

Your Management Liability Policy

Introduction

Welcome to Aviva. We are committed to providing a first-class service. Aviva is the UK's largest insurer with over 200 years' experience in the insurance industry.

This is Your insurance policy which sets out Your insurance protection in detail.

Your premium has been calculated on the basis of the extent of cover You have selected which is specified in the Schedule, the information You have provided and the declaration You have made. Please read the policy and the Schedule carefully to ensure that the cover meets Your requirements.

Please contact Your insurance adviser if you have any questions or if You wish to make adjustments.

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Services

As an Aviva customer, You can access additional services to help You keep Your business running smoothly. For our joint protection telephone calls may be recorded and/or monitored.

Legal and Tax Helpline

0845 300 1899

Call this helpline anytime, day or night, for advice on legal or tax matters in the United Kingdom. Given in confidence, the advice is free and You pay for just the cost of the call.

Counselling Service Helpline

0117 934 0105

This is a confidential service available to Your staff to help deal with personal issues such as bereavement, divorce, the threat of violence in the workplace and bullying at work.

Website

<http://www.cutredtape.co.uk/>

This is Aviva's free website offering many tools and resources to help You manage Your business effectively. You'll get access to

- over 700 legal and business guides across HR, sales and marketing, finance, technology, law and risk management
- easy to use templates to build legal documents including employee contracts, health and safety policies, dismissal letters
- discounts on Legal Services
- email alerts on changes in law, legislation and regulation.

To register, please visit www.cutredtape.co.uk and use the voucher code CRTAVIVA for exclusive discounts on a range of legal documents and services.

Complaints Procedure

Our Promise of Service

Our goal is to give excellent service to all our customers but We recognise that things do go wrong occasionally. We take all complaints We receive seriously and aim to resolve all Our customers' problems promptly. To ensure that We provide the kind of service You expect We welcome Your feedback. We will record and analyse Your comments to make sure We continually improve the service We offer.

What will happen if You complain

- We will acknowledge Your complaint promptly.
- We aim to resolve all complaints as quickly as possible.

Most of Our customers' concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, We will contact You with an update within 10 working days of receipt and give You an expected date of response.

What to do if You are unhappy

If You are unhappy with any aspect of the handling of Your insurance We would encourage You, in the first instance, to seek resolution by contacting Your insurance adviser. You can write or telephone, whichever suits You, and ask Your contact to review the problem.

If You are unhappy with the outcome of Your complaint You may refer the matter to the Financial Ombudsman Service at:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: 0800 023 4567 (free from landlines) or 0300 123 9123

Or simply log on to their website at www.financial-ombudsman.org.uk.

Whilst We are bound by the decision of the Financial Ombudsman Service, You are not. Following the complaints procedure does not affect Your right to take legal action.

Important Information

Choice of Law

The appropriate law as set out below will apply unless You and the insurer agree otherwise.

1. The law applying in that part of the United Kingdom, Channel Islands or Isle of Man in which You, the policyholder, normally live or (if applicable) the first named policyholder normally lives
or
2. In the case of a business, the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where it has its principal place of business
or
3. Should neither of the above be applicable, the law of England and Wales will apply.

Financial Services Compensation Scheme

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this scheme if We cannot meet Our obligations, depending on the type of insurance and the circumstances of Your claim.

Further information about the scheme is available from the FSCS website www.fscs.org.uk, or write to

Financial Services Compensation Scheme
10th Floor,
Beaufort House
15 St Botolph Street
London
EC3A 7QU

Use of Language

Unless otherwise agreed, the contractual terms and conditions and other information relating to this contract will be in English.

Customers with Disabilities

This policy and associated documentation are available in large print, audio and braille. If You require any of these formats, please contact Your insurance adviser.

The Contract of Insurance

Your policy wording, the information You have provided and/or the application form, the statement of fact, the policy Schedule, or notice issued by Us at renewal and any endorsement together form the contract of insurance between Us and You, and must be read together.

In return for You having paid or agreed to pay the premium, We will provide the cover set out in this policy, to the extent of and subject to the terms contained in or endorsed on this policy.

Important Notice

The policy is a legal contract. You must tell Us about any material circumstances which affect Your insurance and which have occurred either since the policy started or since the last renewal date.

A circumstance is material if it would influence Our judgement in determining whether to provide the cover and, if so, on what terms.

If You are not sure whether a circumstance is material ask Your insurance adviser. If You fail to tell Us it could affect the extent of cover provided under the policy.

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

Breach of Term

We agree that where there has been a breach of any term (express or implied) which would otherwise result in Us automatically being discharged from any liability, then such a breach shall result in any liability We might have under this policy being suspended. Such a suspension will apply only from the date and time at which the breach occurred and up until the date and time at which the breach is remedied. This means that We will have no liability in respect of any loss occurring, or attributable to something happening, during the period of suspension.

Terms not relevant to the actual loss

Where there has been non-compliance with any term (express or implied) of this policy, other than a term that defines the risk as a whole, and compliance with such term would tend to reduce the risk of

- loss of a particular kind, and/or
- loss at a particular location, and/or
- loss at a particular time

then We agree that We may not rely on the non-compliance to exclude, limit or discharge Our liability under this policy if You show that non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.



AVIVA

Aviva Insurance Limited.

Registered in Scotland No. 2116.

Registered Office: Pitheavlis, Perth PH2 0NH.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

Policy Cover Sections

This policy consists of individual Sections. The policy Schedule confirms the Sections You have purchased and are insured under and gives precise details of the Limits of Indemnity of Your insurance protection.

Section 1 – Directors & Officers Liability

Our total liability under this Policy Cover Section (except under extension 14 or extension 15 below) shall not exceed the Limit of Indemnity. Any inner limits shown are within and not in addition to the Limit of Indemnity and apply in the aggregate in the Period of Insurance.

We shall not be liable for the Excess or any lesser amount for which a Claim or Loss may be settled.

1.1 Insured Person

We will indemnify or pay the loss of any Insured Person for Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made during the Period of Insurance against such Insured Person and notified to Us in accordance with the Claims Conditions and
- (b) such Loss is not recoverable by the Insured Person from the Company.

1.2 Company Reimbursement

In the event that the Company is required or permitted to indemnify an Insured Person, We will indemnify on the Company's behalf Loss arising from a Claim as the result of a Wrongful Act, provided that

- (a) such Claim is first made during the Period of Insurance against such Insured Person and notified to Us in accordance with the Claims Conditions and
- (b) such Loss is not recoverable by the Company from any other source, including but not limited to any more specifically relevant and collectable insurance policy.

1.3 Legal Representation Expenses

We will pay the Legal Representation Expenses, incurred with Our prior consent, of any Insured Person arising directly in relation to

- (a) Any Formal Investigation of the Company or any Insured Person, where an Insured Person is, during the Period of Insurance, in writing, first required to attend before, produce documents to, or identified as being the subject of, any examination, enquiry or investigation by an Official Body.
- (b) Any Company raid on or on-site visit by an Official Body which first occurs during the Period of Insurance involving the production, review, copying or confiscation of records, or the interview of any Insured Person.
- (c) A notification by way of self reporting first made during the Period of Insurance by the Company or any Insured Person to an Official Body that such Insured Person is or may be in breach of legal or regulatory duty.

This cover does not apply to any sector or industry wide investigation or enquiry, nor to any routine regulatory, audit, compliance, or internal review, inspection or examination.

Policy Cover Sections

Extensions to Section 1

(1) Spouses, Heirs or Legal Representatives

In the event of an Insured Person's death, incapacity, insolvency or bankruptcy, We will indemnify or pay the loss of their lawful heirs, marital spouse, civil partner (as defined in the Civil Partnership Act 2004 or any subsequent amendments or re-enactment), estate or legal representatives in respect of any legal liability which arises purely by reason of that lawful status for Loss arising from a Claim as the result of a Wrongful Act provided that

- (a) such Claim is first made during the Period of Insurance and notified to Us in accordance with the Claims Conditions, and
- (b) such Loss is not recoverable from the Company in which case cover under Section 1.2, Company Reimbursement, will apply.

(2) Outside Directorships

We will indemnify or pay the loss of any Insured Person for Loss arising from a Claim as the result of a Wrongful Act while acting in their capacity as an Outside Entity Director, provided that

- (a) such Claim is first made during the Period of Insurance and notified to Us in accordance with the Claims Conditions,
- (b) such Loss is not recoverable from any other source, including but not limited to
 - (i) any directors' and officers' insurance maintained by the Outside Entity, or
 - (ii) any indemnification available from the Outside Entity
- (c) this cover shall not extend to the Outside Entity itself or to any other director, officer or employee of the Outside Entity.

(3) Bodily Injury (including Manslaughter Proceedings) Defence Costs

We will pay Defence Costs arising from any Claim made directly against an Insured Person for Bodily Injury (including Manslaughter Proceedings) as the result of a Wrongful Act provided that such Claim is first made during the Period of Insurance and notified to Us in accordance with the Claims Conditions.

We will also pay on behalf of an Insured Person their costs, incurred with Our prior written consent, of obtaining separate legal advice on their involvement or implication in any internal or external investigation concerning, or proceedings against the Company for, Corporate Manslaughter.

Policy Cover Sections

Extensions to Section 1 *(continued)*

(4) Property Damage Defence costs

We will pay Defence Costs arising from any Claim made directly against an Insured Person for Property Damage as the result of a Wrongful Act provided that such Claim is first made during the Period of Insurance and notified to Us in accordance with the Claims Conditions.

(5) Retired Insured Persons Cover

If this Section is neither renewed nor replaced with similar cover Retired Insured Persons shall be entitled to an extended reporting period of 72 months. This extended reporting period shall commence from the expiry date of the Period of Insurance and shall, for each Retired Insured Person, apply only to Wrongful Acts prior to the date on which that Retired Insured Person became a Retired Insured Person.

A Claim made during an extended reporting period shall be deemed to have been made during the Period of Insurance immediately preceding that extended reporting period. If any Company takes out any other insurance policy which affords cover similar to the extended reporting period described above, then the extended reporting period shall come to an end or, if not yet obtained, cease to be available.

(6) Emergency Costs

If Our prior written consent to incurring Defence Costs or Legal Representation Expenses cannot reasonably be obtained, We will provide retrospective approval for reasonable and necessary Defence Costs or Legal Representation Expenses incurred during the period of 14 days only immediately following the date on which the Claim was first made or instituted.

Our total liability under this extension of cover for all Insured Persons shall not exceed 10% of the Limit of Indemnity.

(7) Personal Tax Liability

We will indemnify or pay the loss of any Insured Person for Loss arising from or in consequence of their personal liability for unpaid taxes where the Company has become insolvent. We will not provide indemnity where the personal liability arises from any Insured Person's wilful intent to breach statutory duties governing the payment of taxes.

Our total liability under this extension of cover for all Insured Persons is £100,000.

(8) Civil Fines and Penalties

We will pay, on behalf of any Insured Person, civil fines or penalties imposed by any Official Body, as a direct result of that Insured Person acting in their capacity as such, unless the civil fine or penalty is deemed uninsurable.

Policy Cover Sections

Extensions to Section 1 *(continued)*

LIFESTYLE & REPUTATION PROTECTION COSTS AND EXPENSES

(9) Crisis Event and Reputation Protection Costs

We will pay on behalf of any Insured Person any reasonable costs and expenses incurred by them for the services of a public relations or crisis management consultancy, or law firm to limit adverse publicity arising from a Crisis Event, provided that

- (a) such costs and expenses are incurred with Our prior written consent and
- (b) the Crisis Event may become the subject of a Claim under this Section.

Our total liability under this extension of cover for all Insured Persons is £100,000.

(10) Court Attendance Costs

We will pay to the Insured £500 per Insured Person for each day (or part thereof) any such Insured Person is required to attend court or a Formal Investigation in connection with a Claim for which there is cover under this policy.

Our total liability under this extension of cover in respect of all Insured Persons is £25,000.

(11) Bail Bond Costs

We will pay on behalf of any Insured Person, Bail Bond Costs incurred directly in connection with a Claim covered under this policy during the Period of Insurance.

Our total liability under this extension of cover for all Insured Persons is £100,000.

(12) Defence Costs for Extradition, Deportation and Asset Protection

We will pay Defence Costs on behalf of any Insured Person to defend or seek the discharge or revocation of any court order made in proceedings commenced during the Period of Insurance, concerning

- (a) confiscation, assumption of ownership and control, suspension or freezing of the Insured Person's assets
- (b) charges over the Insured Person's real property or personal assets
- (c) temporary or permanent prohibition placed upon the Insured Person by reason of holding office or performing the function of Director or Officer of the Company
- (d) restriction of the Insured Person's liberty to a specified domestic residence or an official detention
- (e) deportation of the Insured Person following a court order revoking a valid current immigration status for reasons other than the criminal conviction of the Insured Person

Policy Cover Sections

Extensions to Section 1 (continued)

- (f) an official request for, or warrant for arrest for the purpose of, extradition of the Insured Person

For the purposes of this extension of cover, where We have given Our prior written consent, the definition of Defence Costs shall be extended to include reasonable and necessary fees costs and expenses for

- (i) accredited counsellors or tax advisors retained by any Insured Person in connection with Extradition Proceedings against that Insured Person
- (ii) public relations consultants retained by any Insured Person in connection with Extradition Proceedings against that Insured Person.

Our total liability under this extension of cover for all Insured Persons is £100,000.

(13) Court Deprived Assets Additional Costs

Where during the Period of Insurance an Insured Person, in relation to a Claim covered under this policy, is the subject of an interlocutory or interim court order which controls, freezes, suspends, confiscates or creates a charge over the real property or personal assets of an Insured Person, and provided any personal allowance ordered by the court in their respect has first been exhausted, We will pay the cost of the following for which the Insured Person is responsible, direct to their provider

- (a) school fees,
- (b) housing,
- (c) supply of utilities,
- (d) private insurances,

for a period of 6 months from the relevant court order or until the date of its discharge, whichever is the lesser period.

Our total liability under this extension of cover for all Insured Persons is £100,000.

EXTENSIONS TO SECTION 1: COVER IN ADDITION TO THE LIMIT OF INDEMNITY

(14) Additional Limit of Indemnity for Insured Persons

We will provide an additional indemnity for Loss in respect of an Insured Person if the Limit of Indemnity of this Section of cover for the Period of Insurance as stated in the Schedule is exhausted, provided that

- (a) further liability shall only be for Loss covered under Policy Cover Section 1 Directors & Officers Liability,
and
- (b) We will not provide such indemnity until all other limits written specifically in excess of this Section of cover have been exhausted by payment of matters covered under such insurance.

Our total liability under this extension of cover for all Insured Persons which is in addition to the Limit of Indemnity is £100,000 in the aggregate during the Period of Insurance.

Policy Cover Sections

Extensions to Section 1 *(continued)*

(15) Additional Limit of Indemnity for Non Executive Directors

We will provide an additional indemnity for Defence Costs in respect of a non-executive director of the Company if the Limit of Indemnity of this Section of cover for the Period of Insurance as stated in the Schedule is exhausted, provided that

- (a) further liability shall only be for Defence Costs covered under Policy Cover Section 1 Directors & Officers Liability, and
- (b) We will not provide such indemnity until the Additional Limit of Indemnity for Insured Persons (Extension 14 above) has been exhausted by payment of matters covered under such extension

Our total liability under this extension of cover for all non-executive directors of the Company which is in addition to the Limit of Indemnity is 10% of the Limit of Indemnity of this policy, in the aggregate during the Period of Insurance.

Exceptions Applicable to Section 1 Only

We will not provide indemnity in respect of or make any payment for

(1) Bodily Injury

any Claim for Bodily Injury except for Defence Costs covered under extension 3 to Policy Cover Section 1 or any Claim for emotional distress in connection with an Employment Wrongful Act.

(2) Professional Services and Advice

any Claim arising directly or indirectly from or in consequence of or in any way relating to the provision of, or failure to provide, professional service or professional advice or a breach of any contract for the provision of professional services or professional advice, unless arising from a failure to provide supervision.

(3) Pollution

any liabilities arising directly or indirectly from or in consequence of or in any way relating to Pollution clean up, removal, containment or treatment costs.

Section 2 – Employment Practices Liability

We will indemnify or pay the loss of the Company for Loss arising from any Claim first made during the Period of Insurance against the Company for any Employment Wrongful Act and notified to Us in accordance with the Claims Conditions.

Our total liability under this Policy Cover Section shall not exceed the Limit of Indemnity. We shall not be liable for the Excess or any lesser amount for which a Claim or Loss may be settled.

Extensions to Section 2

(1) Disability Obligation Defence Costs

We will pay Defence Costs, on behalf of the Company in the investigation or defence of any Claim arising from an actual or alleged breach of legal obligation by the Company to make any reasonable adjustments to premises or working practices to meet the needs of a person with a disability.

Policy Cover Sections

Extensions to Section 2 (continued)

(2) Employee Payments Defence Costs

We will pay Defence Costs, on behalf of the Company in the investigation or defence of any Claim arising from any payment due to an Employee in accordance with

- (a) the contract of employment including
 - (i) compensation payable in respect of contractual or statutory notice periods and payments due on redundancy (however this exception does not apply to a Claim for Retaliation)
 - (ii) the repayment of deductions wrongfully made from salary, wages or benefits or from any other form of payment due
- (b) any law or duty relating to any minimum wage legislation (however this exception does not apply to a Claim for Retaliation).

(3) Injunctive & Non-Monetary Relief Defence Costs

We will pay Defence Costs, on behalf of the Company in the investigation or defence of any order for, grant of or agreement to provide perpetual or interim injunctive relief or any non-monetary relief.

(4) Employee Reinstatement Defence Costs

We will pay Defence Costs, on behalf of the Company in the investigation or defence of any Claim arising from a court or other order for the reinstatement of an Employee.

Exceptions Applicable To Section 2 Only

We will not provide indemnity in respect of or make any payment for

(1) Strikes & Trade Union Activity

any Claim arising directly or indirectly from or in consequence of or in any way relating to strikes, lockouts, collective bargaining agreements or involvement in other trade union activities (however this exception will not apply to a Claim for Retaliation).

(2) Insurance Obligation

any Claim arising directly or indirectly from or in consequence of or in any way relating to an actual or alleged breach of legal obligation to obtain or maintain insurance or any legal obligation to obtain or maintain insurance relating to any legally required sickness, healthcare, disability, pension, benefit or national insurance system (however this exception will not apply to a Claim for Retaliation).

(3) Disability Obligation

any Claim arising directly or indirectly from or in consequence of or in any way relating to an actual or alleged breach of legal obligation by the Company to make any reasonable adjustments to premises or working practices to meet the needs of a person with a disability, other than as provided under extension 1 to Policy Cover Section 2.

Policy Cover Sections

Exceptions Applicable To Section 2 Only *(continued)*

(4) Employee Payments

any Claim arising directly or indirectly from or in consequence of or in any way relating to any payment due to an Employee in accordance with

- (a) the contract of employment including
 - (i) compensation payable in respect of contractual or statutory notice periods and payments due on redundancy (however this exception does not apply to a Claim for Retaliation)
 - (ii) the repayment of deductions wrongfully made from salary, wages or benefits or from any other form of payment due
- (b) any law or duty relating to any minimum wage legislation (however this exception does not apply to a Claim for Retaliation)

other than as provided under extension 2 to Policy Cover Section 2.

(5) Injunctive & Non-Monetary Relief

the cost of compliance or non compliance with any order for, grant of or agreement to provide perpetual or interim injunctive relief or any non-monetary relief, other than as provided under extension 3 to Policy Cover Section 2.

(6) Employee Reinstatement

the cost of complying or refusing to comply with a court or other order for the reinstatement of an Employee, other than as provided under extension 4 to Policy Cover Section 2.

(7) Company & Employee Benefit Claims

any Claim arising directly or indirectly from or in consequence of or in any way relating to any

- (a) Benefit Scheme
- (b) activities of any corporate pension trustee company.

Section 3 – Corporate Legal Liability

We will indemnify or pay the loss of the Company for Loss arising from any Claim first made during the Period of Insurance against the Company for any Company Wrongful Act and notified to Us in accordance with the Claims Conditions.

Our total liability under this Policy Cover Section shall not exceed the Limit of Indemnity. Any inner limits shown are within and not in addition to the Limit of Indemnity and apply in the aggregate in the Period of Insurance.

We shall not be liable for the Excess or any lesser amount for which a Claim or Loss may be settled.

Policy Cover Sections

Extensions to Section 3

(1) Breach of Contract Defence Costs

We will pay Defence Costs arising from a Claim for a breach of an express written contractual obligation or agreement.

Our total liability under this extension of cover is £100,000.

(2) Copyright Infringement Defence Costs

We will pay Defence Costs arising from a Claim for misappropriation, infringement or breach of copyright, patent, trademark, trade secret or intellectual property rights as a result of a Company Wrongful Act.

Our total liability under this extension of cover is £100,000.

(3) Bodily Injury and Corporate Manslaughter Defence Costs

We will pay Defence Costs arising from a Claim for any Bodily Injury as the result of a Company Wrongful Act including proceedings for Corporate Manslaughter.

Our total liability under this extension of cover is £100,000. This cover will only apply in excess of any other more specifically relevant and collectable insurance and/or indemnification available from any other source.

(4) Health and Safety Investigation Costs

We will pay the Company for Defence Costs incurred by them arising from the Company or any Company's representative's involvement in any Health and Safety Investigation first commenced during the Period of Insurance.

Our total liability under this extension of cover is £100,000.

(5) Identity Fraud Investigation Costs

If parties other than any Employee or person with the authorisation of the Company enter into agreements with any third party organisation fraudulently representing themselves as the Company then We will pay any reasonable and necessary fees, costs and expenses incurred by the Company in establishing that such fraudulent misrepresentation has occurred should the third party organisation seek to enforce such agreements against the Company.

Our total liability under this extension of cover is £50,000.

(6) Pollution Defence Costs

We will pay Defence Costs arising from a Claim for Pollution resulting from a Company Wrongful Act.

Our total liability under this extension of cover is £250,000.

Policy Cover Sections

Extensions to Section 3 (continued)

(7) Crisis Event and Reputation Protection Costs

We will pay on behalf of the Company any reasonable costs and expenses incurred by it for the services of a public relations or crisis management consultancy, or law firm to limit adverse publicity arising from a Crisis Event, provided that

- (a) such costs and expenses are incurred with Our prior written consent and
- (b) the Crisis Event may become the subject of a Claim under this Section.

Our total liability under this extension of cover is £100,000.

Exceptions Applicable to Section 3 Only

We will not provide indemnity in respect of or make any payment for

(1) Competition & Trade Interference

any Claim arising directly or indirectly from or in consequence of or in any way relating to a breach of law or regulation or other legal obligation concerning competition or for interference with trade.

(2) Insured Person and Company Claims

any Claim arising directly or indirectly from or in consequence of or in any way brought by the Company or any Insured Person.

(3) Breach of Contract

any Claim arising directly or indirectly from or in consequence of or in any way relating to any actual or alleged breach of contractual obligation except for Defence Costs covered under extension 1 to Policy Cover Section 3.

(4) Intellectual Property, Confidentiality & Data Protection

any Claim arising directly or indirectly from or in consequence of or in any way relating to any misappropriation, infringement or breach of copyright, patent, trademark, trade secret, misuse of confidential information, infringement of data law protection, the tort of passing-off or intellectual property rights except for Defence Costs covered under extension 2 to Policy Cover Section 3.

(5) Pollution

any Claim arising directly or indirectly from or in consequence of or in any way relating to Pollution, except for Defence Costs under extension 6 to Policy Cover Section 3.

(6) Tax

any Claim for direct or indirect tax obligations.

(7) Professional - Services and Advice

any Claim arising directly or indirectly from or in consequence of or in any way relating to the provision of, or failure to provide, professional services or professional advice or a breach of any contract for the provision of professional services or professional advice.

(8) Company & Employee Benefit Claims

any Claim arising directly or indirectly from or in consequence of or in any way relating to any

- (a) Benefit Scheme
- (b) activities of any corporate pension trustee company.

(9) Bodily Injury

any Claim for Bodily Injury except for Defence Costs covered under extension 3 to Policy Cover Section 3.

(10) Employment Practices Liability

Any Claim arising directly or indirectly from or as a consequence of or in any way relating to any Employment Wrongful Act.

Claims Conditions

Claims Conditions Applicable to all Sections of Cover

IMPORTANT NOTICE

If, in relation to any Claim, the Company or any Insured Person fails to fulfil or observe the requirements imposed upon it by conditions (1a), (1c), (2) or (3) the Company or any Insured Person will lose their right to indemnity or payment for that Claim.

(1) Claims Notification

If during the Period of Insurance, or any applicable Discovery Period or Extended Reporting Period, and irrespective of the effect of any applicable Excess, the Company or any Insured Person

- (a) receives any Claim or notice of intention to make a Claim, the Company shall give written notice to Us as soon as practicable,
- (b) becomes aware of any circumstance that might give rise to a Claim, the Company shall give written notice to Us of such circumstance as soon as practicable. Any Claim subsequently arising from any circumstance notified to Us shall be deemed to have first been made during the Period of Insurance in which the notice of such circumstance was first received by Us,
- (c) has a reasonable cause for suspicion of any dishonesty or fraud on the part of any Insured Person, whether giving rise to a Claim or not, the Company shall give written notice to Us of such discovery as soon as practicable,

provided always that any such written notice above must be received by Us during the Period of Insurance or within 30 days of the expiry of the Period of Insurance or within any applicable Discovery Period or Extended Reporting Period.

Any written notice should be sent to:

The Senior Claims Manager

Aviva Corporate and Speciality Risk

Level 18

St Helens

1 Undershaft

London EC3P 3DQ

Tel. 020 7157 2569

Email: prclms@aviva.co.uk

(2) Admission of Liability

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, the Company or any Insured Person must not admit liability for or settle or attempt to settle any Claim, or incur any related costs or expenses, without Our prior written consent.

(3) Claims Control and Subrogation

In the event of a Claim or the discovery of a circumstance that might give rise to a Claim, We will be entitled but not obliged, at Our own expense and at any time, to take over and conduct in the name of the Insured Person or the Company the investigation, defence or settlement of any such Claim or the investigation of any such circumstance.

Claims Conditions

Claims Conditions Applicable to all Sections of Cover *(continued)*

We shall not settle without the consent, not to be unreasonably withheld, of the Insured Person or the Company. If however the Insured Person or the Company shall refuse to consent to any settlement recommended by Us, then Our liability for such Claim (including Defence Costs) shall not exceed the amount for which the Claim could have been settled inclusive of Defence Costs, up to the date of such refusal and then only up to the Limit of Indemnity stated in the Schedule. If We do take over and conduct the investigation, defence or settlement of any such Claim or the investigation of any such circumstance, the Company or any Insured Person shall give Us all such information and assistance as We may reasonably require and that is in the Company's or any Insured Person's power to provide.

Without prejudice to the generality of the above, this duty to assist Us includes

- (a) providing all such information, assistance, signed statements as may be required to facilitate compliance with any civil procedure rules, practice directions and pre-action protocols as may be issued
- (b) allowing Us to present the best possible defence of a Claim within the time constraints available
- (c) ensuring ready access to all and any information that We may require in the defence of a Claim or investigation of a Loss
- (d) ensuring the payment, on demand, of the Excess in conjunction with the terms of any settlement agreed by Us

We retain all rights of recovery available to the Company or any Insured Person in respect of any payment which may be made under this policy, and shall be entitled to prosecute any party, for Our benefit, in the name of the Company or any Insured Person, in respect of such payment.

If a Claim or circumstance is made against both the Company and an Insured Person, We shall only pay such proportion of any Loss and/or any reasonable Defence Costs and/or expenses incurred by the Insured Person and/or Company with Our prior written consent.

The Company or any Insured Person shall refund any Defence Costs and/or expenses paid by Us if it is later established by Us that the Company or any Insured Person is not entitled, for any reason, to an indemnity under the Policy.

(4) Originating Cause

All Claims or Losses arising directly or indirectly from or attributable to one source or originating cause shall be treated for the purposes of the Limit of Indemnity as a single Claim or Loss and shall be deemed to have been first made and reported at the date of the first of such related matters.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover

(1) Non Disclosure, Misrepresentation or Misdescription

(a) Before this policy was entered into

If You have breached Your duty to make a fair presentation of the risk to Us before this policy was entered into, then:

- where the breach was deliberate or reckless, We may avoid this policy and refuse all claims, and keep all premiums paid;
- where the breach was neither deliberate nor reckless, and but for the breach:
 - We would not have agreed to provide cover under this policy on any terms, We may avoid this policy and refuse all claims, but will return any premiums paid
 - We would have agreed to provide cover under this policy but on different terms (other than premium terms), We may require that this policy includes such different terms with effect from its commencement and/or
 - We would have agreed to provide cover under this policy but would have charged a higher premium, Our liability for any loss amount payable shall be limited to the proportion that the premium We charged bears to the higher premium We would have charged, as outlined in Schedule 1 to the Insurance Act 2015.

(b) Before a variation was agreed

If You have breached Your duty to make a fair presentation of the risk to Us before any variation to this policy was agreed, then:

- where the breach was deliberate or reckless, We may cancel this policy with effect from the date of the variation, and keep all premiums paid
- where the breach was neither deliberate nor reckless, and but for the breach:
 - We would not have agreed to the variation on any terms, We may treat this policy as though the variation was never made, but will return any additional premiums paid
 - We would have agreed to the variation but on different terms (other than premium terms), We may require that the variation includes such different terms with effect from the date it was made.
and/or
 - We would have agreed to the variation but would have increased the premium, or would have increased it by more than We did, or would not have reduced it or would have reduced it by less than We did, Our liability for any loss amount payable shall be limited on a proportionate basis, as outlined in Schedule 1 to the Insurance Act 2015.

This condition operates in addition to any provisions relating to underinsurance in this policy.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover *(continued)*

(2) Change of Control

If during the Period of Insurance, in respect of any insured limited company

- (a) an offer is made, and declared or made unconditional, for the whole, or a controlling interest in the issued share capital of the Company, or
- (b) there is a change in ownership of the controlling interest of the share capital of the Company, or
- (c) a person or persons acting in concert acquires a majority of the voting rights to appoint or remove Directors of the Company

We will only provide indemnity in respect of any Wrongful Act committed prior to the date such offer was declared or made unconditional or the change of ownership became effective or the majority of the voting rights were acquired.

If during the Period of Insurance, in respect of any insured limited liability partnership

- (a) the number of Members of the limited liability partnership becomes reduced to 50% or less of the number of Members of the limited liability partnership at the start of the Period of Insurance, or
- (b) the number of Members of the limited liability partnership at the start of the Period of Insurance is 10 or more and, during the Period of Insurance, that number becomes increased by 100% or more

the limited liability partnership must give written notice of that reduction or increase, and such information as We may require, to Us within 90 days following the time when that reduction or increase is reached. We shall have the right to amend the terms of this cover, including charging an additional premium and including terminating cover, but only with effect from 90 days after the time when that reduction or increase occurs.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover *(continued)*

(3) Acquisition, Creation or Disposal of Another Company

We will automatically extend the indemnity available under this policy where the Company establishes or acquires a new Subsidiary Company during the Period of Insurance, provided that the newly established or acquired Subsidiary Company

- (a) is not registered and does not have any employees, operations or assets, outside of the United Kingdom or any other territory where the Company already holds such registration or has employees, operations or assets, and
- (b) is not quoted on any stock exchange, and
- (c) does not have gross consolidated assets in excess of 30% of the gross consolidated assets of the Company as declared in the Company's last audited accounts.

Unless automatic coverage applies, as set out above, the Company must

- (a) give Us written notice of any such events as soon as practicable, together with such additional information as We may require, and
- (b) accept any notified alteration to the terms of this policy, and
- (c) pay any additional premium required by Us.

Unless otherwise agreed, We will only provide indemnity for Loss in respect of a Wrongful Act committed after the date the new or additional Subsidiary Company was established or acquired by the Company.

In the event of the liquidation or sale of a Subsidiary Company during the Period of Insurance, We will continue to provide an indemnity for Loss in respect of such Subsidiary Company but only in respect of any Wrongful Act committed prior to the date of liquidation or sale.

(4) Discovery Period

If this policy is not renewed by either You or Us at the end of the Period of Insurance and no similar insurance policy is effected elsewhere, You have a 90 day Discovery Period commencing immediately following the date of expiry but only in relation to Wrongful Acts committed during the Period of Insurance. Such Claims and circumstances notified to Us during the Discovery Period are deemed to have been made during the Period of Insurance.

If You elect to purchase an Extended Reporting Period then the Discovery Period shall be part of and not in addition to the Extended Reporting Period.

No Discovery Period will be available following a cancellation of the policy in accordance with the provisions of Policy Condition (12) Cancellation.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover *(continued)*

(5) Extended Reporting Period

- (a) If this policy is not renewed by either You or Us at the end of the Period of Insurance and no similar insurance policy is effected elsewhere, You are entitled to purchase an Extended Reporting Period on the terms set out below
- (i) 12 months for 75% of the last annual premium payable in respect of this policy
 - (ii) 36 months for 150% of the last annual premium payable in respect of this policy.

The application to purchase any Extended Reporting Period must be made and the premium paid to Us (such premium being non-refundable) within 90 days of the expiry of the Period of Insurance. Cover for this Extended Reporting Period will only apply to Wrongful Acts committed prior to the expiry of the Period of Insurance.

The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute Us declining to renew.

- (b) If a Transaction takes place, the Company is not entitled to purchase an Extended Reporting Period on the terms as set out above. However the Company will have the right within 30 days of the expiry of the Period of Insurance to request an offer from Us of an Extended Reporting Period policy of up to 72 months. We may offer cover on such terms as We may reasonably consider appropriate.
- (c) A Claim made during an Extended Reporting Period shall be deemed to have been made during the Period of Insurance immediately preceding that Extended Reporting Period. If any Company takes out any other insurance policy which affords cover similar to the Extended Reporting Period described in (a) and (b) above, then the Extended Reporting Period shall come to an end or, if not yet obtained, cease to be available.

No Extended Reporting Period will be available following cancellation of the policy in accordance with the provisions of Policy Condition (12) Cancellation.

(6) Allocation

We will do all that is reasonably required to determine a fair and equitable allocation between any Loss which is covered and any other losses or costs which are not covered under this policy taking into account the relative legal liability of each party involved.

If We cannot agree on a fair and equitable allocation with the Company or any Insured Person, then the issue will be referred to a senior barrister (to be mutually agreed upon by the Insured Person, the Company and Us within 14 days, failing which the appointment to be made by the president of the London Court of International Arbitration) for arbitration whose decision shall be based on the same principle as above and binding on all parties.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover *(continued)*

(7) Authorisation

You shall act on behalf of any Company or any Insured Person or any other persons who may be entitled to indemnity under this policy in respect of:

- (a) notification of any Claims in accordance with the policy Claims Conditions
- (b) payment of premiums or the receiving of any return premiums that may become due under this policy
- (c) negotiation, agreement to and acceptance of renewal terms and endorsements applying to this policy.

(8) Severability of Exceptions

For the purposes of determining whether an exception applies, no fact pertaining to the conduct of any Insured Person or Subsidiary Company shall be imputed to any other Insured Person or Subsidiary Company.

(9) Contracts (Rights of Third Parties)

A person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this policy. This does not affect any right or remedy of a third party which exists or is available apart from that act.

(10) Liquidation

In the event of Your liquidation, this policy shall remain in force until the expiry date of the Period of Insurance where the full premium for the policy has been paid. We will continue to provide indemnity but only in respect of any Claim or other covered Loss which is the result of a Wrongful Act committed prior to the date of liquidation. Where the premium is paid by instalments and any amounts remain unpaid at the date of liquidation, then all cover under this policy will cease with effect from the date of liquidation.

The date of liquidation will be deemed to be the date on which

- (a) resolution for voluntary liquidation is passed by You, or
- (b) a petition for compulsory liquidation is presented to the relevant authority.

(11) Other Insurances

If an Insured Person or the Company is, or would be, but for the existence of this policy, entitled to indemnity under any other more specifically relevant and collectable insurance policy in respect of any Claim or Loss, We shall not be liable for any Loss except in respect of any amount in excess of that which would have been payable under such insurance had this policy not been effected.

Where an Outside Entity may provide indemnity and/or has its own relevant and collectable insurance for the benefit of any Insured Person, We will only be liable under this policy in excess of such other indemnity or insurance.

Policy Conditions

Policy Conditions Applicable to all Sections of Cover *(continued)*

(12) Cancellation

This policy may not be cancelled except for non-payment of the premium by the Insured.

Where the premium is due in a single payment and has not been paid by the due date, We will cancel this policy with effect from the effective date. Such cancellation will be confirmed in writing by Us to Your last known address.

Where the premium is payable by an Aviva credit agreement which finances this policy and there is a default under such credit agreement, We may cancel this policy by providing notice in writing to You in accordance with the default termination provisions set out in Your Aviva credit agreement.

(13) Severability of Proposal

Nothing in the Proposal, known or done by any Insured Person, shall be imputed to any other Insured Person in determining any right or obligation under this policy.

(14) Fraud

If a claim made by You or anyone acting on Your behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may

- (a) refuse to pay the claim
- (b) recover from You any sums paid by Us to You in respect of the claim
- (c) by notice to You cancel the policy with effect from the date of the fraudulent act without any return of premium

If We cancel the policy under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have in respect of the provision of cover before the time of the fraudulent act.

If this policy provides cover to any person other than You and a claim made by such person or anyone acting on their behalf is fraudulent or fraudulently exaggerated or supported by a false statement or fraudulent means or fraudulent evidence is provided to support the claim, We may

- (a) refuse to pay the claim
- (b) recover any sums paid by Us in respect of the claim (from You or such person, depending on who received the sums or who benefited from the cover provided)
- (c) by notice to You and such person cancel the cover provided for such person with effect from the date of the fraudulent act without any return of premium in respect of such cover

If We cancel a person's cover under (c) above, then We may refuse to provide cover after the time of the fraudulent act. This will not affect any liability We may have under such cover occurring before the time of the fraudulent act.

Policy Exceptions

Policy Exceptions Applicable to all Sections of Cover (for which there is no Indemnity under this Policy)

The following Policy Exceptions apply to all Sections of Cover:

We will not provide indemnity in respect of or make any payment for

(1) Prior or Pending Proceedings or Investigations

any Claim arising directly or indirectly from or in consequence of or in any way relating to any administrative, civil, criminal or regulatory proceedings or investigations which have been issued or commenced prior to, or which are pending at, the prior and pending litigation date stated in the Schedule applicable to the relevant Policy Cover Section, or which is based on the same or essentially the same facts as alleged in any such Claim.

(2) Prior Claims and Circumstances

any Claim or circumstance that might give rise to a Claim

- (a) which has been notified to and accepted under any other insurance attaching prior to the inception of any operative Policy Cover Section or
- (b) against an Insured Person which such Insured Person should after reasonable enquiry have been aware of prior to the inception of Policy Cover Section 1 or
- (c) against the Company which the Company should after reasonable enquiry have been aware of prior to the inception of Policy Cover Sections 2 or 3.

(3) Conduct

any Claim arising directly or indirectly from or in consequence of or in any way relating to

- (a) any dishonest or fraudulent act or omission or deliberate breach of any statute or regulation by any Insured Person, any Company or any Outside Entity
- (b) any Insured Person, any Company or any Outside Entity having gained directly, or for any other party, any profit, remuneration or advantage to which they were not legally entitled

if either admitted in writing or established by a court judgement or other final adjudication.

(4) Property Damage

any Claim for Property Damage except for Defence Costs of an Insured Person covered under extension 4 to Policy Cover Section 1.

(5) Public Share Offering in the USA or Canada

any Claim or Loss arising directly or indirectly from or in consequence of or in any way relating to any actual or proposed offering to the public of the share capital of the Company made in the United States of America, its territories or possessions or Canada except where We have agreed separately and in writing to extend cover in this regard and subject to prior payment of any additional premium and prior acceptance of any amended or additional terms and conditions We may require, by You.

Policy Exceptions

**Policy
Exceptions
Applicable to all
Sections of
Cover (for which
there is no
Indemnity under
this Policy)**
(continued)

(6) Territorial Limits

any Claim or Loss arising directly or indirectly from or in consequence of or in any way relating to Business Activities in countries outside the Territorial Limits.

(7) USA Claims brought by any Company

Any USA Claim which is brought by or on behalf of any Company against any Company or Insured Person, or by any Outside Entity against any Outside Entity Director.

This Exception shall not apply to

(a) Any USA Claim against any Insured Person

(i) Pursued by any security holder or member of any Company or Outside Entity whether directly or derivatively, or pursued as a class action, and that has not been solicited or brought with the voluntary intervention, assistance or active participation of any Insured Person or Company, other than an Insured Person engaged in 'whistle-blower' activity protected pursuant to Sarbanes-Oxley Act 2002 or similar legislation

(ii) If the Company or Outside Entity is the subject of a bankruptcy case (or the equivalent in International Jurisdiction), brought by the liquidator, receiver or administrative receiver provided that such Claim is not solicited or assisted by any Insured Person

(b) Defence Costs of an Insured Person.

Policy Definitions

Each time We use one of the words or phrases listed below it will start with a capital letter and it will have the same meaning wherever it appears in the policy.

Bail Bond Costs

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

Benefit Scheme

Any

- (1) pension scheme, programme or plan
- (2) profit sharing, share option or share purchase scheme
- (3) health and welfare or other Employee benefit plan or trust

established or conducted for the benefit of the Company or any Employee and their families and dependants.

Bodily Injury

Any injury, death, illness, disease, sickness, psychological injury, emotional distress or nervous shock.

Business Activities

The activities of the Company as declared by Us in the Proposal as stated in the Schedule.

Claim

Any

- (1) demand, whether oral or in writing, for damages, compensation or specific non-pecuniary relief
- (2) notice of intention whether oral or in writing to commence civil proceedings including third party proceeding, counterclaim or arbitration proceeding including Disqualification Proceedings
- (3) notice of intention, whether oral or in writing, to commence criminal proceedings including Extradition Proceedings
- (4) notice of formal administrative or formal regulatory proceedings
- (5) official notice of a Formal Investigation
- (6) raid or on-site visit by an Official Body
- (7) self report to an Official Body of possible breach of legal or regulatory duty by an Insured Person.

Company

The Insured and any Subsidiary Companies.

Policy Definitions

Company Wrongful Act

Any

- (1) breach of duty including breach of trust
- (2) negligent act, error or omission
- (3) defamation committed in good faith
- (4) breach of warranty of authority
- (5) negligent misstatement or misleading statement

actually or allegedly committed or attempted by the Company and arising from Business Activities within the Territorial Limits.

Corporate Manslaughter

The prosecution of the Company under the Corporate Manslaughter and Corporate Homicide Act 2007 or any subsequent amendment or re-enactment.

Crisis Event

Any

- (1) allegations of fraud or corruption against an Insured Person
- (2) serious injury to an Employee or member of the public
- (3) resignation or dismissal of any member of the Company's main board of directors
- (4) Formal Investigation or Company raid by any Official Body or other institution that is sanctioned to investigate the Company's affairs

where, as a consequence of negative publicity or media attention, We agree with the Company or an Insured Person that the commercial success of the Company and/or the reputation of any Insured Person is at risk.

Defence Costs

The reasonable and necessary costs and expenses incurred by an Insured Person or the Company, with Our prior written consent, in the investigation or defence of any Claim.

Defence Costs do not include the Company's own management costs or any overtime, wages, salaries or fees of any Insured Person or any Employee.

Director

Any natural person who was, is, or becomes during the Period of Insurance a director of the Company including a de facto or Shadow Director.

Discovery Period

The period following the expiry of the Period of Insurance during which the Company or Insured Persons may first receive and be able to continue to notify Claims or circumstances likely to give rise to a Claim to Us.

Disqualification Proceedings

Proceedings commenced by pre-action protocol letter, summons, application or claim form against any Insured Person in their capacity as a Director or Officer of the Company, under the Company Directors' Disqualification Act 1986 or any subsequent amendment or re-enactment.

Policy Definitions

Employee

- (1) Any natural person who was, is or becomes during the Period of Insurance under a contract of service or apprenticeship with the Company
- (2) Any natural person who was, is or becomes during the Period of Insurance
 - (a) self-employed
 - (b) a voluntary helper
 - (c) engaged under a work experience or training scheme
 - (d) seasonal or temporary staff
 - (e) agency staff

while working under the Company's control in connection with the Business Activities of the Company.

Employment Wrongful Act

Any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by the Company or any Insured Person in their capacity as a Director, Officer or Member within the Territorial Limits in connection with any

- (1) wrongful, unlawful or unfair dismissal, discharge or termination of employment
 - (2) breach of any written or oral employment contract
 - (3) employment-related misrepresentation
 - (4) violation of employment discrimination laws
 - (5) wrongful failure to employ or promote
 - (6) wrongful demotion
 - (7) wrongful disciplinary action
 - (8) wrongful deprivation of a career opportunity
 - (9) failure to grant tenure
 - (10) failure to adopt adequate workplace or employment policies and procedures
 - (11) Retaliation against whistleblowers
 - (12) negligent evaluation of personal performance
 - (13) employment-related invasion of privacy
 - (14) employment-related breach of data protection legislation
 - (15) employment-related humiliation or defamation
 - (16) failure to provide accurate job references
- regarding any former, current or prospective Employee.

Excess

The first part of each and every payment in relation to a Claim or Loss which is payable by the Company or any Insured Person rather than Us. The amount of the Excess is stated in the Schedule.

We will refund the Excess if a final adjudication or a complete and final settlement exonerates all Insured Persons involved in such Claim from liability and imposes no recourse.

Extended Reporting Period

The period following the expiry of the Period of Insurance during which the Company or Insured Persons may first receive and be able to continue to notify Claims or circumstances likely to give rise to a Claim to Us.

Policy Definitions

Extradition Proceedings

Proceedings brought against the Insured Person in their capacity as a Director, Officer or Member of the Company under the Extradition Act 2003, or any subsequent amendment or re-enactment, or equivalent in any other jurisdiction.

Formal Investigation

Any inquiry, hearing or investigation commenced by an Official Body to investigate the Business Activities of the Company or an Insured Person in their capacity as a Director, Officer or Member of the Company.

Health and Safety Investigation

A formal enquiry into the conduct of the Company first instituted during the Period of Insurance and conducted by an enforcing authority under the Health and Safety at Work etc. Act 1974 or any subsequent amendment or re-enactment.

Insured Person

Any natural person who was, is or becomes during the Period of Insurance a Director, Officer or Member of the Company.

International Jurisdiction

Any jurisdiction other than the jurisdiction in which the policy is issued.

Legal Representation Expenses

Reasonable and necessary legal representation fees, costs, expenses and related professional charges incurred by an Insured Person.

Limit of Indemnity

The maximum amount stated in the Schedule applicable to each purchased Policy Cover Section, which We will pay in respect of any one Claim (including claimant's costs and expenses and Defence Costs) and in total for all Claims first made during any one Period of Insurance for such Policy Cover Section.

A separate Limit of Indemnity applies to each Policy Cover Section, where purchased. We have no liability in excess of this Limit of Indemnity regardless of the number of Insured Persons or Companies or the number of Claims made during the Period of Insurance or Discovery Period, except where cover is expressly stated as being additional to the Limit of Indemnity.

Loss

Sums which any Insured Person or the Company is legally liable to pay in respect of any

- (1) Defence Costs
- (2) claimants costs
- (3) damages awarded by a competent court or tribunal
- (4) settlements, if concluded with Our prior written consent
- (5) additional costs and expenses for which cover is expressly extended under any Section of this policy.

This definition does not include

- (6) criminal fines or penalties imposed by law
- (7) non compensatory damages including punitive or exemplary damages (other than damages awarded for employment related defamation)
- (8) civil fines or penalties imposed by law (other than as covered under extension 8 to Policy Cover Section 1).

Policy Definitions

Manslaughter Proceedings

Criminal proceedings brought in respect of a charge or investigations connected with a charge of involuntary, constructive or gross negligence manslaughter.

Member

A member of a limited liability partnership formed under the Limited Liability Partnerships Act 2000 or any subsequent amendment or re-enactment .

Officer

Any

- (1) Employee of the Company whilst acting in a managerial or supervisory capacity
- (2) Employee of the Company who, whilst acting as an employee, is joined as a party to any action against any Insured Person.

This definition does not include any external auditor, liquidator, administrator, receiver or solicitor of the Company.

Official Body

Any government body, government agency, government department, regulator, disciplinary body, criminal authority, or other body legally empowered to investigate the affairs of the Company or an Insured Person.

Outside Entity

An entity other than the Company which is registered and domiciled within the Territorial Limits

- (1) in which the Company holds any issued share capital, or
- (2) which is a tax-exempt non-profit organisation, a tax- exempt trade association or a registered charity and
- (3) which has a positive net worth at the inception of this policy, unless listed by endorsement as an Outside Entity.

This definition does NOT include any entity

- (4) which is a financial institution or financial services company, or
- (5) has any of its securities or equity traded on a primary, secondary or other market.

Outside Entity Director

Any Insured Person who was, is or becomes during the Period of Insurance, at the Company's specific written request, a Director, Officer, Member, trustee or similar position of an Outside Entity.

Period of Insurance

From the effective date until the expiry date stated in the Schedule.

Pollution

Any contamination by naturally occurring or man-made substances, forces or organisms or any combination of them, whether permanent or transitory and however occurring.

Property Damage

The physical damage or destruction or loss of use of any tangible property.

Policy Definitions

Proposal

Any signed proposal form, renewal declaration, statement of fact and any additional information supplied by any Insured Person, the Company or on the Company's behalf.

Retaliation

An act carried out against an Employee relating to or alleged to be in response to whistle-blowing or on account of such Employee's exercise or attempted exercise of their legally protected rights.

Retired Insured Person

Insured Persons who have ceased to act in their insured capacity prior to the expiry of the Period of Insurance for reasons other than

- (1) disqualification, on grounds relating to fitness or propriety, from holding office or from managing a company
- (2) a Transaction having taken place.

Schedule

The document which specifies the details of the Insured, Period of Insurance, Excess, Limit of Indemnity, Territorial Limits and endorsements applying to this policy.

Shadow Director

A shadow director, as defined in Section 251 of the Companies Act 2006 or any subsequent amendment or re-enactment.

Subsidiary Company

Any organisation in which the Company directly or indirectly

- (1) holds more than 50% of the voting rights or
- (2) holds more than 50% of the issued share capital, or
- (3) has the right to appoint or remove a majority of the board of directors, or
- (4) has the right to receive at least 50% of the net profits.

Territorial Limits

Territories specified in the Schedule.

Transaction

The occurrence of any of the following events

- (1) the Company ceases to trade, consolidating with or merging with another entity disposing of all or substantially all of its assets, 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 50% of the voting rights for the election of Directors of the Company, or acquiring the voting rights for such an amount of the shares, or
- (3) the Company making a private placement or public offering of its debt securities or equity securities on any security exchange.

United Kingdom

The United Kingdom (which for the purposes of this policy shall include the Isle of Man and the Channel Islands).

USA Claim

A Claim brought or maintained within the jurisdiction of, or based upon any laws of, the United States of America, its territories or possessions.

We/Us/Our/Aviva

Aviva Insurance Limited.

Policy Definitions

Wrongful Act

Any

- (1) breach of duty including fiduciary or statutory duty
- (2) negligent act, error or omission
- (3) defamation committed in good faith
- (4) breach of warranty of authority
- (5) misstatement or misleading statement not made deliberately or recklessly
- (6) wrongful trading under s.214 of The Insolvency Act 1986 or any subsequent amendment or re-enactment
- (7) Employment Wrongful Act

actually or allegedly committed or attempted by an Insured Person in their capacity as a Director, Officer or Member of the Company and arising from Business Activities within the Territorial Limits.

You/Your/ Insured

The limited liability partnership or company as named as the Insured in the Schedule.