



Policy Wording

Angel Directors and Officers Insurance

Financial Institutions

Form AFIW 11/23



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1 Introduction

This policy is a contract between **You** and **Us**. It is arranged through **Angel** on **Our** behalf.

This policy consists of this document, the **Schedule** and **Endorsements**, if any, all of which are a single document and are to be read as one contract. In this policy, certain words or phrases are specially defined. In deciding to accept this policy and in setting the terms and premium **We** have relied on the information which **You** have provided to **Us**.

We will, in consideration of the payment of the premium, insure **You**, subject to the terms and conditions of this policy, against the events set out in the Insuring Clauses and occurring in connection with the business during the **Period of Insurance** or any subsequent period for which **We** agree to accept payment of premium.

Please read this policy carefully and make sure that it meets **Your** needs. If any corrections are necessary **You** should contact **Your** broker through whom this policy was arranged.

Please keep this policy in a safe place – **You** may need to refer to it if **You** have to make a claim.

1.1 Accessibility

Upon request **Angel** can provide Braille, audio or large print versions of the policy and the associated documentation including the Policy Summary. If **You** require an alternative format **You** should contact **Your** broker through whom this policy was arranged.

1.2 Third Party Rights Contract

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 but this does not affect any right or remedy of a third party that exists or is available apart from that Act.

1.3 Law and Jurisdiction

The parties are free to choose the law applicable to this policy. Unless specifically agreed to the contrary this policy shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this policy and all communications relating to it will be in English.

1.4 Interpretation

In this policy:

- (a) reference to any Act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of the inception of this policy;
- (b) if any term, condition, exclusion or **Endorsement** or part of them is found to be invalid or unenforceable the remainder shall be in full force and effect;
- (c) the headings are for general reference only and shall not be considered when determining the meaning of this policy.



1.5

Cancellation and Cooling Off Period

(a) **Your Right to Cancel during the Cooling-Off Period**

You can cancel this policy by **Notifying Us** through **Angel** within fourteen (14) days of either:

- (i) the date **You** receive this policy; or
- (ii) the start of **Your Period of Insurance**;

whichever is the later.

A full refund of any premium paid will be made unless **You** have made a claim in which case the full annual premium is due.

(b) **Your Right to Cancel after the Cooling-Off Period**

You can cancel this policy after the cooling-off period by **Notifying Us**. Cancellation will be effective from the date of such notice to cancel. Any return of premium due to **You** will be calculated at a proportional daily rate depending on how long the policy has been in force unless **You** have made a claim in which case the full annual premium is due.

(c) **Our Right to Cancel**

We can cancel this policy, if there is a valid reason to do so, including for example:

- (i) any failure by **You** to pay the premium; or
- (ii) a change in risk which means **We** can no longer provide **You** with insurance cover; or
- (iii) non-cooperation or failure to supply any information or documentation **We** request, such as details of a claim;

by giving **You** thirty (30) days' notice in writing. Any return of premium due to **You** will be calculated at a proportional daily rate depending on how long the policy has been in force unless **You** have made a claim in which case the full annual premium is due.

Unless **We** have agreed that the premium can be paid via direct debit instalments, the premium must be paid in full within forty five (45) days of the beginning of the **Period of Insurance**. If the premium has not been received by the due date then **We** will have the right to cancel this policy in accordance with the provisions set out above. If premium due is paid in full to **Us** before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

1.6

Information You Have Given Us

In deciding to accept this policy and in setting the terms including premium **We** have relied on the information which **You** have provided to **Us**. **You** must take care when answering any questions, **We** ask by ensuring that any information provided is accurate and complete.



If **We** establish that **You** deliberately or recklessly provided **Us** with untrue or misleading information **We** will have the right to:

- (a) treat this policy as if it never existed;
- (b) decline all claims; and
- (c) retain the premium.

If **We** establish that **You** carelessly provided **Us** with untrue or misleading information **We** will have the right to:

- (i) treat this policy as if it never existed, refuse to pay any **Loss** and return the premium **You** have paid, if **We** would not have provided **You** with cover;
- (ii) treat this policy as if it had been entered into on different terms from those agreed, if **We** would have provided **You** with cover on different terms;
- (iii) reduce the amount **We** pay on any claim in the proportion that the premium **You** have paid bears to the premium **We** would have charged **You**, if **We** would have charged **You** more.

We will notify **You** in writing if (i), (ii) and/or (iii) apply.

If there is no outstanding claim and (ii) and/or (iii) apply, **We** will have the right to:

- (1) give **You** notice that **We** are terminating this policy; or
- (2) give **You** notice that **We** will treat this policy and any future claim in accordance with (ii) and/or (iii), in which case **You** may then give **Us** notice that **You** are terminating this policy.

in accordance with the Cancellation and Cooling-Off Period Provisions.

1.7 **Changes We Need to Know About**

You must tell **Us** through **Angel** as soon as practicably possible of any change in the information **You** have provided to **Us** which happens before or during any **Period of Insurance**.

When **We** are **Notified** of a change, **We** will tell **You** if this affects **Your** policy. For example, **We** may cancel **Your** policy in accordance with the Cancellation and Cooling-Off Provisions, amend the terms of **Your** policy or require **You** to pay more for **Your** insurance. If **You** do not inform **Us** about a change, it may affect any claim **You** make or could result in **Your** insurance being invalid.

1.8 **Fraud**

If **You**, or anyone acting for **You**, makes a fraudulent claim, for example a loss which is fraudulently caused and/or exaggerated and/or supported by a fraudulent statement or other device, **We**:

- (i) will not be liable to pay the claim; and
- (ii) may recover from **You** any sums paid by **Us** to **You** in respect of the claim; and
- (iii) may by notice to **You** treat this policy as having been terminated with effect from the time of the fraudulent act.



If **We** exercise **Our** right under (iii) above:

- (1) **We** shall not be liable to **You** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to **Our** liability under this policy (such as the occurrence of a loss, the making of a **Claim**, or the notification of a potential **Claim**); and.
- (2) **We** need not return any of the premium paid.

1.9 **Sanctions**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

1.10 **Complaints Procedure**

We are dedicated to providing a high quality service and **We** want to ensure that **We** maintain this at all times.

If **You** wish to make a complaint **You** can do so at any time by referring the matter to:

Complaints Department
XL Catlin Services SE, UK Branch
20 Gracechurch Street
London
EC3V 0BG
United Kingdom

Telephone Number: +44 (0)20 7743 8487
E-mail: axaxlukcomplaints@axaxl.com

XL Catlin Services SE acts on **Our** behalf in the administration of complaints.

If **You** remain dissatisfied after the Complaints Department has considered **Your** complaint, or **You** have not received a final decision within eight (8) weeks, **You** can refer **Your** complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
United Kingdom

E-mail: complaint.info@financial-ombudsman.org.uk

From within the United Kingdom

Telephone Number: 0800 0234 567 calls to this number are free on mobiles and landlines

Telephone Number: 0300 1239 123 calls to this number costs no more than calls to 01 and 02 numbers



From outside the United Kingdom

Telephone Number: +44(0)20 7964 0500

Fax Number: +44(0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

1.11 Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if **We** are unable to meet **Our** obligations under this policy. If **You** were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this policy. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY) and on their website: www.fscs.org.uk.

1.12 Regulatory Information

(a) AXA XL Insurance Company UK Limited

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308).

Registered office: 20 Gracechurch Street, London, EC3V 0BG.
Registered in England No. 5328622.

(b) Angel Risk Management Limited

Angel Risk Management Limited are authorised and regulated by the Financial Conduct Authority (Firm Reference No. 718451).

Registered office: 20 Gracechurch Street, London, EC3V 0BG.
Registered in England No. 2942487.

You can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(c) XL Catlin Services SE

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited in connection with this policy. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01HP90, Ireland.
Registered in Ireland Number 659610.

You can check this information on the Central Bank of Ireland's website at www.centralbank.ie which includes a register of all the firms they regulate.



Fair Processing Notice

(a) **AXA XL Insurance Company UK Limited**

This Privacy Notice describes how AXA XL Insurance Company UK Limited (together, “**We**”, “**Us**” or the “insurer”) collect and use the personal information of insureds, claimants and other parties (“**You**”) when **We** are providing **Our** insurance and reinsurance services.

The information provided to the insurer, together with medical and any other information obtained from **You** or from other parties about **You** in connection with this policy, will be used by the insurer for the purposes of determining **Your** application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about You, or as a consequence of any contractual relationship We have with You. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by the insurer for these purposes with group companies and third party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of **Your** personal information. Because **We** operate as part of a global business, **We** may transfer **Your** personal information outside the United Kingdom and/or the European Economic Area for these purposes.

You have certain rights regarding **Your** personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of Your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If You have questions or concerns regarding the way in which Your personal information has been used, please contact: dataprivacy@axaxl.com

We are committed to working with You to obtain a fair resolution of any complaint or concern about privacy. If, however, You believe that We have not been able to assist with Your complaint or concern, You have the right to make a complaint to the relevant Data Protection Authority.

For more information about how We process Your personal information, please see Our full privacy notice at: <http://axaxl.com/privacy-and-cookies>.

(b) **Angel Risk Management Limited**

For information about how Angel Risk Management Limited processes **Your** personal information, please see Our full privacy notice at: <https://www.angelriskmanagement.com/privacypolicy>.

Brokers, Intermediaries, Partners, Employers and Other Third Parties

If You provide us with information about someone else, We will process their personal information in line with the above. Please ensure **You** provide them with this notice and encourage them to read it as it describes how **We** collect, use, share and secure personal information when **We** provide **Our** services as an insurance and reinsurance business.



2 Insuring Clauses

2.1 Company Reimbursement

We shall reimburse or pay on behalf of the **Company** any **Loss** which the **Company** is required or permitted to pay as reimbursement to any of the **Insured Persons** resulting from a **Claim** first made against the **Insured Person** during the **Period of Insurance**, for a **Wrongful Act** or **Employment Practices Wrongful Act**.

2.2 Company Securities Claim

We shall pay the **Loss** of the **Company** resulting from any **Securities Claim** first made against the **Company** during the **Period of Insurance**, for a **Company Wrongful Act**.

2.3 Employment Practices Liability

We shall reimburse or pay on behalf of the **Company** any **Loss** resulting from a **Claim** first made against the **Company** by an **Employed Person** during the **Period of Insurance**, for an **Employment Practices Wrongful Act**.

2.4 Insured Persons

We shall pay on behalf of the **Insured Persons** any **Loss** resulting from a **Claim** first made against the **Insured Person** during the **Period of Insurance**, for a **Wrongful Act** or **Employment Practices Wrongful Act**, except for loss which the **Company** has paid on behalf of the **Insured Persons** as reimbursement.



3 Definitions

- 3.1 **Angel** means Angel Risk Management Limited.
- 3.2 **Bail Bond Costs** means the premium (not including collateral) for a bond or other financial instrument to guarantee an **Insured Person's** contingent obligation for bail required by a court in respect of any **Claim**.
- 3.3 **Change in Control** means:
- (a) **You** consolidate with or merge into or sell all or a majority of **Your** assets to any other person or entity or group of persons and/or entities acting in concert;
 - (b) any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at **Your** general meetings or control the appointment of directors who are able to exercise a majority of votes at meetings of **Your** board of directors;
 - (c) the appointment of a receiver, liquidator or administrator in respect of the **Company**, but only in relation to that **Company**; or
 - (d) a **Company** becomes a subsidiary of an entity not insured by this policy, or becomes controlled by another entity by virtue of any law.
- 3.4 **Claim** means:
- (a) a written demand for monetary or non-monetary relief;
 - (b) any civil proceeding in a court of law or equity, or arbitration;
 - (c) any criminal proceeding which is commenced by an indictment or similar proceeding;
 - (d) in respect of an **Insured Person** only, a formal civil, criminal, administrative regulatory proceeding or formal investigation of an **Insured Person** which is commenced by the filing or issuance of a notice of charges, formal investigative order or similar document identifying in writing such **Insured Person** as a person or entity against whom a proceeding as described in (b) or (c) above may be commenced, including with respect to any **Employment Practices Wrongful Act** any proceeding before any government authority regulating employment practices; or
 - (e) a **Securities Claim** or an **Employment Practices Claim**.
- 3.5 **Communicable Disease** means any illness, sickness, disease, infection, condition, or disorder caused, in whole or in part, by any direct or indirect contact with or exposure to any virus, parasite, or bacteria or any disease-causing agent of any nature regardless of the method of transmission, contact or exposure.
- 3.6 **Company** means **You** and any **Subsidiary** created or acquired on or before the inception date stated in the **Schedule** or during the **Period of Insurance**, subject to the provisions of Clause 8.
- 3.7 **Company Wrongful Act** means any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by the **Company** in connection with a **Securities Claim**.



- 3.8 **Computer System** means: any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the **Insured** or any other party.
- 3.9 **Crisis Consultants Costs** means any professional fees, costs or expenses of any reputable, specialist, or professionally qualified:
- (a) public relations firm or consultant;
 - (b) crisis management firm; or
 - (c) law firm or tax advisor.
- 3.10 **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- 3.11 **Cyber Incident** means:
- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
 - (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.
- 3.12 **Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**.
- 3.13 **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**
- 3.14 **Defence Costs** means legal fees and expenses necessarily incurred in the defence of any **Claim**, including **Bail Bond Costs**. **Defence Costs** does not include the **Company's** overhead expenses or any salaries, wages, fees, or benefits of its directors, officers or employees.
- 3.15 **Discovery Period** means the period immediately following expiry of the **Period of Insurance** during which written notice may be given to **Us** of:
- (a) any **Claim** first made during such period for any **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act**, which occurred during the **Period of Insurance**; or
 - (b) any other **Investigation**, event, or proceeding as described in the Extensions.
- 3.16 **Employed Person** means any natural person while in the regular service of the **Insured Person** in the ordinary course of the **Insured's Person** business during the **Period of Insurance** whom the **Insured Person** compensates by salary, wages or commissions and has the right to govern and direct in the performance of service.

Employed Person does not mean any broker, factor, commission merchant, consignee, contractor, sub-contractor or other agent or representative who performs services for the **Insured Person**.



- 3.17 **Employment Practices Claim** means a **Claim** alleging an **Employment Practices Wrongful Act**.
- 3.18 **Employment Practices Wrongful Act** means any employment related actual or alleged tortious act or omission, breach of statutory provision or breach of common law relating to an employee, or an **Employed Person** including for example:
- (a) failure to provide equal opportunity of employment or pay;
 - (b) discrimination;
 - (c) harassment (sexual or otherwise, and including for example harassment in the form of workplace bullying, or by way of electronic communication including social networking internet sites);
 - (d) wrongful dismissal or treatment;
 - (e) **Retaliation**;
 - (f) inducement to become or remain as an employee based upon an erroneous job description;
 - (g) defamation, misrepresentation, negligent misstatement, wrongful failure to employ or promote, deprivation of a career opportunity, or wrongful discipline;
 - (h) violation of an employee's or an **Employed Person's** civil or human rights, or violations of any similar statutory provision arising out of acts or omissions by an **Insured** or a person for whom the **Insured** is legally responsible;
 - (i) claims arising from breach of data protection or privacy obligations;
 - (j) failure to allow an employee to exercise a statutory right; or
 - (k) failure to provide or enforce corporate policies or procedures to prevent or address any of the above.
- 3.19 **Endorsement** means a change in the terms and conditions of this policy agreed by **Us** that can extend or restrict cover.
- 3.20 **Extradition Proceeding** means any proceeding against an **Insured Person** including any related appeal, any judicial review applications or any challenge or appeal of any extradition decision by any governmental authority, or any application to the European Court of Human Rights or similar court in respect of any proceedings to remove an **Insured Person** to another territory against their will.
- 3.21 **Insured** means the **Insured Persons** and the **Company**.
- 3.22 **Insured Person** means:
- (a) under Insuring Clauses 2.1, 2.2 and 2.3
 - (i) any past, present or future director or officer, member of the Board of Managers, or **Non-Executive Director** of the **Company**, or the equivalent in any jurisdiction;
 - (ii) any past, present or future or shadow director while acting in a capacity as a director or officer of the **Company** as defined in sections 250 and 251 of the Companies Act 2006 (or equivalent in any jurisdiction), other than a person acting in the capacity of administrative receiver, administrator, receiver, liquidator, or an external auditor appointed under sections 485 or 489 of the Companies Act 2006, or equivalent in any jurisdiction;



- (iii) any past or present employee of the **Company** to the extent:
 - (1) the subject **Claim** is a **Securities Claim**;
 - (2) the subject **Claim** is an Employment Practice Claim;
 - (3) such employee is acting in a managerial or supervisory capacity or has been authorised to perform one or more Significant Influence Functions under Section 59 of the Financial Services and Markets Act 2000; or
 - (4) such employee is named as a co-defendant along with an **Insured Person** as defined in (a)(i), (ii) or (iii)(3) above.
 - (iv) any **Outside Director**;
- but only when and to the extent that such **Insured Person** is acting for and on behalf of the **Company** in any of the capacities referred to in (a)(i), (ii), or (iii)(3) above.

(b) under Insuring Clause 2.4, an **Employed Person**.

- 3.23 **Interrelated Wrongful Acts** means any **Wrongful Act(s)**, **Company Wrongful Act(s)** or **Employment Practices Wrongful Act(s)** arising out of, based upon, or attributable to the same originating cause, source or event.
- 3.24 **Investigation** means a hearing, inquiry, examination or investigation ordered by any **Official Entity** during the **Period of Insurance**, regarding the affairs of the **Company** or an **Insured Person**.
- 3.25 **Investment Vehicle** means any collective investment arrangement, the purpose of which is to enable those taking part in the arrangement to participate in or receive profits or income arising from the acquisition, holding, management or disposal of assets or sums paid out of such profits or income, and in which some or all of the persons who participate do not have day-to-day control over the management of the assets.
- 3.26 **Joint Venture** means any corporation, partnership, joint venture, association or other entity, other than a **Subsidiary**, in which **You**, either directly or indirectly or through one or more **Subsidiary(ies)** owns or controls not more than fifty percent (50%), in the aggregate of the outstanding securities or other interests representing the right to vote for the election or appointment of those persons of such an entity occupying elected or appointed positions having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated.
- 3.27 **Limit of Liability** means the amount stated in the **Schedule**.
- 3.28 **Loss** means amounts which the **Insured** is legally obligated to pay as damages, judgments or settlements, or **Defence Costs**, or other amounts payable under the extensions to this policy, including interest and punitive or exemplary damages, and the multiplied portion of any damage award in excess of the **Retention**.

Loss shall not include:

- (a) fines, penalties or taxes imposed by law, except for punitive or exemplary damages and as provided in Extensions 5.11 and 5.12;
- (b) employment-related compensation, wages or benefits; or
- (c) matters which are uninsurable under applicable law.



We shall not assert that **Loss** attributable to allegations of violations of Section 11 or 12 of the Securities Act of 1933 (US) (including alleged violations of Section 11 and/or 12 of the Securities Act of 1933 by a Controlling Person pursuant to Section 15 of the Securities Act of 1933) constitute uninsurable **Loss**.

- 3.29 **Non-Executive Director** means any natural person who serves as a director of the **Company** and who is not an employee of the **Company**.
- 3.30 **Non-Reimbursable Loss** means **Loss** in respect of which the **Company** or **Outside Entity** is not legally required or permitted to reimburse the **Insured Person**.
- 3.31 **Non-Profit Entity** means any corporation, trust, fund, foundation, community or industry association or registered charity other than **You** or any **Subsidiary**, and whose governing documents prevent it from distributing profits or assets for the benefit of members, whether or not it is exempt from the payments of income tax under any law, regulation or bye-law, whether national, federal, state, territorial, provincial or local, anywhere in the world.
- 3.32 **Notified/Notifying/Notify** means that notice is sent in writing, by email or by telephone by **You** (or **Your** insurance broker) to, and received by, **Us** through **Angel**. For the avoidance of doubt, notice is not valid if given by any third party (other than **Your** insurance broker).
- 3.33 **Official Entity** means any regulator, government, government body, governmental or administrative agency, any self-regulatory body recognised in that capacity as such under applicable law or official trade body.
- 3.34 **Outside Director** means any natural person who at the specific request of the **Company** is serving:
- (a) as a director, officer, trustee, regent or governor of a **Non-Profit Entity**; or
 - (b) in an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated, of an **Outside Entity**;
- 3.35 **Outside Entity** means any:
- (a) **Non-Profit Entity**; or
 - (b) **Joint Venture**.
- 3.36 **Period of Insurance** means the period stated in the **Schedule**.
- 3.37 **Retaliation** means retaliatory treatment against an employee or **Employed Person** on account of that employee or **Employed Person**:
- (a) exercising their rights in law;
 - (b) refusing to breach any law;
 - (c) opposing any unlawful practice;
 - (d) disclosing, or threatening to disclose, an alleged breach of law to a superior or to any governmental agency; or
 - (e) assisting in, testifying in or cooperating with a proceeding or investigation regarding an alleged breach of law.



- 3.39 **Retention** means the amounts stated in the **Schedule**.
- 3.40 **Retired Insured Person** means any **Insured Person** who have ceased to act in their insured capacity prior to expiry of the **Period of Insurance** for reasons other than:
- (a) disqualification, on grounds of fitness or propriety, from holding office or from managing a company;
 - (b) a **Change of Control**; or
 - (c) **Your** insolvency or that of any **Subsidiary**;
- and does not subsequently resume their position.
- 3.41 **Schedule** means the document entitled **Schedule** that relates to and forms part of this policy.
- 3.42 **Securities** means any equity or debt instrument issued including any bond, debenture, note, share, stock or other equity or security for debt.
- 3.43 **Securities Claim** means a **Claim** made against an **Insured Person** for any actual or alleged act, error, omission, misleading statement or breach of duty arising from or in connection with the purchase or sale of, or offer to purchase or sell **Securities** of the **Company**, whether such purchase, sale or offer involves a transaction with the **Company** or occurs in the open market.
- 3.44 **Subsidiary** means any entity, other than an **investment vehicle**, during any time in which **You**, directly or through one or more **Subsidiary(ies)**:
- (a) owns more than fifty percent (50%) of the issued and outstanding share capital;
 - (b) controls more than fifty percent (50%) of the voting rights; or
 - (c) controls the right to vote for the election or removal of such entity's directors.
- 3.45 **Unrelated Claim** means any **Claim** which neither alleges nor arises from any **Interrelated Wrongful Acts** alleged in a **Claim** previously made during the **Period of Insurance**.
- 3.46 **We / Us / Our** means AXA XL Insurance Company UK Limited
- 3.47 **Wrongful Act** means any act, error, omission, misstatement, misleading statement, neglect, or breach of duty actually or allegedly committed, attempted or proposed to be committed by any **Insured Person** while acting in their capacity as an:
- (a) **Insured Person** of the **Company** or a person serving in a functionally equivalent role for **Your** or any **Subsidiary**; or
 - (b) **Outside Director**.
- 3.48 **You / Your / Parent Company** means the company/companies stated in the **Schedule**.



4 Limit of Liability, Reimbursement Retentions

- 4.1 Save as set out in any applicable sub-limit, **We** shall pay the amount of **Loss** in excess of the applicable **Retention(s)** stated in the **Schedule** up to the **Limit of Liability**.
- 4.2 The amount stated in the **Schedule** shall be **Our** maximum aggregate **Limit of Liability** under this policy except with respect to the additional excess limits specified in Extensions 5.1 and 5.2. Any payment by **Us** shall reduce the **Limit of Liability** accordingly by the paid amount. The sub-limits of liability stated in the **Schedule** are part of and not in addition to the **Limit of Liability** and is the maximum amount **We** will pay with respect to the cover to which it applies.
- 4.3 With respect to the **Company's** reimbursement of **Insured Persons**, **Your** certificate of incorporation, charter, by-laws, articles of association, or other organisational documents, and those of each **Subsidiary** and each **Outside Entity**, will be treated as permitting reimbursement of the **Insured Persons** to the fullest extent allowable by law.
- 4.4 **Claims** arising from the same **Interrelated Wrongful Acts** shall constitute a single **Claim** and shall be treated as having been made at the time at which the earliest such **Claim** is made or treated as having been made pursuant to Condition 7.2(a), (b) or (c), if applicable.
- 4.5 The **Retention** applicable to Insuring Clause 2.2 shall apply to any **Loss** as to which reimbursement by the **Company** or **Outside Entity** is legally required or permitted, whether or not actual reimbursement is made unless such reimbursement is not made by the **Company**, or **Outside Entity** solely by reason of its financial insolvency in which case no **Retention** shall apply.
- 4.6 If a payment is made by **Us** to any **Insured Person** under this policy as to which reimbursement by the **Company** was legally required or permitted but not made by the **Company**, the **Company** agrees to pay to **Us** the amount of the **Retention** applicable to Insuring Clause 2.2. We shall be entitled to set off such amounts against any sums due from **Us** to the **Company**.
- 4.7 If different **Retentions** are applicable to different parts of any **Loss**, the applicable **Retention(s)** will be applied separately to each part of such **Loss**, and the sum of such **Retention(s)** will not exceed the largest applicable **Retention** stated in the **Schedule**.
- 4.8 If the **Limit of Liability** and the additional excess limits specified in Extensions 5.1 and 5.2, are exhausted by the payment of **Loss**, the premium for this policy will be treated as being fully earned, and all **Our** obligations under this policy will be completely fulfilled and exhausted, and **We** will have no further obligations of any kind whatsoever under this policy.



5 Extensions

5.1 Additional Excess Protection for Parent Company Board

In addition to the cover provided under this policy to members of **Your** board as **Insured Persons**, in the event that:

- (a) the **Limit of Liability** of this policy;
- (b) all other applicable management liability insurance, whether or not specifically written as excess over the **Limit of Liability** of this policy; and
- (c) all other sources of reimbursement for **Loss** available to any such **Insured Person**;

have been exhausted, **We** shall pay the **Loss** of such **Insured Person** arising out of an **Unrelated Claim** first made against them during the **Period of Insurance**, up to the Additional Excess Protection for Parent Company Board Limit stated in the **Schedule**, which limit shall be in the aggregate for all such **Insured Persons** during the **Period of Insurance**.

5.2 Additional Excess Protection for Non-Executive Directors

In addition to the cover provided under this policy to the **Non-Executive Directors** as **Insured Persons**, in the event that:

- (a) the **Limit of Liability** of this policy;
- (b) all other applicable management liability insurance, whether or not specifically written as excess over the **Limit of Liability** of this policy; and
- (c) all other sources of reimbursement for **Loss** available to any **Non-Executive Directors**;

have been exhausted, **We** shall pay the **Loss** of such **Non-Executive Directors** arising out of a **Claim** first made against them during the **Period of Insurance**, up to the Additional Excess Protection for Non-Executive Directors Limit stated in the **Schedule**, which limit shall be in the aggregate for all such **Non-Executive Directors** during the **Period of Insurance**.

5.3 Investigation Costs

Whether or not there has been a **Claim**, **We** shall pay the legal and other professional fees, costs and expenses, incurred by an **Insured Person**, with **Our** prior written consent, to legal representation of any **Insured Person** at any **Investigation**, once an **Insured Person**:

- (a) is requested or required to attend the **Investigation**; or
- (b) is identified in writing by the **Official Entity** conducting the **Investigation** as a target.

Routine regulatory supervision, inspection or compliance reviews, or any investigation which focuses on an industry rather than an **Insured** will fall outside the scope of this extension. Where the investigating official body is the Securities Exchange Commission (SEC), this extension will only apply where the **Insured Person** has been served with a subpoena or Wells Notice.

An **Investigation** shall be treated as having been first made when the **Insured Person** is first so requested, required, identified or served.

The fees, costs and expenses covered by this extension shall not include any remuneration of any **Insured Person**, the cost of their time or costs or overheads of any **Company**.



5.4 **Regulatory Costs**

We shall pay the fees, costs and expenses of any consultant chosen by the **Insured** with **Our** prior written consent, which are incurred in responding to:

- (a) a raid or on-site visit to any **Company** which first takes place during the **Period of Insurance**, by any **Official Entity** that involves the production, review, copying or confiscation of files or interviews of any **Insured Persons**;
- (b) a public announcement relating to an event in (a) above; or
- (c) the receipt by any **Insured** during the **Period of Insurance**, from any **Official Entity** of a formal notice which legally compels the **Insured** to produce documents to, or answer questions by or attend interviews with that **Official Entity**.

irrespective of whether the events in (a), (b) and (c) above fall within the definition of **Claim**.

This extension shall apply up to the sub-limit stated in the **Schedule**.

Routine regulatory supervision, inspection or compliance reviews, or any investigation which focuses on an industry rather than an **Insured** will fall outside the scope of this extension.

5.5 **Crisis Consultant Costs**

We shall pay **Crisis Consultant Costs**, incurred by the **Insured Persons** with **Our** prior written consent, in order to contain or limit the potentially adverse effects, including negative publicity, resulting from a **Claim** first made against them during the **Period of Insurance**, or from circumstances which could give rise to a **Claim**. This extension shall apply up to the sub-limit stated in the **Schedule**.

This extension of cover shall apply regardless of whether a **Claim** is ever made against an **Insured Person** arising from such crisis and, in the case where such a **Claim** is made, regardless of whether the amount is incurred prior to or subsequent to the making of the **Claim**.

5.6 **Extradition Proceedings**

We shall pay the fees, costs and expenses incurred by an **Insured Person** with **Our** prior written consent in connection with an **Extradition Proceeding** first commenced against them during the **Period of Insurance**.

5.7 **Prosecution Costs (Restricted to Assets and Liberty)**

Whether or not there has been a **Claim**, We shall pay the legal and other professional fees, costs and expenses, incurred by an **Insured Person** with **Our** prior written consent to bring legal proceedings to obtain the discharge or revocation of:

- (a) an order disqualifying such **Insured Person** from holding office as a company director or officer; or
- (b) an interim or interlocutory order:
 - (i) confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of such **Insured Person**; or
 - (ii) imposing a charge over real property or personal assets of such **Insured Person**; or
 - (iii) imposing a restriction of the **Insured Person's** liberty; or



- (iv) for the deportation of an **Insured Person** following revocation of an otherwise proper, current and valid immigration status for any reason other than the **Insured Person's** finally adjudicated conviction for a crime.

In each case above, cover will only be available under this extension for orders (whether final, interim or interlocutory) issued during the **Period of Insurance**.

This extension shall apply up to the sub-limit stated in the **Schedule**.

5.8 **Emergency Costs**

If **Our** written consent cannot be obtained before **Defence Costs** are incurred with respect to any **Claim** first made against an **Insured** during the **Period of Insurance**, or before costs are incurred which would otherwise fall under Extensions 5.4, 5.5, 5.6 or 5.7, then **We** shall provide retrospective approval for such incurred costs up to, in the aggregate, the sub-limit stated in the **Schedule**, provided that **We** are **Notified** by the **Insured** of such costs as soon as is practicable, and before the expiration of ten (10) working days from when such costs were first incurred.

5.9 **Outside Directorships**

We shall reimburse or pay on behalf of any **Outside Director**, or the **Company** in the event it reimburses such **Outside Director, Loss** resulting from a **Claim** first made against them during the **Period of Insurance**, for a **Wrongful Act** or **Employment Practices Wrongful Act**, in their capacity as an **Outside Director**.

5.10 **Health and Safety**

We shall pay the **Defence Costs** of any **Insured Person** with respect to any **Claim** first made against them during the **Period of Insurance**, alleging a breach of health and safety legislation or any similar legislation in any jurisdiction including any legislation relating to involuntary manslaughter or corporate manslaughter.

5.11 **Fines and Penalties**

We shall pay any civil fines and penalties resulting from a **Claim** first made against the **Insured Persons** during the **Period of Insurance**, for a **Wrongful Act** or **Employment Practices Wrongful Act**, unless uninsurable as a matter of applicable law.

Fines and penalties covered by this extension shall include, where insurable, civil penalties assessed against an **Insured Person** pursuant to the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd), the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246) and the UK Bribery Act of 2010.

5.12 **Personal Liability of Insured Person for Corporate Taxes**

We shall pay the amount arising from the personal liability of the **Insured Persons** resulting from a **Claim** first made against them during the **Period of Insurance**, for unpaid taxes of the **Company** following the appointment of a Receiver, Administrator, Administrative Receiver, Liquidator or any comparable or analogous authority or appointment with respect to the **Company**, unless uninsurable as a matter of applicable law. This extension shall apply up to the sub-limit stated in the **Schedule**.



5.13 **Discovery Period**

- (a) If this policy is not renewed or replaced, and if the total premium for this policy has been paid in full, the **Insured** will be entitled:
 - (i) to an automatic **Discovery Period** of sixty (60) days; and
 - (ii) to purchase an optional **Discovery Period** for a longer period as stated in the **Schedule**, provided that written notice is provided to **Us** by **You** within thirty (30) days after the end of the **Period of Insurance** and any additional premium specified by **Us** is paid within forty-five (45) days of the end of the **Period of Insurance**. The automatic **Discovery Period** shall be part of and not in addition to any optional **Discovery Period** purchased by the **Insured**.
- (b) The purchase of the optional **Discovery Period** will not in any way increase the **Limit of Liability**, and any payments made with respect to **Claims** first made during the **Discovery Period** (or any other matter for which coverage is provided during the **Discovery Period** under one of the extensions) shall be part of and not in addition to the limit of liability for all **Claims** made during the **Period of Insurance**.
- (c) No **Discovery Period** shall apply in the event that a **Change of Control** takes place during the **Period of Insurance**.

5.14 **Run Off for Retired Insured Persons**

If this policy is not renewed or replaced, and if the total premium for this policy has been paid in full, **We** shall provide an unlimited **Discovery Period** for any **Retired Insured Person**.

5.15 **Heirs, Representatives and Spouses**

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** first made during the **Period of Insurance**, against the estate, heirs, legal representatives or assigns of such individual for a **Wrongful Act** or **Employment Practices Wrongful Act** of such individual, will be treated as a **Claim** made against such **Insured Person**.

Coverage shall also extend to the lawful spouse or civil partner of any **Insured Person** but only to the extent the spouse or civil partner is a party to any **Claim** solely in their capacity as a spouse or civil partner of such **Insured Person** and only for the purposes of any **Claim** seeking damages recoverable from, or in respect of, marital community property, property jointly held by any such **Insured Person** and the spouse or civil partner, or property transferred from any such **Insured Person** to the spouse or civil partner.



6 Exclusions

This policy does not apply to or include cover for or arising out of or relating to:

6.1 **Cyber Loss**

loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data**;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This exclusion supersedes and, if in conflict with any other wording in the policy or any exclusion thereto having a bearing on **Cyber Loss** or **Data**, replaces that wording.

6.2 **Communicable Disease**

(a) Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged **Loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

(b) For the purposes of this endorsement, **Loss**, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease**.

6.3 **Death or Bodily Injury**

for any actual or alleged bodily injury, sickness, disease or death of any person, or any damage or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to:

- (a) any allegations of mental anguish or emotional distress; or
- (b) **Defence Costs** payable under Extension 5.10.

6.4 **Dishonest or Fraudulent Acts**

brought about or contributed to by any dishonest, fraudulent or criminal act or omission of any **Insured** or any wilful violation of any statute, rule or law as determined by any judgment (including any appeal thereof) in the underlying action or in a separate action or proceeding, or any formal admission by or on behalf of such **Insured**, that such conduct did in fact occur.



6.5 **Employee Benefit**

an **Insured** acting as a trustee, fiduciary or administrator of the company's own pension, profit sharing or employee benefits programme including any actual or alleged violation of the Pensions Act of 1995 (UK) as amended or any regulations promulgated thereunder, or any similar law or regulation in any other jurisdiction.

6.6 **Employment Practices Liability**

applicable to Insuring Clause 2.4 only:

- (a) for liability of any **Insured** for failure to fund or perform any fiduciary obligation as respects any pension benefit plan, welfare benefit plan, health or other welfare or benefit plan in accordance with plan documents or applicable legal requirements, including for example the Pensions Act of 1995 as amended or any regulations promulgated thereunder.
- (b) arising out of, based upon or attributable to any fact, circumstance, situation, transaction, event or **Employment Practices Wrongful Act**:
 - (i) underlying or alleged in any prior and/or pending litigation, or arbitration proceeding, administrative or regulatory proceeding which was brought prior to the Pending and Prior Litigation Date stated in the **Schedule**; or
 - (ii) which was the subject of any notice given under any other policy of insurance, or which arises out of, is based upon or is attributable to the same originating cause, source event or series thereof as such notice, unless the notice was provided to **Us** under an earlier Employment Practices Liability policy but which was not accepted by **Us** as a valid notification, and where cover has been maintained continuously with **Us** from the inception date of the earlier policy to the end of the **Period of Insurance**.
- (c) brought about or contributed to by any dishonest, fraudulent or criminal act or omission, or any wilful violation of any statute, rule or law, as determined by a judgment or other final adjudication (including any appeal thereof) in the underlying action or in a separate action or proceeding, or any formal written admission by or on behalf of such **Insured**, that such conduct did in fact occur;
- (d) for **Loss** (with the exception of **Defence Costs**) which the **Insured** is obligated to pay by reason of a written contract (or the written statement of terms and conditions in the case of a verbal contract of employment) unless such liability would have existed even in the absence of such documentation;
- (e) arising out of, based upon or attributable to any actual or alleged violation of the responsibilities or duties imposed by any federal, state or local laws, rules or regulations, statutory or common law anywhere in the world governing:
 - (i) wage and hour practices, off-the-clock, maximum weekly working limit, failure to rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversions, unjust enrichment, minimum wage, or unfair business practices, including for example the National Minimum Wage Act or any local implementation of the EC Working Time Directive (2003/88/EC);



- (ii) the information and consultation of employees through representatives, the rights of employees to engage in, or to refrain from engaging in, union or other collective activities, any amount payable in respect of contractual or statutory notice periods and/or any amount which would not have been made but for the **Insured's** failure to give an **Employed Person** contractual notice of dismissal required under their contract of employment or payment in lieu thereof (including for example termination reimbursements and social security or insurance obligations triggered by a failure to honour statutory and/or contractual notice or redundancy/severance payment requirements);
- (iii) occupational health and safety, work-related injuries, illnesses and occupational fatality;
- (iv) workers' compensation, health insurance coverage, employers liability, unemployment insurance, social security, disability benefits;
- (v) the failure to consult and inform employees of the possibility of a redundancy situation, including for example the Trade Union and Labour Relations (Consolidation) Act 1992 or equivalent EU legislation.

However this exclusion shall not apply to any **Claim** for **Retaliation**.

6.7 **Known Claims and Prior and Pending Litigation**

any fact, circumstance, situation, transaction, event or **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act**:

- (a) underlying or alleged in any prior and/or pending litigation, or arbitration proceeding, administrative or regulatory proceeding which was brought prior to the Pending and Prior Litigation Date stated in the **Schedule**; or
- (b) which was the subject of any notice given under any other Management Liability policy, Directors and Officers liability policy or similar policy, unless such notice was provided to **Us** under an earlier policy but which was not accepted by **Us** as a valid notification, and where cover has been maintained continuously with **Us** from the inception date of the earlier policy to the end of the **Period of Insurance**.

6.8 **Professional Liability**

the performance of or failure to perform professional services including any related services for any **Insured**. However, this exclusion shall not apply to:

- (a) any **Claim** constituting a shareholder or shareholder derivative action provided that such **Claim** is brought without the solicitation or assistance or participation (unless legally required) of any **Insured**; or
- (b) Extension 5.3.

6.9 **Profit or Advantage**

brought about or contributed to by any profit or remuneration gained by any **Insured** to which such **Insured** is not legally entitled as determined by any judgment (including any appeal thereof) in the underlying action or in a separate action or proceeding, or any formal admission by or on behalf of such **Insured**, that such conduct did in fact occur.



6.10 **Radioactive Contamination**

loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- (e) any chemical, biological, bio-chemical or electromagnetic weapon.

6.11 **USA and/or Canada**

any:

- (a) legal action or litigation which is brought in a court in the United States of America (USA) or Canada (or their respective territories and protectorates); or
- (b) legal action or litigation which is brought outside the USA or Canada (or their respective territories and protectorates) to enforce a judgement of a USA or Canadian court; or
- (c) arises out of the activities of the **Company** in the USA or Canada (or their respective territories and protectorates).

6.12 **War**

loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.



7 Conditions

7.1 Assistance and Cooperation

The **Insured** agrees to provide **Us** with all information, assistance and cooperation that **We** may request, and further agrees that they will do nothing which in any way increases **Our** exposure under this policy or in any way prejudices **Our** potential or actual rights of recovery.

7.2 Claim Notification

(a) **We** must be **Notified** of the following, by **You** through **Angel** to the Notification Address stated below, or shown in the **Schedule** as soon as practicably possible however such notification must be received by **Us** during the **Period of Insurance**:

- (i) of any **Claim** first made against the **Insured**; or
- (ii) of any **Investigation**, event, or proceeding under Extensions 5.3, 5.4, 5.6 and 5.7;

during the **Period of Insurance**, as soon as practicably possible and, in any event, within sixty (60) days of the end of the **Period of Insurance**, or within such additional **Discovery Period** as may apply.

(b) During the **Period of Insurance**, **You** shall also **Notify Us** of any fact or circumstance which may give rise to a **Claim**. Such notice must include full particulars of the dates, acts and persons involved and the reasons why **You** anticipate that a **Claim** may arise.

(c) **We** will treat any **Claim** made after expiry of the **Period of Insurance** as having been **Notified** during the **Period of Insurance** provided it arises out of, is based upon or attributable to any **Interrelated Wrongful Act** which was the basis of:

- (i) a **Claim** first made during the **Period of Insurance** (or applicable **Discovery Period**) which has been **Notified** to **Us** in accordance with (a) above; or
- (ii) a fact or circumstance which has been **Notified** to **Us** in accordance with clause (b) above.

(d) All notices to **Us** must be given to the Claim Notification address.

Notification Address

Angel Risk Management Limited
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Telephone Number: 01245 343630

Email: claims@angelriskmanagement.com



7.3 **Other Insurance**

- (a) All **Loss** payable under this policy will be specifically excess of and will not contribute with any other insurance, including any insurance that would have been valid and collectable in the absence of this insurance. This policy will not be subject to the terms of any other insurance policy.
- (b) All coverage under this policy for **Loss** from **Claims** made against the **Insured Persons** while acting in their capacity as an **Outside Director**, will be specifically excess of and will not contribute with, any other insurance or reimbursement available to such **Insured Person** from such **Outside Entity** or its insurers by reason of their service as such.

7.4 **Subrogation**

In the event of any payment under this policy, **We** shall be subrogated to all of the potential or actual rights of recovery of the **Insured**. The **Insured** shall execute all papers required and will do everything necessary to secure such rights including for example the execution of such documents as are necessary to enable **Us** to bring suit in **Our** name, and will provide all other assistance and cooperation which **We** may require.

7.5 **Non-Imputation**

- (a) This policy shall operate severally in relation to each **Insured Person**.
- (b) In determining whether **We** are entitled to apply the provisions of Clause 1.7 – Information **You** Have Given Us to:
 - (i) an **Insured Person's** interest in this policy or reject an **Insured Person's** claim for reimbursement under this policy, **We** shall only take into account the information provided by or the acts, omissions or conduct of, that particular **Insured Person**.
 - (ii) the **Company's** interest in this policy where cover is available to it, **We** shall only attribute to the **Company** the information provided by or the acts, omissions or conduct on the part of, any two out of the **Company's** chairman of the board, managing director, finance director or chief legal officer, or their equivalents.

7.6 **Assignment and Changes to the Policy**

- (a) Neither this policy nor any right under it may be assigned without **Our** prior written consent.
- (b) No amendment to this policy will be effective unless it is in writing.

7.7 **Authorisation and Notices**

You will act on behalf of the **Company** and the **Insured Persons** with respect to:

- (a) the payment of premium;
- (b) the receiving of any return premium that may become due under this policy; and
- (c) the receiving of all notices from **Us**.

Subject to the other provisions of this policy, this condition does not preclude an **Insured Person** from **Notifying Us** in accordance with Condition 7.2.



7.8

Order of Payments

If **Loss** shall be payable under more than one of the Insuring Clauses, then **We** shall, to the maximum extent practicable and subject at all times to **Our** maximum aggregate **Limit of Liability** as stated in the **Schedule**, pay such **Loss** as follows:

- (a) first, **We** shall pay that **Loss**, if any, which **We** may be liable to pay on behalf of the **Insured Persons** under Insuring Clause 2.1;
- (b) second, **We** shall pay that loss, if any, which **We** may be liable to pay on behalf of the **Company** under Insuring Clause 2.2; and
- (c) third, **We** shall make such other payments which **We** may be liable to make under Insuring Clause 2.3 or otherwise.

7.9

Defence, Settlement and Allocation of Loss

- (a) It shall be the duty of the **Insured** to defend any **Claim**. **We** shall have the right and be given the opportunity to participate with each **Insured** in the defence and settlement of any **Claim** that appears likely to involve **Us**.
- (b) **We** shall not be obliged to pay any **Defence Costs** unless **We** have provided prior written consent to the **Defence Costs** being incurred except as provided for in Extension 3.8, such consent not to be unreasonably withheld, delayed or denied.
- (c) **We** shall not be obliged to make any payment in connection with any liability admitted by the **Insured** nor any settlement agreed by the **Insured** unless **We** have provided prior written consent to the liability being admitted or settlement being agreed, such consent not to be unreasonably withheld, delayed or denied. Solely with regard to Extension 3.4, the **Insured** shall not be required to receive **Our** consent prior to making any formal written representation to the Serious Fraud Office (UK), Office of Fair Trading (UK), Financial Conduct Authority (UK) or Serious Organised Crime Agency (UK) or principal financial regulator, provided however that, as soon as legally permitted by the Serious Fraud Office (UK), Office of Fair Trading (UK), Financial Conduct Authority (UK) or Serious Organised Crime Agency (UK) or principal financial regulator the **Insured** shall seek **Our** consent and shall comply with this section C.
- (d) Upon the written request of an **Insured**, **We** will advance **Defence Costs** on a current basis in excess of the applicable **Retention**, if any, before the disposition of the **Claim** for which this policy provides coverage. If it is finally determined that the **Loss** incurred is not covered under this policy, then the **Insured** shall repay such **Loss** paid to or on behalf of the **Insured**.
- (e) In the event the **Company** or the **Outside Entity** refuses, in writing, to reimburse the **Insured Persons** even if it is legally required or permitted to do so, **We** shall advance **Defence Costs** to the **Insured Persons** and the provisions of Clauses 4.5 and 4.6 above shall apply.



- (f) If both **Loss** covered by this policy and **Loss** not covered by this policy are incurred, either because a **Claim** made against the **Insured** contains both covered matters and matters not covered by this policy, or because a **Claim** is made against both the Insured and others (including the **Company** for **Claims** other than **Securities Claims**) not insured under this policy, **We** and the **Insured** will use **Our** best efforts to determine a fair and appropriate allocation of **Loss** between that portion of **Loss** that is covered under this policy and that portion of **Loss** that is not covered under this policy. Additionally, **We** and the **Insured** agree that in determining a fair and appropriate allocation of **Loss**, the parties will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defence and/or settlement of the **Claim** by, the **Insured** and others.

- (g) In the event that an agreement cannot be reached between **Us** and the **Insured** as to an allocation of **Loss**, as described in this condition, then **We** shall advance that portion of **Loss** which **We** and the **Insured** agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this policy and applicable law.



8 Changes in Risk

8.1 New Subsidiaries

(a) If during the **Period of Insurance**, the **Company** acquires a **Subsidiary**, or acquires any entity by merger, consolidation or otherwise, coverage shall be provided with respect to such new **Subsidiary** or entity for any **Loss** resulting from a **Claim** involving acts or conduct committed after the completion of such acquisition.

(b) If the newly acquired entity or **Subsidiary**:

(i) exceeds twenty five percent (25%) of the total assets of the **Company**, as represented in the **Company's** most recent audited consolidated financial statements;

then, coverage under this policy with respect to such entity or **Subsidiary** shall be provided for a period of sixty (60) days in respect of acts or conduct that occurred after the completion of the acquisition. Coverage beyond the sixty (60) day period will be provided only if:

(1) **We** receive written notice containing full details of the acquisition; and

(2) **We** agree in writing to provide such additional coverage, at **Our** discretion, and may alter the terms and conditions of this policy accordingly including the charging of an additional premium.

(c) With respect to the acquisition, merger, consolidation or otherwise of any entity, or **Subsidiary** as described in (a) and (b) above, there will be no coverage available under this policy in connection with such entity, **Subsidiary**, or any act or conduct allegedly committed at any time during which such entity or **Subsidiary** is not an **Insured**.

8.2 Change in Control

(a) If, during the **Period of Insurance**, there is any **Change of Control**, **We** shall not be liable for or make any payment in connection with:

(i) any **Claim** alleging, arising out of, based upon or attributable to any act or omission occurring after the **Change of Control**;

(ii) any event which gives rise to a potential Insurer's liability under Extensions 5.3, 5.4, 5.6 or 5.7 and which has happened after the **Change of Control**.

(b) Cover for any **Claim** against, investigation into or proceeding against any **Subsidiary** or any **Insured Person** shall only apply in respect of **Wrongful Acts, Employment Wrongful Acts** and **Company Wrongful Acts** occurring while that entity is a **Subsidiary** and whilst that **Insured Person** served in an **Insured Person** capacity.

(c) If, during the **Period of Insurance** any entity ceases to be a **Subsidiary**, the coverage provided under this policy shall continue to apply to the **Insured Persons** who, because of their service with such **Subsidiary**, were covered under this policy, but only with respect to acts or conduct that occurred or allegedly occurred prior to the time such **Subsidiary** ceased to be a **Subsidiary**:



8.3 **New Outside Directorships**

If, during the **Period of Insurance**, the **Company** requests that a natural person serve either:

- (a) as a director, officer, or trustee (or functionally equivalent role); or
- (b) in an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated;

of an organisation that does not currently fall within the definition of an **Outside Entity**, then coverage shall apply as if such natural person is an **Outside Director** for a period of sixty (60) days.

8.4 **New Offering of Securities**

If, during the **Period of Insurance**, the **Company** undertakes an offering of debt or equity securities, then **We** shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of or in consequence of such offering unless:

- (a) **We** receive prior written notice containing details of the offering; and
- (b) **We** agree in writing to provide such additional coverage, at **Our** discretion, and may alter the terms and conditions of this policy accordingly including the charging of an additional premium.



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