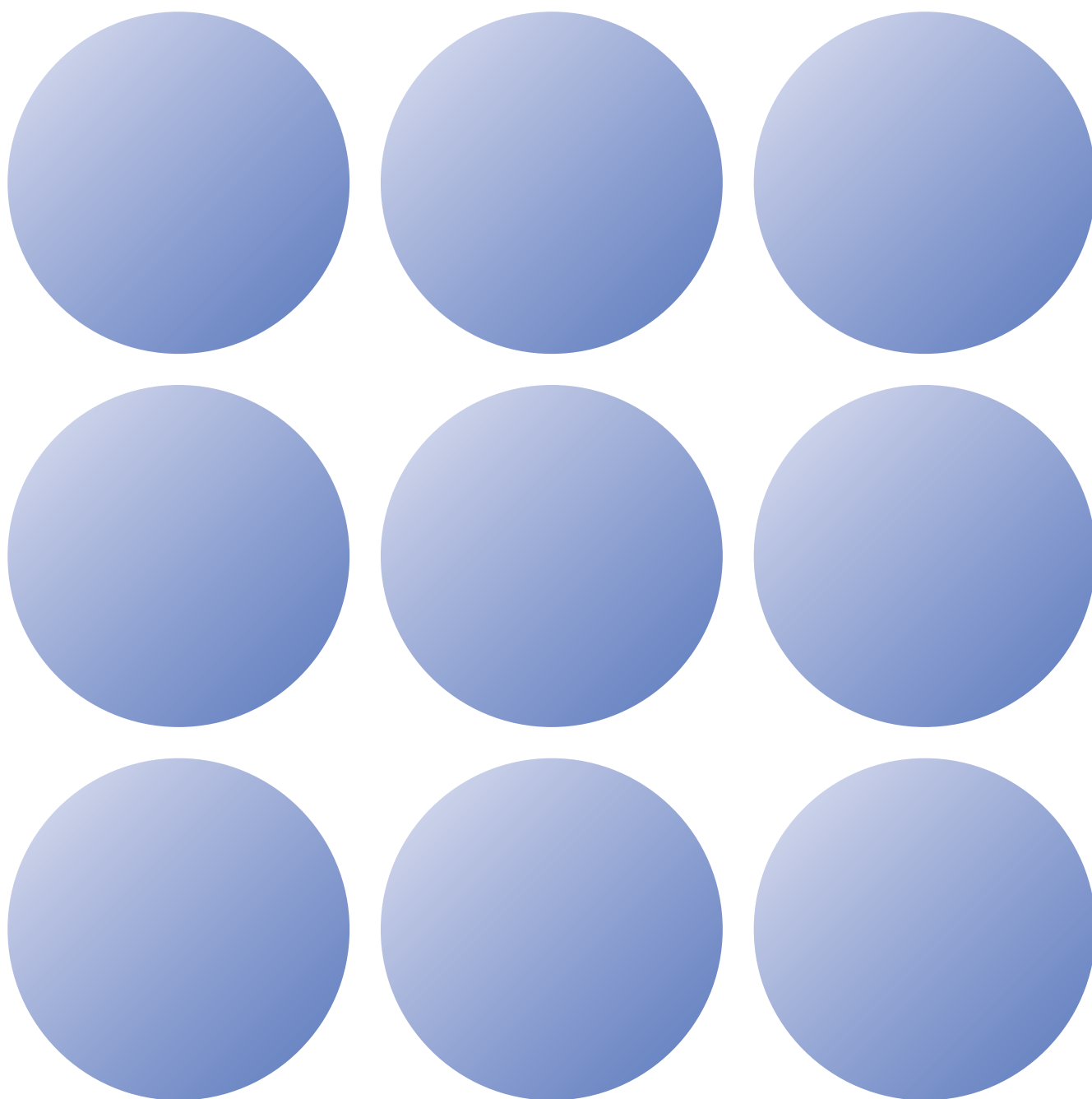


D&O Corporate Directors' and Officers' Liability

Policy document



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A warm welcome to Zurich

Thank **you** for taking out **your** Directors' and Officers' Liability Insurance policy with **us** and welcome to Zurich Insurance plc.

Zurich Insurance plc is a member of the insurance-based financial services provider Zurich Financial Services Group (Zurich). Zurich has a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

At Zurich **we** have **your** future in mind and look forward to working closely with **you**.

www.zurich.co.uk



Your Directors' and Officers' Liability policy

This policy is a contract between **you** and **us**. **You** have made a proposal to **us** which is the basis of and forms part of this contract.

This policy and any schedule and endorsement should be read as if they are one document.

We will insure **you** during any period of insurance for which **we** have accepted **your** premium provided always that all the terms and conditions of this policy are kept. **Our** liability will in no case exceed the amount of any limit of indemnity stated in this policy, the schedule or any endorsement to this policy.

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

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

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

Law applicable to the contract

UK law allows both **you** and **us** to choose the law applicable to the contract. The contract will be subject to the relevant law of the United Kingdom, the Isle of Man or the Channel Islands relating to **your** address as shown in the schedule. If there is any dispute as to which law applies it shall be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

For and on behalf of Zurich Insurance plc.

Stephen Lewis

Chief Executive Officer of Zurich Insurance plc, UK Branch.

This is a legal document and should be kept in a safe place.

Please read the policy, insurance agreement and schedule carefully.

If they do not meet **your** needs return them to **us** or **your** broker or agent.

How we will use your data

We hold **your** personal data in accordance with the Data Protection Act 1998. The information supplied to **us** by **you** may be held on computer and passed to other insurers for underwriting and claims purposes. **You** should show this to anyone whose personal data may be processed to administer this policy.

Policy Administration

In order to administer **your** insurance policy and any claims made under this policy **we** may share personal data provided to **us** with other companies within the Zurich Financial Services Group and with business partners including overseas companies. If **we** do transfer **your** personal data including where **we** propose a change of underwriter **we** make sure that it is appropriately protected.

Claims History

Under the conditions of this policy **you** must tell **us** about any incident or circumstance that might give rise to a claim that would be covered under this policy whether or not it is **your** intention to claim. When **you** tell **us** about an incident or circumstance **we** will pass information relating to it to the relevant database. **We** may search these databases when **you** apply for insurance in the event of any incident, circumstance or claim or at time of renewal to validate **your** claims history or that of any other person or property likely to be involved in the policy or claim.

Fraud Prevention & Detection

In order to prevent and detect fraud **we** may at any time:

- a) share information about **you** with other organisations including the police
- b) undertake credit searches
- c) check and share **your** details with fraud prevention and detection agencies.

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. **We** and other organisations may also access and use this information to prevent fraud and money laundering for example when:

- a) checking details on applications for credit and credit related or other facilities
- b) managing credit and credit related accounts or facilities
- c) recovering debt and tracing beneficiaries
- d) checking details on proposals and claims for all types of insurance
- e) checking details of job applicants and employees.

Please contact **us** if **you** want to receive details of the relevant fraud prevention agencies.

We and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

Section 1 – Definitions

Certain words in this policy have special meanings. These meanings are given below and apply where the words appear in bold.

Approved Person

Any natural person employed by the **company** to whom the Financial Services Authority has given its approval to perform one or more of controlled functions 1-20 for a company pursuant to Section 59 of the Financial Services and Markets Act of 2000.

Benefits

Any type of compensation or the equivalent value thereof other than salary and wages including but not limited to:

- a) perquisites, fringe benefits, bonus payments
- b) incentive or deferred compensation
- c) **share based benefits**
- d) medical or insurance benefits and payments due to any person in connection with an employee benefit plan or pension scheme.

Change of Control

Where any person, entity or group:

- a) acquires more than 50% of **your** share capital
- b) acquires the majority of the voting rights in **you**
- c) assumes the right to appoint or remove the majority of **your** board of directors or equivalent positions
- d) assumes control pursuant to written agreement with other shareholders over the majority of the voting rights in **you**
- e) merges with **you** such that **you** are not the surviving entity; or where
- f) a trustee in bankruptcy, receiver, liquidator or administrator or similar official or person is appointed to **you**.

Civil Bond or Bail Bond Expense

The reasonable premium but not collateral for a bond or other financial instrument to guarantee for up to 12 months an **insured person's** contingent obligation for a specific amount required by a court hearing a **claim**.

Claim

- a) A written demand for compensation, monetary damages or non-monetary relief alleging any **wrongful act**
- b) a civil proceeding, suit or counter-claim for compensation, monetary damages or non-monetary relief commenced by the service of a claim form or similar pleading alleging any **wrongful act**
- c) a formal notice of a criminal proceeding alleging any **wrongful act**
- d) a formal notice of an arbitration proceeding alleging any **wrongful act**
- e) a formal administrative or regulatory proceeding commenced by the service on any **insured** of a notice of charges or similar document against any **insured** alleging any **wrongful act**

- f) an investigation of an **insured person** in their insured capacity as such when an **insured person** is identified in writing by any investigating authority as a person against whom a criminal, administrative or regulatory proceeding may be commenced.

Provided always that a **claim** will not include any labour or grievance arbitration or other proceeding pursuant to an employment collective bargaining or union agreement.

Company

You and any past, present or future **subsidiary company**.

Defence Costs

Reasonable and necessary fees, costs, charges and expenses incurred by an **insured person** with our prior written consent in the investigation, defence, adjustment, settlement or appeal of any claim made or brought against that **insured person**.

Provided always that **defence costs** will not include **investigation costs** and will not include remuneration payable to any **insured persons** or **employees** of any **company**, cost of their time or costs or overheads of any **company**.

Director

Any natural person who is:

- a) a past, present or future director, officer, management committee member, member of the board of managers, supervisory board member, management board member or governor of the **company** elected or appointed according to law
- b) a past, present or future de facto director or officer or **shadow director** of the **company**
- c) an **approved person**
- d) named as a prospective director in the listing particulars or prospectus for a public offering issued by any **company**.

Employee

Any natural person who is:

- a) under a contract of service or apprenticeship with the **company**
- b) a labour master or labour only subcontractor or person supplied by any of them
- c) under a work experience or similar scheme
- d) hired or borrowed by the **company** from another employer

and working for the **company** in connection with the **company's** business while under the direct control or supervision of the **company**.

Employment Claim

A **claim** in respect of an **employment wrongful act** which is brought and maintained by or on behalf of any past, present, future or prospective **employee** of the **company** or **employee** of an **outside entity** against any **insured person**.

Employment Wrongful Act

In relation to the **company** or where applicable the **outside entity** any actual or alleged:

- a) wrongful or unfair dismissal, discharge or termination of employment
- b) breach of any oral or implied employment contract or quasi-employment contract
- c) employment related misrepresentation
- d) violation of employment discrimination laws
- e) illegal workplace harassment including sexual harassment
- f) wrongful failure to promote
- g) wrongful discipline
- h) wrongful deprivation of a career opportunity
- i) wrongful demotion
- j) negligent evaluation
- k) negligent retention
- l) employment related invasion of privacy
- m) employment related defamation, humiliation, libel or slander
- n) failure to adopt workplace or employment practices policies and procedures
- o) illegal retaliatory treatment or victimisation of **employees** including retaliation in violation of whistleblower statutes
- p) employment related infliction of emotional distress in connection with a violation listed above in this definition.

Excess

The amount stated in this policy, the schedule or any endorsement to this policy for which **you** are responsible and which will be deducted from any payment under this policy as ascertained after the application of all other terms and conditions of this policy.

Extradition Claim

A formal request, claim, warrant for arrest or other proceedings pursuant to the provisions of the Extradition Act 2003 or similar legislation in any other jurisdiction around the world.

Extradition Costs

Reasonable and necessary legal fees, costs and expenses incurred by an **insured person** with **our** prior written consent to obtain legal advice or to bring or defend proceedings including by way of judicial review or by way of other challenge to the political executive's decision to order an **insured person's** extradition from the jurisdiction of the United Kingdom or any other jurisdiction around the world and to pursue appeals including appeals to the European Court of Human Rights.

Financial Institution

Any bank including any merchant or investment bank, finance company, hedge fund, insurance or reinsurance company, mortgage bank, savings and loan association, building society, credit union, stockbroker, investment trust, asset management company, fund manager or any entity established principally for the purpose of carrying out commodities, futures or foreign exchange trading or any other similar entity.

Financial Loss

- a) Damages, judgements, awards or settlements in respect of any **wrongful act** that any **insured** becomes legally liable to pay
- b) **defence costs**
- c) **investigation costs**
- d) **extradition costs**
- e) **prosecution costs**
- f) **civil bond or bail bond expense**
- g) costs payable under clause 2.8 in relation to shareholder derivative claims
- h) punitive, exemplary, aggravated and multiple damages imposed upon an **insured**

Provided always that financial loss will not include:

- a) taxes
- b) social security contributions
- c) fines or penalties imposed by law
- d) damages that are uninsurable under the law pursuant to which this policy will be construed
- e) **benefits**
- f) the costs to comply with any injunctive, interim or other non-monetary relief or any agreement to provide such relief.

In the event of a **claim** alleging that the price or consideration paid or proposed to be paid for an acquisition or completion of an acquisition of all or the majority of the ownership interest in or assets of an entity is inadequate **financial loss** with respect to such **claim** will not include any amount other than **defence costs** in respect of any judgement or settlement representing the amount by which such price or consideration is effectively increased.

Foreign Jurisdiction

Any jurisdiction other than the United Kingdom.

Insured

- a) Any **insured person**
- b) any **company**.

Insured Person

Any natural person who is:

- a) a **director**
- b) an **outside entity executive**
- c) an **employee** of the **company** who is **your** risk manager or equivalent position
- d) an **employee** of the **company** while acting in a managerial or supervisory capacity for the **company**

- e) an **employee** of the **company** including whilst acting as a lawyer on behalf of the **company** for:
 - i) any **securities claim** against such **employee** or **employment claim**
 - ii) any other **claim** against such **employee** where such **claim** is also made and is continuously maintained against a **director**.

Provided always that insured persons will not include any consultant, external auditor, or liquidator, administrator or receiver of the **company**.

Investigation

An official examination, enquiry, investigation or other proceeding into **your** affairs ordered or commissioned by a body legally empowered to investigate **your** affairs.

Investigation Costs

Reasonable costs and expenses necessarily incurred by an **insured person** with **our** written consent for representation at an **investigation** when such **insured person** has been legally required in writing to attend.

Provided always that investigation costs will not include:

- a) fines or penalties levied or imposed in connection with the **investigation**
- b) remuneration payable to any **insured person** or **employee** of the **company**, cost of their time or costs or overheads of the **company**.

Limit of Liability

Our maximum liability in the aggregate payable under this policy for all **financial loss** arising from all **claims** made under this policy. The limit of liability applies over and above any **excess**.

Non-Executive Director

Any natural person serving as a **director** of the **company** at the inception of the period of insurance who is not also an **employee** of any **company** including any natural person who begins serving as a non-executive director of the **company** during the period of insurance.

Outside Entity

- a) Any not-for-profit entity
- b) any other entity in which the **company** has a shareholding

except any:

- a) **financial institution**
- b) other entity if its **securities** are traded on a primary, secondary or other market
- c) other entity that had negative net assets or negative net worth at the inception date of this policy.

Outside Entity Executive

Any **director** of the **company** or any **employee** of the **company** whilst serving or acting in the capacity of a **director** or officer of an **outside entity** at the **company's** specific direction and request.

Parent Company

Any company which is from time to time a holding company of the **company** as such expression is defined in section 736 of Companies Act 1985 or equivalent legislation.

Pollutants

Any solid, liquid, gaseous irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals, toxic mould or any thermal irritant or contaminant, ionising radiation or radioactivity from any nuclear fuel and waste including but not limited to nuclear waste or materials which are intended to be or have been recycled, reconditioned or reclaimed and any other similar substance of any kind or nature whatsoever including electromagnetic fields, asbestos, asbestos products and any noise.

Pollution

- a) The actual, alleged or threatened generation, transportation, discharge, emission, dispersal, release, escape, treatment, storage or disposal of **pollutants**
- b) any governmental regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **pollutants**
- c) any action taken in contemplation or anticipation of any such regulation, order, direction or request, or any voluntary decision to do so.

Proposal

Any information, statements or materials supplied to **us** by **you**.

Prosecution Costs

Reasonable and necessary fees, costs, charges and expenses incurred with **our** prior written consent in bringing or defending proceedings in an **insured's** national court or to appeal to seek to obtain the discharge or revocation of a judicial order entered during the period of insurance against an **insured person** in connection with a **claim**. Provided always that such fees, costs, charges and expenses will not include any remuneration payable to any **insured person** or **employee** of any **company**, costs of their time or overhead of any **company**.

Securities

Any bond, debenture, note, share, stock or other equity or security for debt which is issued or given by the **company** including any certificate of interest or participation in, receipt for, warrant or other right to subscribe to or to purchase, voting trust certificate relating to, or other interest in any of the foregoing items.

Securities Claim

Any **claim** that:

- a) is brought by a holder of **securities** of a **company**:
 - i) in their capacity as a **security** holder of such **company**, with respect to their interest in **securities** issued by the **company**
 - ii) on behalf of or in the name of a **company** in the form of a shareholder derivative action or its equivalent against an **insured**
- b) is brought by any governmental or regulatory agency that regulates the purchase or sale or offer to purchase or sell **securities** and alleges that any of its **insured persons** violated a governmental or regulatory local or foreign securities law or a rule or regulation promulgated under such securities law, including but not limited to the Financial Services and Markets Act 2000 whether or not in connection with the purchase, sale or offer to purchase or sell **securities** issued by the **company**.

Shadow Director

Any natural person who is deemed a shadow director as defined in section 251 of the Companies Act 2006.

Share Based Benefits

The value of any actual, beneficial or contingent rights to benefits, incentives or other compensation whose value is imputed or derived in any way from the value of the **securities** of the **company**, including but not limited to, share options, share grants, restricted shares or share warrants.

Sub-limit of Liability

A limit of our liability under this policy which is within and forms part of and is not in addition to the **limit of liability**.

Subsidiary Company

Any entity in which **you** directly or indirectly:

- a) hold more than 50% of the voting rights
- b) appoint a majority of the board of directors
- c) have the right to appoint a majority of the board of directors subject to a written agreement with other shareholders.

Third Party

Any person or entity other than the **company** or an **insured person**.

US Claim

Any **claim** brought or commenced in whole or in part within the jurisdiction of or pursuant to the laws of the United States of America or its territories or possessions.

We, Us, Our, Ours

Zurich Insurance plc or pertaining to Zurich Insurance plc.

Wrongful Act

Any actual, alleged or attempted breach of duty, breach of trust, breach of warranty of authority, neglect, error, misstatement, misleading statement, libel, slander or defamation, **employment wrongful act** or any other wrongful act or omission committed or attempted by or allegedly committed or attempted by:

- a) the **insured person** whilst acting in their capacity on behalf of the **company** or any matter claimed against such **insured person** solely by reason of their status as such
- b) the **insured person** whilst acting in the capacity as a **director** or officer of an **outside entity** at the **company's** specific direction or request but only with respect to clause 2.2 and 2.3.

You, Your, Yours, Yourselves

The legal entity designated in the schedule or pertaining to the legal entity designated in the schedule.

Section 2 – The Cover

The following insurance covers are afforded for **claims** first made against an **insured person** during the period of insurance or during an extended reporting period and notified to **us** as required by the policy.

2.1 Insured person cover

We will pay on behalf of any **insured person** the **financial loss** of such **insured person** in respect of any **claim** made against such **insured person** other than to the extent that such **insured person** is indemnified by the **company**.

2.2 Company reimbursement cover

We will pay on behalf of the **company** the **financial loss** of an **insured person** in respect of any **claim** made against such **insured person** but only to the extent that such **company** has indemnified such **insured person**.

2.3 Outside entity executive cover

We will pay on behalf of the **outside entity executive** the **financial loss** of such **outside entity executive** in respect of any **claim** made against such **outside entity executive** but only excess of any indemnification provided by an **outside entity** and excess of any director's and officer's liability insurance coverage afforded to an **outside entity** or its directors or officers.

2.4 Employment claims

We will pay on behalf of any **insured person** the **financial loss** of such **insured person** in respect of any **employment claim** made against such **insured person** other than to the extent that such **insured person** is indemnified by the **company**.

2.5 Retired persons

In the event that **you** do not renew this policy and only in respect of **insured persons** who retire prior to the date of non-renewal this policy shall continue in force for a period of 6 years from the date of non-renewal. Provided that:

- a) the policy shall only apply to **claims** arising from **wrongful acts** prior to the date of retirement of the **insured person**; and
- b) the said 6 years period shall run concurrently with any extended reporting period and
- c) no similar insurance is effected elsewhere.

2.6 Marital estates

We will pay **financial loss** arising from or in consequence of any **claim** first made against the lawful spouse or domestic partner of any **insured person** during the period of insurance arising solely out of their capacity as the spouse or domestic partner of any **insured person**. The cover provided by this clause is limited to **financial loss** arising from actions or proceedings for the enforcement of judgements or damages against an **insured person** resulting from a **claim** against that **insured person** covered under this policy, where such enforcement relates to the ownership of property including marital community property jointly held by the **insured person** and their spouse or domestic partner. This clause will not cover any **claim** arising out of any **wrongful act** of the spouse or domestic partner.

2.7 Company investigations

We will pay on behalf of any **insured person** such **investigation costs** as arise from or are a consequence of an **investigation** into the affairs of the **company** provided that the **insured person** is legally required to attend such **investigation** for the first time during the period of insurance and **you** notify **us** of such **investigation** pursuant to the requirements of Section 5 Claims Settlement.

An **investigation** will be deemed to be first made when the **insured person** is first so required in writing to attend such **investigation**.

Provided always that this cover will not apply to any **investigation** brought or commenced in whole or in part within the jurisdiction of or pursuant to the laws of the United States of America or any territory or possession thereof including but not limited to any **investigation** brought by or commenced by the United States Securities and Exchange Commission (SEC).

2.8 Costs for shareholder derivative claims

If the **company** is ordered by a court to pay the costs of the claimants in pursuing a derivative action against **insured persons** we will pay such costs provided that such derivative action constitutes a **claim**.

2.9 Pollution defence costs

We will pay **defence costs** up to the **sub-limit of liability** stated in the schedule incurred by any **insured person** as a result of any **claim** against such **insured person** arising from **pollution**. We will not pay **defence costs** in excess of such **sub-limit of liability** even if otherwise also covered by clauses 2.1 to 2.3.

2.10 Pollution shareholders actions

We will pay the **financial loss** of any **insured person** in respect of any **claim** against such **insured person** by or at the instigation of any shareholder of the **company** which alleges diminution in value of the **company's** shares as a result of **pollution**.

2.11 Bilateral extended reporting period

If this policy is not renewed by **you** or **us** **you** have the right to extend the period of insurance for 12 months for 50% of the annual premium stated in the schedule in respect of any **wrongful act** committed prior to the effective date of such non-renewal.

You must give **us** written notice of **your** intention to purchase the extended reporting period within 10 days of the effective date of non-renewal of this policy.

You must promptly pay the relevant premium.

Section 3 – Extensions

The following insurance covers are afforded for **claims** first made during the period of insurance or during an extended reporting period and notified to **us** as required by the policy.

3.1 Non-executive director

We will pay the non-indemnifiable **financial loss** of each and every **non-executive director** of the **company** up to a limit of £250,000 per **non-executive director** when the following have been exhausted:

- a) the **limit of liability** and
- b) all other applicable directors and officers liability whether specifically written as excess over the **limit of liability** of this policy or otherwise and
- c) all other indemnification for loss available to any **non-executive director**.

3.2 Emergency costs

If **our** written consent cannot reasonably be obtained before **defence costs** are incurred with respect to any covered **claim** we will give retrospective approval for such **defence costs** subject to a **sub-limit of liability** of 10% of the **limit of liability** in the aggregate.

3.3 Reputational recovery costs

We will pay on behalf of any **insured person** the reasonable fees and expenses payable to outside public relations professionals incurred by an **insured person** with **our** prior written consent in order to mitigate damage to the **insured person's** reputation due to a covered **claim** as objectively established by media reports or other publicly available third-party data provided that such **claim** is first made against an **insured person** during the period of insurance and notified to **us** except for and to the extent that the **company** has indemnified the **insured person** for such costs and expenses.

This extension is subject to a **sub-limit of liability** of £100,000 in the aggregate.

Section 4 – Exclusions

This policy does not cover **financial loss** in respect of:

4.1 Company or insured person

any **claim** brought or maintained in whole or in part by or on behalf of the **company** or any **insured person**.

Provided always that this exclusion shall not apply to:

- a) any **claim** which the **company** is ordered to bring by a legally empowered official body
- b) any **claim** brought in the name of the **company** by one or more persons who are not **insured persons** and who bring and maintain the **claim** without the solicitation, assistance or active participation of the **company** or any **insured person**
- c) any **claim** brought by or at the instigation of any **insured persons** if such **claim** results from a covered **claim** brought by any **third party** and the **third party** could have brought the **claim** directly against an **insured person** not named in the independent **claim**
- d) any **claim** brought by any former **insured person**
- e) **defence costs**.

4.2 Employment benefits

any **claim** arising from or in consequence of any violation or infringements of any responsibilities, obligations or duties imposed by statute, common law, rule or regulation in respect of employers liability, disability benefits, working time regulations, redundancy pay, **benefits**, unemployment benefits, social security, retirement benefits, disability benefits, health and safety or any similar law, rule or statute or portion of any law, rule or statute. Provided always that this exclusion will not apply to any allegation of retaliation or retaliatory treatment of the claimant by the **insured** on account of the claimant's exercise of rights pursuant to any such statute, law, rule or regulation.

4.3 ERISA

any **claim** arising from or in consequence of violation of any responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act (ERISA) of 1974 or any amendment thereof, enacted in the United States of America or its territories or by similar regulations or provisions concerning pension, profit sharing or employee benefit programmes or social compensation plans arising under Federal, State or local statutory laws in the United States of America, its territories and/or possessions or which relate in any way thereto.

4.4 Fraud

any **claim** arising from or in consequence of any recklessness, intentionally dishonest or fraudulent act or omission or any wilful violation of any statute or regulation or relevant admission committed by any **insured** if a judgement or other final decision establishes such an intentionally dishonest or fraudulent act or omission or wilful violation.

4.5 Nuclear and war risks and government or public authority order

any **claim** arising from or in consequence of death, injury, disablement or loss or damage to any property or any loss or expense resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

- b) the radioactive toxic explosive or other hazardous properties of any nuclear installation, nuclear reactor, nuclear assembly or nuclear component thereof
- c) any weapon employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter
- d) war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power
- e) nationalisation, confiscation, requisition, seizure or destruction by any government or public authority.

4.6 Parent Company

made by or at the instigation of any **parent company** of the **company** regardless of whether such **claim** is made in the name of the parent company or not.

4.7 Personal debt

any **claim** arising from or in consequence of:

- a) any actual or alleged contractual liability of any **insured person** pursuant to any contract, agreement or legal requirement of any kind
- b) any debt of any **insured person**.

4.8 Prior and pending investigation

any **investigation** initiated prior to or pending at the date specified in the schedule or alleging or deriving from the same or essentially the same facts as or that has the same originating source or causes as the matters alleged in such prior or pending **investigation**.

4.9 Prior and pending litigation

any **claim** arising from or in consequence of litigation arbitration or other proceedings initiated prior to or pending at the date specified in the schedule of this policy or alleging or deriving from the same or essentially the same facts as or that has the same originating source or causes as the matters alleged in such prior or pending litigation.

4.10 Prior circumstances and claims

- a) any **claim** arising from or in consequence of any circumstance fact matter or occurrence that might give rise to any **claim** that was reported under any other insurance policy prior to inception of this policy or that was disclosed on **your** latest proposal to **us** or if not reported or disclosed that was or ought to have been known to any **insured** prior to inception of this policy
- b) any **claim** alleging or deriving from the same or similar facts or that has the same originating source or cause as the matters alleged in any **claim** made against the **Insured** prior to inception of this policy.

4.11 Profit or advantage

any **claim** arising from or in consequence of any **insured** having gained actual profit or advantage to which they had no legal entitlement.

4.12 Property damage and bodily injury

any **claim** arising from or in consequence of:

- a) death, bodily injury, mental injury, sickness, disease, mental anguish or shock other than mental anguish or shock in connection with an **employment claim**
- b) loss of or damage to property.

4.13 Terrorism

any **claim** arising from or in consequence of loss, damage, consequential loss, cost or expense directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with:

- a) any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:
 - ii) involves violence against one or more persons
 - iii) involves damage to property
 - iv) endangers life other than that of the person committing the action
 - v) creates a risk to health or safety of the public or a section of the public
 - vi) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) above.

In any action or suit or other proceedings where **we** allege that by reason of this exclusion cover is not provided under this policy the burden of proving that cover is provided under this policy will be upon the **insured**.

4.14 Trustee

any **claim** arising from or in consequence of infringement of obligations imposed by any statute, regulation or common law whilst acting in the capacity of trustee of any pension, superannuation scheme, profit sharing or other employee benefit scheme.

4.15 Union and collective bargaining

any **claim** arising from or in consequence of any actual or alleged violation of the responsibilities, obligations, or duties imposed by any statute or common law that governs the rights of employees to engage in or to refrain from engaging in union or other collective activities or the enforcement of any collective bargaining agreement including but not limited to grievance and arbitration proceedings.

4.16 Wrongful acts for subsidiaries

any **claim** arising from or in consequence of any actual or alleged **wrongful act** of any **insured person** of any **subsidiary company** or the **subsidiary company** committed prior to becoming a **subsidiary company** or after ceasing to be a **subsidiary company**.

Section 5 – Claims Settlement

5.1 Defence of claim

It is the duty of an **insured** who receives a **claim** to take all reasonable steps to defend such **claim** and they will not do anything which may prejudice **our** position.

We will have no duty to defend any **claim** made under this policy. Provided always that for any **claim** which may be covered under this policy **we** will have the right to be provided with all such information regarding the **claim** as **we** will reasonably require and will be kept fully informed regarding all matters regarding the investigation, defence or settlement of any **claim** and will have the right to receive copies of all relevant documents.

In the event of any dispute between **you** and **us** regarding whether or not to contest any **claim** then the procedure described by the Arbitration condition in this policy will apply.

5.2 Payments

We will pay defence costs covered under this policy to the **insured** as and when those **defence costs** fall due. Any **insured** with no entitlement to payment for **financial loss** under the terms and conditions of this policy must repay **us** any payments of **defence costs** to **insureds** which have been made by **us**.

5.3 Fair allocation

If a **claim**:

- a) is made against any **insured person** or the **company** and any defendant not insured under this policy
- b) includes both **financial loss** which is covered under this policy and **financial loss** together with associated **defence costs** which are not covered

we, the **insured person** and the **company** will use all reasonable endeavours to determine a fair allocation between **financial loss** which is covered and **financial loss** and **defence costs** which are not covered under this policy.

5.4 Payments on behalf of insured persons

If the **company** fails for reasons other than insolvency to indemnify the **insured person** to the fullest extent permitted or required by law in respect of **financial loss** covered under this policy **we** will pay such **financial loss** on behalf of the **insured person**. **We** will then be entitled to obtain reimbursement from the **company** for all payments made by **us** that would not have been made if the indemnity had been provided by the **company**.

5.5 Written consent

Our written consent must be obtained before:

- a) any **defence costs** are incurred
- b) any legal representative is retained to defend any **insured person** or to take any steps in connection with any legal proceedings that may potentially be covered by this policy
- c) any **claim** is settled.

Section 6 – Conditions

6.1 Automatic acquisition

We will pay the financial loss on behalf of an **insured person** of a **subsidiary company** which **you** founded or acquired after the inception date of this policy provided that the newly founded or acquired **subsidiary company**:

- a) is not domiciled outside the European Economic Community
- b) does not have publicly traded securities
- c) is not a **financial institution**
- d) does not have assets which exceed 25% of **your** total assets as stated in **your** last published accounts.

6.2 Change of control

If there is a **change of control** during the period of insurance then the cover provided by this policy only applies in respect of **wrongful acts** occurring prior to the effective date of that **change of control**.

You must give written notice to **us** of the **change of control** as soon as reasonably practicable.

6.3 Public or Private Offering

If **you** or any **subsidiary company** makes a public or private offering of **securities** during the period of insurance then **you** must give written notice to **us** of that offering including any information **we** may reasonably require as soon as reasonably practicable. **We** reserve the right to provide cover and amend the terms of this policy in respect of that public or private offering.

We also reserve the right to exclude cover for any public or private offering.

6.4 Claims notification

It is a condition precedent that the **company** or the **insured person** must provide written notice to **us** as soon as is reasonably practicable and in any event no later than 45 days after the expiry of the period of insurance of:

- a) any **claim**
- b) notice from any person or entity of an intention to make a **claim**
- c) any **insured person** being required to attend an **investigation**.

If the **company** or any **insured person** becomes aware of any circumstance which could reasonably be expected to give rise at a later date to a **claim** then written notice to **us** of such circumstance will be deemed for the purposes of this policy to be the date on which any **claim** arising out of such circumstance was made and notified under this policy.

Written notice must include but is not limited to a description of the **claim, investigation** or circumstance, as applicable, the nature of the alleged or potential damage, the names of the actual or potential claimants and the date and manner in which the **company** or **insured person** first became aware of the **claim, investigation** or circumstance, as applicable.

6.5 Claims series

Any **claim** or **investigation**, whether made before, during or after the period of insurance, or series of such **claims** or **investigations** which arise out of the same **wrongful act** or a related series of **wrongful acts** or which have the same originating cause or source or are otherwise causally connected shall constitute a single claim or **investigation** for the purposes of this policy.

All such **claims** and such **investigations** that constitute a single **claim** or **investigation** under this provision shall be deemed to have been made during the period of insurance if either the first such **claim** or first such **investigation** was first made during the period of insurance.

If however the first such **claim** or first such **investigation** was made prior to the period of insurance then all such **claims** and **investigations** shall be deemed to have been made prior to the period of insurance and therefore excluded from cover.

For the purpose of applying this condition, an **investigation** shall be deemed to have been made when an **insured person** is first required to attend such **investigation**.

6.6 Limit of Liability and Excess

The **limit of liability** is the total aggregate amount payable by **us** under this policy for all **financial loss** under all insuring clauses 2.1 to 2.11 of this policy irrespective of the number of **claims** or the number of **insureds** who may claim under this policy and irrespective of the amounts of any such **claims** or when they are made.

6.7 Subrogation

When **we** pay any **financial loss** **we** will assume all rights of recovery available to any **insured person** or the **company** who must give **us** all reasonable assistance in the prosecution of such rights. The **insured persons** shall execute all papers reasonably required and shall take all reasonable action that may be necessary to secure any and all subrogation rights of **us** including an action against the **company** for non-payment of indemnity by the **company**.

6.8 Applicability to each person separately

Any **proposal** will be construed to be a separate application for cover for each **insured**. No statement in any **proposal** nor knowledge possessed by any **insured** nor **wrongful act** of any **insured** will be imputed to any other **insured** for the purposes of determining the availability of cover under this policy.

6.9 Contribution

If a **claim** under this policy is also insured by any other policy **we** will not pay more than our rateable proportion.

6.10 Payment by instalments

Where **we** refer in the policy to the payment of premiums this will include payment by monthly instalments. If **you** pay by this method the policy remains an annual contract. The date of payment and the amount of the instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then the credit agreement and the policy will be cancelled immediately.

6.11 Contractual right of renewal (tacit)

If **you** pay the premium to **us** using **our** Direct Debit instalment scheme **we** will have the right which **we** may choose not to exercise to renew the policy each year and continue to collect premiums using this method. **We** may vary the terms of the policy including the premium at renewal. If **you** decide that **you** do not want **us** to renew the policy provided **you** tell **us** or **your** insurance intermediary before the next renewal date **we** will not renew it.

6.12 Contracts (Rights of Third Parties) Act 1999

A person or company including an **insured person** who was 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** which exists or is available apart from that Act.

6.13 Territorial Limits

Coverage under this policy will apply to **financial loss** incurred resulting from **claims** made and **wrongful acts** occurring anywhere in the world where legally permissible.

6.14 Arbitration

All disputes and differences arising under or in connection with this contract must be referred to arbitration under ARIAS Arbitration Rules. The Arbitration Tribunal will consist of three arbitrators one to be appointed by the claimant one to be appointed by the respondent and the third to be appointed by the two appointed arbitrators.

The third member of the Tribunal must be appointed as soon as practicable and no later than 28 days after the appointment of the two party-appointed arbitrators. The Tribunal will be constituted upon the appointment of the third arbitrator.

The arbitrators must be people including those who have retired with not less than 10 years experience of insurance or reinsurance within the Insurance industry or as lawyers or other professional advisers serving the Insurance industry.

Where a party fails to appoint an arbitrator within 14 days of being called upon to do so or where the two party-appointed arbitrators fail to appoint a third within 28 days of their appointment then upon application ARIAS (UK) will appoint an arbitrator to fill the vacancy. At any time before their appointment by ARIAS (UK) the party or arbitrators in default may make such appointment.

The Tribunal has sole discretion to make such orders and directions that it considers necessary for the final determination of the matters in dispute. The Tribunal has the widest discretion permitted under the law governing arbitration when making such orders or directions.

Our complaints procedure

We value the opportunity to investigate any concerns you may have about any aspect of our service and are committed to handling all complaints fairly, thoroughly and promptly.

Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with your usual contact as they will generally be able to provide you with an immediate response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

If we cannot resolve your complaint straight away we will aim to resolve your concerns as soon as possible and we will keep you informed of progress while our enquiries are continuing.

The majority of complaints we receive are resolved within 4 weeks of receipt.

Next steps if you are not happy with the response provided

We are dedicated to our customers and seek to do what is right however sometimes we may not be able to reach an agreement with you. If this is the case and you remain dissatisfied once you have received our response to your complaint we will refer your complaint to our Customer Relations Team for a separate review.

The Customer Relations Team will contact you to let you know they have received your complaint and when their review is complete they will provide you with a final response on our behalf.

The Financial Ombudsman Service (FOS)

If we are unable to resolve your complaint to your satisfaction within 8 weeks or if you remain dissatisfied following receipt of our final response letter you can ask the FOS to formally review your case. You must contact the FOS within 6 months of our final response.

The FOS contact details are as follows:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

You can telephone for free on:

08000 234 567 for people phoning from a "fixed line" (for example, a landline at home)

0300 123 9 123 for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Or e-mail: complaint.info@financial-ombudsman.org.uk

This is a free and impartial service and will not affect your legal rights.

The FOS can help with most complaints if you are:

- a consumer
- a business employing fewer than 10 persons that has an annual turnover or balance sheet that does not exceed €2 million
- a charity with an annual income of less than £1 million
- a trustee of a trust with a net asset value of less than £1 million.

If you are unsure whether the FOS will consider your complaint please contact them directly for further information.

You are entitled to contact the FOS at any stage of your complaint.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation should we be unable to meet our obligations. Further information is available on www.fscs.org.uk or you may contact the FSCS on 0800 678 1100.

Following this complaints procedure does not affect your legal rights.



Zurich Insurance plc

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UK Branch registered in England and Wales Registration No. BR7985.
UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley,
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Authorised by the Irish Financial Regulator and subject to limited regulation by the Financial Services Authority. Details about the extent of our regulation by the Financial Services Authority are available from us on request. FSA registration number 203093. These details can be checked on the FSA's register by visiting their website www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

Communications may be monitored or recorded to improve our service and for security and regulatory purposes.

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