified in the Policy Schedule.**

**AA Kidnap & Ransom Event means the unlawfully seizing and carrying away of an Insured Person by force or fraud, or seizing and detaining an Insured Person with an intent to carry that person away at a later time for a purpose.**

**BB Loss/Losses:**

1) means:

- a) damages, compensation, contributions, judgments or (if concluded with RSA's prior written consent) settlements;
- b) claimant's legal costs and Expenses;
- c) punitive, exemplary and aggravated damages if and to the extent such damages are insurable under the laws of the United Kingdom, Channel Islands or Isle of Man,  
except where such damages are awarded in respect of:
  - i) an Employment Wrongful Act; and
  - ii) any Claim arising in or in relation to the USA.

- d) all other costs and Expenses ordered by a court or other legally authorised tribunal, or incurred with RSA's prior written consent;
- e) Defence Costs, in respect of a Claim made against, or received by, any Insured, jointly or severally; and
- f) in respect of an Employment Wrongful Act only, the cost to the Insured of paying wages (but not Benefits) to an Employee for the period from the date of the purported dismissal or termination to the date on which the court or Tribunal of first instance delivered its judgment to the parties,

provided that Loss shall not include:

- a) any taxes;
- b) any fines;
- c) any penalties;
- d) any other form of Loss which is uninsurable under the law of the state or country to which the Claim is subject;
- e) the multiple portion of any multiplied damage award;

iii)

f) any amount which the Insured is not legally liable to pay; or

g)

in respect of an Employment Wrongful Act only:

- i) any amount not indemnified by the Company for which the Insureds are absolved from payment by reason of any covenant, agreement or court order;
- ii) the value of any share or stock options or any other right to purchase, acquire or sell shares or stock;
- iii) taxes, fines or penalties imposed by law or the multiple portion of any multiplied damage award;
- iv) the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief; or
- v) matters uninsurable under the law in accordance with which this Policy is construed or such Claim is adjudicated.

CC Member means a member of a Limited Liability Partnership as defined under the Limited Liability Partnership Act 2000.

DD Merger means the occurrence of either of the following events:

- 1) Your consolidating with or merging into or selling all or substantially all of Your assets to any other person or entity or group of persons or entities acting in concert; or
- 2) any person or entity, whether individually or together with any other person or entity, acquiring an amount of share capital representing more than fifty per cent. (50%) of the voting power for the election of Your Directors, or acquiring the voting rights for such an amount of the shares.

EE Officer means:

- 1) any natural person who was, is, or becomes during the Period of Insurance an officer of the Company, other than its external auditor, liquidator, administrator, receiver or solicitor;
- 2) any Employee of the Company whilst acting in a managerial or supervisory capacity, including any Employee of the Company who at the specific written request of the Company is appointed to a managerial or supervisory position within any entity established for the sole purpose of any profit sharing, share option, sporting, social or welfare purpose and which exists predominantly for the benefit of any or all of the Insured Persons and Employees of the Company and their families and dependants;
- 3) any Employee of the Company who is named as a co-defendant in respect of a Claim made against a Director or Officer (and for the purpose of this Definition BB.3. Officer shall bear the meaning set out in Definitions BB.1. and BB.2. above); and
- 4) in respect of an Employment Wrongful Act, any Employee of the Company.

FF Official Detention means the confinement of any Insured Person in secure custodial premises, operated by or on behalf of a governmental or judicial agency in connection with a Claim against such Insured Person regardless of whether such confinement is without charge or without a judicial finding of culpability or liability in relation to such Claim.

GG Original Inception Date means the date from which the Company has maintained uninterrupted Directors and Officers liability insurance cover with an insurer, whether under this Policy or any preceding contract of insurance.

HH Outside Entity means any company or non-profit organization (other than a Subsidiary) unless that entity is either:

- 1) registered (for any purpose), domiciled or incorporated in the USA; or
- 2) has any of its Securities listed on any exchange in the USA,

provided that in the case of a company or non-profit organisation falling within this Definition, such entity shall constitute an Outside Entity and be insured under this Policy if:

- a) RSA has agreed to provide such insurance cover;
- b) such entity is listed as an Outside Entity in the Policy Schedule by written endorsement; and
- c) You hold share capital in such entity.

II Pension Management Event means any Wrongful Act arising from any pension plan, fund, or scheme (including a personal pension scheme), stakeholder or Enrolment Pension Scheme which provides retirement income for Employees of any Company.

JJ Period of Insurance means the period of time so specified in the Policy Schedule.

KK Policy means, collectively, the Policy Schedule, the Proposal, each Policy Section and the Terms and Conditions of this contract of insurance (including any Clauses attaching thereto).



LL Policy Schedule means the Management Liability Policy Schedule attaching to this Policy.

MM Pollutants means:

- 1) any air emission, odour, waste water, oil or oil products, infectious or medical waste, biological contaminants, asbestos or asbestos products, electric or magnetic or electromagnetic fields and noise, and any ionising radiations or contamination by radioactivity; and
- 2) any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a country, state, county, municipality or locality counterpart thereof including, but not limited to, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

NN Pollution means the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or personal property, water or the atmosphere.

OO Probable shall mean where a Director has knowledge of such facts as would lead a reasonable person to believe that a particular governmental body, professional body, or other institution duly authorised is committing, has committed or is about to commit a formal interview or investigation. The Director must be able to articulate the facts and circumstances forming the basis for probable cause.

PP Property means tangible property other than Money or Securities.

QQ Proposal means, the signed proposal form, Statement of Fact and any other information supplied by or on behalf of the Insured in relation to this Policy.

RR Public Relations Consultancy Fees means fees necessarily incurred by the Insured to employ the services of an external public relations consultant solely for the purpose of providing advice to the Insured to review, develop or implement a crisis plan in order to minimise the impact of any adverse publicity following the occurrence of any Loss covered by this Policy.

SS Related Claims means any and all Claims based on, arising out of, or in any way involving the same or related or series of; facts, acts, Circumstances, situations, transactions, original cause or source, error, omission or events and such Claims or Losses will be deemed to be a single policy Claim, reported at the date of the first such policy Claim.

TT Retaliation/Retaliatory means a Wrongful Act of an Insured relating to, or alleged to be in response to:

- 1) the treatment of any Employee less favourably than any other Employees; or
- 2) the victimisation of any Employee because that Employee threatens to bring proceedings, give evidence or information, take any action or make any allegation concerning the Insured, with reference to any applicable laws or legislation in the relevant jurisdiction relating to:
  - a) sex, race, or disability discrimination;
  - b) whistle blowing; or
  - c) any employment protection law generally.

UU Retires/Retirement means the act of any Insured Person in voluntarily relinquishing their position from the Company with a resulting state of retirement whereby such Insured Person does not subsequently resume or assume the position of Director, Officer or Employee.

VV Retroactive Date means the date specified in the Policy Schedule.

WW Securities means:

- 1) any note, stock, bearer instrument, derivative, bond, debenture, evidence of indebtedness, depositary receipt, share or other equity or debt security of any Insured; and
- 2) any certificate of interest or participation in, receipt for, warrant or other right to subscribe to or purchase, voting certificate relating to, certificate of deposit for, or other interest in any of the items referred to in (1.) above.

XX Spouse means a lawful spouse, civil partner or any person deriving similar status by reason of the law applicable to the relevant territory or jurisdiction in which that person resides.

YY Statement of Fact means the information contained in any document provided by You to RSA relating to the cover applied for under this Policy.

ZZ Sub-Limit means the maximum aggregate liability of RSA from all Claims or Related Claims first made during the Period of Insurance (or any applicable Discovery Period) arising from an Extension to any Insuring Clause under this Policy. Any Sub-Limit shall be part of and not in addition to the Limit of Indemnity attaching to the applicable Insuring Clause.



AAA Subsidiary means any entity in which You:

- 1) hold directly or indirectly more than fifty per cent (50%) of the voting rights;
- 2) have the right to appoint or remove a majority of the board of Directors; or
- 3) hold more than half of the issued share capital, and where You are a partnership, an entity shall be a Subsidiary of the partnership where such holding or right is held for the benefit of the partnership.

BBB Terrorism means an act of any person acting on behalf of or in connection with any individual or organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government (whether such government is legally established or not).

CCC Tribunal means a tribunal constituted in accordance with the Employment Tribunals (Constitution and Rules of Procedures) Regulations 2001, and any statutory amendment or successor thereto.

DDD United Kingdom means the United Kingdom of Great Britain and Northern Ireland.

EEE USA means the United States of America and in each case its territories and possessions and any state or political sub- division thereof.

FFF Wrongful Act means in respect of:

- 1) an Insured Person:
 

any error, misstatement, misleading statement, act, omission, neglect, breach of duty, breach of trust, libel, slander, breach of contract, breach of warranty of authority, wrongful trading as set out in section 214 of the Insolvency Act 1986 (or any equivalent situation in any jurisdiction in which the Company is incorporated), Employment Wrongful Act, any other matter asserted against a Director solely by reason of their status as such or other act actually or allegedly committed or attempted by any Insured Person in their duties or capacity as:

  - a) a Director or Officer; or
  - b) a Director, Officer, trustee, governor or incumbent of a position of equivalent status of any Outside Entity,

and
- 2) the Company:
 

any error, misstatement, misleading statement, act, omission, neglect, or breach of duty, breach of trust, breach of warranty of authority, or other act actually or allegedly committed or attempted by the Company.

GGG You/Your means the organisation so designated in the Policy Schedule.

# Fair Processing Notice

## How We Use Your Information

Please read the following carefully as it contains important information relating to the details that you have given us. You should show this notice to any other party related to this insurance.

### Who we are

This insurance is underwritten by Royal & Sun Alliance Insurance plc.

You are giving your information to Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group).

In this information statement, 'we' 'us' and 'our' refers to the Group unless otherwise stated.

### How your information will be used and who we share it with

Your information comprises all the details we hold about you and your transactions and includes information obtained from third parties.

We may use and share your information with other members of the Group to help us and them:

- Assess financial and insurance risks;
- Recover debt;
- Prevent and detect crime;
- Develop our services, systems and relationships with you;
- Understand our customers' requirements;
- Develop and test products and services

We do not disclose your information to anyone outside the Group except:

- Where we have your permission; or
- Where we are required or permitted to do so by law; or
- To credit reference and fraud prevention agencies and other companies that provide a service to us, our partners or you; or
- Where we may transfer rights and obligations under this agreement.

We may transfer your information to other countries on the basis that anyone we pass it to provides an adequate level of protection. In such cases, the Group will ensure it is kept securely and used only for the purpose for which you provided it. Details of the companies and countries involved can be provided on request.

From time to time we may change the way we use your information. Where we believe you may not reasonably expect such a change we shall write to you. If you do not object, you will consent to that change. We will not keep your information for longer than is necessary.

### Sensitive Information

Some of the information we ask you for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). We will not use such sensitive personal data about you or others except for the specific purpose for which you provide it and to carry out the services described in your policy documents. Please ensure that you only provide us with sensitive information about other people with their agreement.

### How to contact us

On payment of a small fee, you are entitled to receive a copy of the information we hold about you. If you have any questions, or you would like to find out more about this notice you can write to:

Data Protection Liaison Officer Customer Relations Office  
RSA, Bowling Mill Dean Clough Industrial Estate Halifax, HX3 5WA

# Complaints Procedure

## Our Commitment to Customer Service

At RSA we are committed to going the extra mile for our customers. If you believe that we have not delivered the service you expected, we want to hear from you so that we can try to put things right. We take all complaints seriously and following the steps below will help us understand your concerns and give you a fair response.

### Step 1

If your complaint relates to your policy then please contact the sales and service number shown in your schedule. If your complaint relates to a claim then please call the claims helpline number shown in your policy booklet.

We aim to resolve your concerns by close of the next business day. Experience tells us that most difficulties can be sorted out within this time.

### Step 2

In the unlikely event that your concerns have not been resolved within this time, your complaint will be referred to our Customer Relations Team who will arrange for an investigation on behalf of our Chief Executive. Their contact details are as follows:

Post: RSA, P O Box 255, Wymondham, NR18 8DP  
Email: [crt.halifax@uk.rsagroup.com](mailto:crt.halifax@uk.rsagroup.com)

## Our promise to you

We will:

- Acknowledge all complaints promptly
- Investigate quickly and thoroughly
- Keep you informed of progress
- Do everything possible to resolve your complaint
- Use the information from your complaint to proactively improve our service in the future.

Once we have reviewed your complaint we will issue our final decision in writing within 8 weeks of the date we received your complaint.

## If you are still not happy

If you are still unhappy after our review, or you have not received a written offer of resolution within 8 weeks of the date we received your complaint, you may be eligible to refer your case to the Financial Ombudsman Service. The Financial Ombudsman Service is an independent body that arbitrates on complaints. They can be contacted at:

Post:  
Financial Ombudsman Service Exchange Tower  
Harbour Exchange Square London  
E14 9SR

Telephone:  
0800 0234567 (for landline users)  
0300 1239123 (for mobile users)

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

You have six months from the date of our final response to refer your complaints to the Financial Ombudsman Service. This does not affect your right to take legal action, however, the Financial Ombudsman Service will not adjudicate on any case where litigation has commenced.

## Thank you for your feedback

We value your feedback and at the heart of our brand we remain dedicated to treating our customers as individuals and giving them the best possible service at all times. If we have fallen short of this promise, we apologise and aim to do everything possible to put things right.

Royal & Sun Alliance Insurance plc (No. 93792).  
Registered in England and Wales at St Mark's Court, Chart Way, Horsham, West Sussex, RH12 1XL.  
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.