

Executive Risk Solutions Policy



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How we use your information

Who controls your personal information

This notice tells you how Zurich Insurance plc ('Zurich'), as data controller, will deal with your personal information. Where Zurich introduces you to a company outside the group, that company will tell you how your personal information will be used.

You can ask for further information about our use of your personal information or complain about its use in the first instance, by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com

If you have any concerns regarding our processing of your personal information, or are not satisfied with our handling of any request by you in relation to your rights, you also have the right to make a complaint to the Information Commissioner's Office. Their address is: First Contact Team, Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

What personal information we collect about you

We will collect and process the personal information that you give us by phone, e-mail, filling in forms on our website, or otherwise and when you report a problem with our website. We also collect personal information from your appointed agent such as your trustee, broker, intermediary or financial adviser and from other sources, for verification purposes, such as credit reference agencies, other insurance companies, information you have volunteered to be in the public domain and other industry-wide sources.

The type of personal information we may collect includes: basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

In providing Zurich with personal information on other individuals on your policy, you agree that you have their permission to do so.

Who we share your personal information with

Where necessary or required we may need to share your personal information for the purposes of providing you with the goods and services with the types of organisation described below:

- associated companies including reinsurers, suppliers and service providers
- introducers and professional advisers
- regulatory and legal bodies
- central government or local councils
- law enforcement bodies, including investigators
- survey and research organisations
- credit reference agencies
- healthcare professionals, social and welfare organisations
- other insurance companies.

How we use your personal information

We and our selected third parties will only collect and use your personal information (i) where the processing is necessary in connection with providing you with a quotation and/ or contract of insurance and/or provision of financial services that you have requested; or (ii) for our "legitimate interests". It is in our legitimate interests to collect your personal information as it provides us with the information that we need to provide our services to you more effectively including providing you with information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest.

Examples of the purposes for which we will collect and use your personal information are:

- to provide you with a quotation and/or contract of insurance
- to identify you when you contact us
- to deal with administration and assess claims
- to make and receive payments
- to obtain feedback on the service we provide to you
- to administer our site and for internal operations including troubleshooting, data analysis, testing, research, statistical and survey purposes
- for fraud prevention and detection purposes.

We will contact you to obtain consent prior to processing your personal information for any other purpose, including for the purposes of targeted marketing unless we already have consent to do so.



How we use your personal information for websites and email communications

When you visit one of our websites we may collect information from you such as, your email address, IP address and other online identifiers. This helps us to track unique visits and monitor patterns of customer website traffic, such as who visits and why they visit.

We may use cookies and/or pixel tags on some pages of our website. A cookie is a small text file sent to your computer. A pixel tag is an invisible tag placed on certain pages of our website but not on your computer. Pixel tags usually work together with cookies to assist us to provide you with a more tailored service. This allows us to monitor and improve our email communications and website. Useful information about cookies, including how to remove them, can be found on our websites.

How we transfer your personal information to other countries

Where we transfer your personal information to countries that are outside of the European Union we will ensure that the transfer is carried out in a compliant manner and appropriate safeguards are in place. A copy of our security measures for information transfer can be obtained from our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN, or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com

How long we keep your personal information for

We will retain and process your personal information for as long as necessary to meet the purposes outlined in the notice provided to you at the time of collection of your personal information.

These periods of time are subject to legal and regulatory requirements (for example those set out by HMRC and the FCA), or to enable us to manage our business.

Your data protection rights

You have a number of rights under the data protection laws, namely:

- to access your data (by way of a subject access request)
- to have your data rectified if it is inaccurate or incomplete
- in certain circumstances, to have your data deleted or removed
- in certain circumstances, to restrict the processing of your data
- a right of data portability, namely to obtain and reuse your data for your own purposes across different services
- to object to direct marketing

- not to be subject to automated decision making (including profiling), where it produces a legal effect or a similarly significant effect on you
- to claim compensation for damages caused by a breach of the data protection legislation
- if we are processing your personal information with your consent, you have the right to withdraw your consent at any time.

We will, for the purposes of providing you with a contract of insurance, processing claims, reinsurance and targeted marketing, process your personal information by means of automated decision making and profiling where we have a legitimate interest or you have consented to this.

What happens if you fail to provide your personal information to us

If you do not provide the required personal information to provide you with the services you have requested we will not be able to provide you with a contract or assess future claims.

Fraud prevention and detection

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

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to any relevant database.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us 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.

This helps to check information provided and prevent fraudulent claims.

Our complaints procedure



Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

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 at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

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

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service,
Exchange Tower, London, E14 9SR

Telephone: 08000 234567
(free on mobile phones and landlines)

Email: complaint.info@financial-ombudsman.org.uk

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

The Financial Services Compensation Scheme (FSCS)

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

Helpline numbers and additional benefits



Claims Notification

To notify a claim please contact us by writing to the following address:

Financial Lines, 70 Mark Lane, London, EC3R 7NQ

Email professional&financial.lines.newclaims@uk.zurich.com

Zurich's Risk Management Advice Line

Call 0800 302 9052 when you require risk management advice

To help **you** proactively identify and manage issues before they occur, this helpline operates during normal business hours, providing free practical guidance on risk issues such as property, security, food hygiene, business continuity, environmental and health and safety management.

Please note that this helpline includes services provided by Zurich Management Services Ltd and Santia Consulting Ltd under contract to Zurich Insurance plc.

The following services are provided by DAS Law Limited and/or a preferred law firm on behalf of DAS Legal Expenses Insurance Company Limited.

Commercial Legal Assistance

Legal advice and protection for your business

Helpline services

You can contact the DAS UK-based call centres 24 hours a day, seven days a week. However, DAS may need to arrange to call **you** back depending on the enquiry. To help DAS check and improve their service standards, they record all inbound and outbound calls, except those to the counselling service. When phoning, please advise DAS of **your** policy number and the name of the insurance provider who sold **you** the policy.

Legal advice helpline

Call 0344 893 9022 when you require legal advice

DAS provides confidential legal advice over the phone on any commercial legal problem affecting **your business**, under the laws of any European Union country, the Isle of Man, the Channel Islands, Switzerland and Norway.

Wherever possible the Legal Advice helpline aims to provide immediate advice from a qualified legal advisor. However if this is not possible they will arrange a call back at a time to suit **you**.

DAS Legal Advisors provide advice on the laws of England and Wales 24 hours a day, 7 days a week, 365 days a year. Where advice is sought in an area of law beyond this jurisdiction or in respect of very specialist matters DAS will refer **you** to one of their specialist advisors. This will include European law and certain areas of law for Scotland and Northern Ireland.

Specialist advice is provided 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, a DAS Legal Advisor will call **you** back.

Tax advice service

Call 0344 893 9022 when you require tax advice

This service offers confidential advice over the phone on any tax matters affecting **your business** under the laws of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands.

Tax advice is provided by tax advisors 9am-5pm, Monday to Friday, excluding public and bank holidays. If calls are made outside these times, a DAS Tax Advisor will call **you** back.

Counselling service

Call 0344 893 9025 for confidential counselling

DAS will provide **your employees**, including any members of their immediate family who permanently live with them, with a confidential counselling service over the phone including, where appropriate, onward referral to relevant voluntary and/or professional services. Any costs arising from the use of these referral services will not be paid by DAS or Zurich Insurance plc.

The counselling service helpline is open 24 hours a day, seven days a week.

Health and medical information service

Call 0344 893 9022 for health and medical information

DAS will give **your employees** information over the phone on general health issues and advice on a wide variety of medical matters. They can give **your employees** information on all health services including NHS Dentists.

Health and medical information is provided by qualified nurses 9am-5pm, Monday to Friday, excluding public and bank holidays. If **you** call outside these times, a message will be taken and a return call arranged within the operating hours.



Online law guide and document drafting

DAS Employment Manual

Visit www.das.co.uk and click on the Employment Manual icon

The DAS Employment Manual offers comprehensive, up to date guidance on rapidly changing employment law. To view it, please visit www.das.co.uk and select Employment Manual. All the sections of this web-based document can be printed off for **your** own use. Contact DAS at employmentmanual@das.co.uk with **your** email address, quoting **your** policy number and DAS will contact **you** by email to inform **you** of future updates to the information.

DASbusinesslaw

Visit www.dasbusinesslaw.co.uk for online legal advice and documents. When registering, please use the following code which will provide you with access to a range of free documents: **DAS472301**

Using www.dasbusinesslaw.co.uk **you** can create ready-to-sign contracts, agreements and letters in minutes. Developed by solicitors and tailored by **you** using the DAS smart document builders. **You** can also buy legal documents from the site, ranging from simple debt recovery letters to employment contracts.

The service also provides useful tools, articles and information on matters such as new legislation, employment issues, property law and taxation all regularly updated by legal experts to help **you** keep **your business** one step ahead.

In using these services **you** acknowledge that all rights and obligations relating to the provision of these services rest with DAS and that **you** will have no recourse to Zurich Insurance plc in this regard.

These helplines are provided by DAS. If **you** have a complaint about the service or about the way **you** have been treated, please write to: DAS Customer Relations Department at:

DAS House, Quay Side, Temple Back, Bristol BS1 6NH.

Alternatively **you** can contact DAS by telephone on: 0117 934 0066, or email: customerrelations@das.co.uk.

To help check and improve service standards calls are recorded other than calls to the Counselling Service.

DAS, Santia Consulting Ltd, Zurich Management Services Ltd and Zurich Insurance plc will not accept responsibility if any of the helpline services are unavailable for reasons DAS, Santia Consulting Ltd, Zurich Management Services Ltd and Zurich Insurance plc cannot control.



Your Executive Risk Solutions policy

This policy is a contract between **you** and **us**.

This policy, statement of facts, any schedule and endorsements should be read as if they are one document.

We will insure **you** under those sections stated in the schedule as insured during any period of insurance for which **we** have accepted **your** premium. **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 amendments thereto or re-enactment thereof.

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

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law.

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

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

Please read this policy, statement of facts, any schedule and endorsement carefully and if they do not meet **your** needs contact **us** or **your** broker or insurance intermediary.



Definitions

Certain words in this policy have special meanings. These words and their meanings are detailed in this section and apply wherever **we** have printed them in bold throughout.

Act of fraud or dishonesty

Any single, continuous or repeated act of fraud or dishonesty.

Additional costs

- a) renting fee for temporary replacement equipment and temporary additional premises
- b) costs of additional external workforce and overtime of **employees**
- c) costs related to transportation of equipment or documents which have been incurred by the **insured company**.

Assets

Money, property or securities belonging to the **insured company** or under the **insured company's** custody and control and for which the **insured company** is legally liable.

Benefits

- a) Any type of compensation or the equivalent value thereof other than salary and wages including but not limited to:
 - i) perquisites, fringe benefits, bonus payments
 - ii) incentive or deferred compensation
 - iii) 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 **insured company's securities** including but not limited to, share options, share grants, restricted shares or share warrants
 - iv) medical or insurance benefits and payments due to any person in connection with an employee benefit plan or **pension scheme**.
- b) With respect to Section D only any obligation under a **pension scheme** to a participant in or beneficiary of a **pension scheme** which is a payment of money or property, or the grant of a privilege, right, option or perquisite.

Business

The **insured company's** usual activities as stated in the schedule.

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
- f) is appointed to an **insured company** as a trustee in bankruptcy, receiver, liquidator or administrator or similar official or person

or

For Section D – Pension trustees liability only. The winding up of the **pension scheme** that will be deemed to have occurred on the date of the final asset distribution made from a **pension scheme** which has terminated.

Civil fines and penalties

Civil, administrative or regulatory monetary penalties directly assessed against a **director or officer** or an **outside entity executive** for a violation of any law, regulation or statute not including punitive, exemplary or multiple damages but only where:

- a) such violations are not knowing, wilful or criminal; and
- b) such penalties are insurable under the internal laws of the jurisdiction in which such penalties were assessed or levied.

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 an **insured** of a notice of charges or similar document against an **insured** alleging any **wrongful act**
- f) an **investigation** of the **insured company** when identified in writing by any **official body** where a criminal, administrative or regulatory proceeding may be commenced
- g) an investigation of an **insured person** in their insured capacity as such when that **insured person** is identified in writing by an **official body** 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.



Counterfeiting

The intentional imitation of any currency notes or coins such that the **insured company** is deceived on the basis of the quality of the imitation to believe that the imitation is the authentic original currency.

Customer

An entity or individual to whom the **insured** sells goods or provides services under a written contract.

Data protection breach

A breach of any data protection regulation imposed by statute or by an **official body** including but not limited to a breach of the General Data Protection Regulation.

Defence costs

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

Provided always that **defence costs** will not include **investigation costs** and will not include remuneration payable to the **insured company** or an **insured person's** or **employee's** cost of their time or costs or overheads of any **insured company**.

Director or officer

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 **insured company** elected or appointed according to law
- b) a past, present or future de facto director or officer or any natural person who is deemed a shadow director as defined in Section 251 of the Companies Act 2006 of the **insured company**
- c) employed by the **insured company** to whom the Financial Conduct Authority has given its approval to perform one or more of the controlled functions 1-30 for a company pursuant to Section 59 of the Financial Services and Markets Act 2000
- d) named as a prospective director in the listing particulars or prospectus for a public offering issued by the **insured company**.

Discovered or Discovery

The moment at which **you** or any **director or officer, partner, member, departmental head** or other senior manager or the equivalent thereof becomes aware of any fact that gives reasonable grounds to believe that the insured loss under this policy has been or may be incurred even though the exact amount or details of the loss may not then be known.

Employee

Any natural person who is:

- a) under a contract of service or apprenticeship with the **insured company**
- b) a worker as defined in Section 230(3) of the Employment Rights Act 1996

- c) employed by the **insured company** or for the **insured company** on a labour only basis
- d) hired or borrowed by the **insured company** from another employer
- e) a voluntary helper or under a work experience or similar scheme

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

Provided always that for the purposes of Section E of this policy the following are excluded:

- i) any **partner** or **member**
- ii) any **employee** who at the time of committing any **act of fraud or dishonesty** controls more than five per cent of the issued share capital of the **insured company**.

Employment claim

- a) 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 **insured company** or employee of an **outside entity** against an **insured**.
- b) a **claim** brought by any natural person who is not an **employee** alleging harassment or discrimination.

Employment wrongful act

In relation to an **insured** 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 for which **you** will be responsible and which will be deducted from any payment under this policy after all other terms and conditions have been applied. The excess will be applicable to **defence costs**.

Extended reporting period

An additional period immediately following the expiry of this policy during which **you** may report:

- a) any **claim** that related to events occurring prior to the expiry of this policy
- b) any **loss** that occurred prior to the expiry of this policy.

Extortion

A threat to personally injure any **employee, director or officer** or their family members or to damage or destroy any **assets** or computer systems, software or programs owned by the **insured company** or for which the **insured company** is legally liable.

Extradition

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.

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, judgments, awards or settlements in respect of any **wrongful act** that an **insured** becomes legally liable to pay
- b) **defence costs**
- c) **investigation costs**
- d) reasonable legal fees, costs and expenses necessarily 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 executives decision to order an **insured person's extradition** and to pursue appeals including appeals to the European Court of Human Rights.
- e) **prosecution costs**
- f) 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**
- g) costs payable in relation to shareholder derivative **claims**

h) punitive, exemplary, aggravated and multiple damages imposed upon an **insured** if and only to the extent that such damages are insurable under the internal laws of the applicable jurisdiction most favourable to **you** including without limitation the jurisdiction in which the **insured, we** or such **claim** is located

- i) **pre-claim costs**
- j) **kidnap response costs**
- k) costs payable in relation to Court attendance costs
- l) costs payable in relation to an Insolvency hearing
- m) costs payable in relation to Loss of documents
- n) costs payable in relation to Mitigation costs
- o) costs payable in relation to Reputational recovery costs.

Provided always that **financial loss** will not include:

- i) taxes, other than Section A – Additional cover 3 – Corporate taxation and employee compensation
- ii) employee compensation other than Section A – Additional cover 3 – Corporate taxation and employee compensation and damages awarded to an **employee** in settlement of an **employment claim**
- iii) social security contributions
- iv) fines or penalties imposed by law other than:
 - 1) Section A – Additional cover 2 – Civil fines and penalties; and
 - 2) Section B – Additional cover 4 – Data protection breach – part d)
- v) damages that are uninsurable under the law pursuant to which this policy will be construed
- vi) **benefits** other than Section D – Pension trustees liability and only to the extent that payment of such **benefits** is based upon a covered **wrongful act** of a **trustee** and that such **benefits** are payable as a personal obligation of a **trustee**
- vii) the costs to comply with any injunctive, interim or other non-monetary relief or any agreement to provide such relief
- viii) expenses including but not limited to legal and professional fees incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralising, detoxifying or assessing the effects of **pollutants**.

Forgery

The signing by hand of another natural person's name, or the endorsing or amending by hand without authority of any cheque, draft, promissory note or bill of exchange given by or received by **you** with the intent to deceive in consequence of which **you** have acted or transferred funds or goods.

Mechanically or electronically produced or reproduced signatures will be treated as hand written signatures.

Greenhouse gases

Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆), or any other emission or substance defined by applicable law as a greenhouse gas.



Indemnifiable financial loss

Financial loss of the **insured person** which the **insured company** has indemnified or is permitted, required, entitled to indemnify or is not prohibited from indemnifying unless the **insured company** fails or refuses to indemnify the **insured person** due to the status of the **insured company** resulting from the appointment by any governmental or provincial agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **insured company**.

Indemnification period

Period of 30 days immediately starting after the **waiting period**.

Insured

- a) An **insured person**
- b) an **insured company**.

Insured company

- a) **You**
- b) any past, present or future **subsidiary company**.

Insured person

Any natural person who is:

- a) a **director or officer**
- b) a **partner**
- c) a **member**
- d) a **trustee** but only as defined by part a) of the definition of Trustee
- e) an **outside entity executive**
- f) an **employee** who is the **insured company's** risk manager or equivalent position
- g) an **employee** while acting in a managerial or supervisory capacity for the **insured company**
- h) an **employee** while acting as a lawyer on behalf of the **insured 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 or officer**
- i) an **employee** while acting as Data Protection Officer on behalf of the **insured company**.

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

Investigation

An official examination, enquiry, investigation or other proceeding into an **insured's** affairs ordered or commissioned by an **official body**.

Investigation costs

Reasonable costs or expenses necessarily incurred by an **insured** with **our** written consent for representation at an **investigation** when such **insured** 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 **insured company**, cost of their time or the **insured company's** costs or overheads.

Joint insured

A group of Limited Companies, Limited Liability Partnerships or **general partnerships** that:

- a) are named separately in the schedule as **you**; and
- b) have in common at least one entity who is a shareholder, **member** or **partner** in all of the said Limited Companies, Limited Liability Partnerships and **general partnerships**.

Kidnap response costs

Reasonable fees, costs, charges or expenses necessarily incurred with **our** prior written consent by an **insured person** directly in response to a **kidnapping event** anywhere in the world.

Kidnapping event

Any event or connected series of events of seizing, detaining or carrying away by force or fraud an **insured person** while acting in the course of employment by the **insured company** but solely for the purpose of demanding ransom monies. A **kidnapping event** will be deemed to be first made against an **insured person** when the **insured person** is first so seized, detained or carried away by force or fraud.

Limit of indemnity

- a) In respect of Sections A, B, C and D: **our** maximum liability in respect of **financial loss** arising from any one **claim** payable under each section of the policy
- b) in respect of Section E: **our** maximum liability in respect of any one **loss**
- c) in respect of all sections: any coverage clause which has a limit stated as applying in the aggregate will not increase **our** maximum liability as stated in a) or b) above unless such coverage is specified as being in addition to the **limit of indemnity**.

The **limit of indemnity** applies over and above any **excess** and includes **defence costs**.

Loss

Direct financial loss of any **property, money** or **securities** sustained by **you** as a direct result of any **act of fraud** or **dishonesty** committed on or after any retroactive date stated in the schedule.

Member

Any natural person who is a past present or future member of a Limited Liability Partnership appointed according to law where such Limited Liability Partnership is **you** or forms part of **you**.

Money

Currency, coin, bank notes, bullion or funds.



Non-executive director

Any natural person serving as a **director or officer** during the period of insurance who is not also an **employee**.

Nuclear installation

Any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

Nuclear reactor

Any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

Official body

Any regulator, government body, government agency or official trade body or the enforcement arm of such body that is empowered by statute or statutory regulation to investigate the affairs of **you**, an **outside entity**, **pension scheme** or an **insured person**.

Outside entity

- a) Any not-for-profit entity
- b) any other entity except any:
 - i) **financial institution**
 - ii) other entity if its **securities** are traded on a primary, secondary or other market
 - iii) other entity that had negative net assets or negative net worth at the inception date of this policy.

Outside entity executive

Any **director or officer** or any **employee** or any **member** while serving or acting in the capacity of a director or officer of an **outside entity** at **your** specific direction and request.

Partner

Any natural person who is or is held out as being a partner in a **partnership** where such **partnership** is **you** or forms part of **you**.

Partnership

An unincorporated business in which persons are or are held out as **partners** but not including any business incorporated as a Limited Liability Partnership.

Pension scheme

The **insured company's** sponsored scheme, plan or arrangement.

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.

Pre-claim costs

Reasonable fees, costs, charges or expenses necessarily incurred with **our** prior written consent by an **insured person** in retaining advisors separate from the **insured company** or any **outside entity**:

- a) to provide legal advice directly related to a **pre-claim event**
- b) to prepare a report and any supplementary reports as necessary to an **official body** in response to a **pre-claim event**

provided always that **pre-claim costs** will not include **indemnifiable financial loss**.

We will not unreasonably withhold or delay such consent.

Pre-claim event

With respect to an **insured person** in their capacity as such:

- a) a raid on, or on site visit to the **insured company** or any **outside entity** by an **official body** that involves the production, review, copying or confiscation of documents or interviews of such **insured person**
- b) any formal written notification to an **official body** by the **insured company**, by the **outside entity** or by such **insured person** of a suspected material breach of such **insured person's** legal or regulatory duty
- c) the receipt by such **insured person** of a formal notice from an **official body** which legally compels such **insured person** to produce documents to, or answer questions by, or attend interviews with that **official body** directly as a result of a **self report**.

Provided always that such raid, visit, announcement, notification and receipt of notice must first take place or first occur during the period of insurance. A **pre-claim event** will be deemed to be first made against the **insured company** or an **insured person** when such raid, visit, announcement, notification and receipt of notice first occurred.



Provided always that a **pre-claim event** will not include industry-wide or sector investigations, hearings, examinations or inquiries or any routine or regular regulatory audit, examination, inspection or review.

Property

The **insured company's** tangible property other than **money** or **securities**.

Proposal

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

Prosecution costs

Reasonable fees, costs, charges or expenses necessarily incurred by an **insured person** with our prior written consent as part of a covered **claim** in bringing a proceeding for a declaration and/or injunction to oppose an **official body** seeking:

- a) a confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of such **insured person**
- b) a charge over real property or personal assets of such **insured person**
- c) a temporary or permanent prohibition on such **insured person** from holding the office of or performing the function of a director or officer or equivalent of any entity
- d) a restriction of such **insured person's** liberty to a specified domestic residence or an official detention
- e) deportation of such **insured person** following revocation of otherwise proper, current and valid immigration status for any reason other than such **insured person's** conviction of a crime.

Securities

Any bond, debenture, note, share, stock or other equity or security for debt, and will include 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 representing money or property.

Self report

A written report or notification to an **official body** by the **insured company**, an **outside entity** or an **insured person** pursuant to a legal obligation to inform such **official body** of matters giving rise to an actual or potential regulatory issue where failure to provide such a report or delay in reporting can itself give rise to enforcement consequences to the **insured company** or an **insured person** from such **official body**.

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.

Provided always that this policy will only apply to **claims** made against an **insured person** of a **subsidiary company** or the **subsidiary company** which arise from circumstances occurring after becoming a **subsidiary company** or prior to ceasing to be a **subsidiary company**.

Third party

- a) In respect of Sections A, B, C and D: any person or entity other than the **insured** or **outside entity**
- b) in respect of Section E: any natural person other than a **director or officer, member, partner or employee**.

Transfer instruction

An instruction directing the **insured** to transfer money, **securities** or goods.

Trustee

Any:

- a) past, present or future **director or officer** or **employee** duly appointed as a trustee of the **pension scheme** in accordance with the provisions of the **pension scheme** or by Court Order
- b) **subsidiary company** incorporated for the sole purpose of administering a **pension scheme** or acting as a trustee of a **pension scheme**.

Vendor

An entity or individual from whom the **insured** purchases goods or receives services under a written contract.

Waiting period

The period of 48 hours starting from the **discovery** of the **loss**.

We, us, our or ours

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**, a proposed act, error or omission with respect to a shareholder derivative demand or any other wrongful act or omission committed or attempted by or allegedly committed or attempted by:

- a) any **insured person** while acting in their capacity on behalf of the **insured company** or any matter claimed against such **insured person** solely by reason of their status as such
- b) any **insured person** while acting in the capacity as a director or officer of an **outside entity** at your specific direction or request
- c) the **insured company** but solely with respect to Sections A, B and C.

You, your, yours, yourselves

- a) The legal entity designated in the schedule as the policyholder including its predecessors; or
- b) the **partnership** designated in the schedule.



Section A – Directors' and officers' liability

Cover

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

a) Insured person

We will pay on behalf of any **insured person**:

- i) the **financial loss** of any **claim** made against such **insured person** other than to the extent that such **insured person** is indemnified by the **insured company**; and
- ii) **pre-claim costs**.

b) Company reimbursement

We will pay the **financial loss** of an **insured company** that arises from a **claim** made against an **insured person** but only to the extent that such **insured company** has indemnified such **insured person**.

The most **we** will pay under this section including the additional covers is the **limit of indemnity** stated in the schedule.

The **excess** applicable to this section is stated in the schedule.

We will settle **your claim** in accordance with the Claims conditions.

Additional covers applicable to Section A – Directors' and officers' liability

The following additional covers will apply provided always that:

- a) the most **we** will pay is:
 - i) the **limit of indemnity** stated in the schedule; or
 - ii) any other limit stated below

whichever is the lesser

- b) the **excess** applicable is stated in the schedule.

1. Bilateral extended reporting period

In the event that either **we** do not renew or **you** do not renew or replace this section **you** have the right to purchase an **extended reporting period**:

- a) automatically for 90 days at no additional premium
- b) for 12 months subject to payment of an additional premium of 50% or 36 months subject to payment of an additional premium of 125% or 72 months subject to payment of an additional premium of 225% of the last annual premium stated in the schedule only in respect of any **wrongful act** committed prior to the effective date of such non-renewal.

Provided always that:

- i) **you** must give **us** written notice of **your** intention to purchase the **extended reporting period** within 30 days of the effective date of non-renewal of this section and pay the relevant premium in full and promptly after electing this extension
- ii) in the event of **change of control** the extended reporting period will not be available
- iii) if **you** elect to activate this extension then this extension will subsequently be deleted from the policy and no additional extended reporting period will be available.

2. Civil fines and penalties

We will pay **civil fines and penalties** of a **director or officer, member or outside entity executive** that arise from a **claim** made against such **insured person** but only to the extent that such **civil fines and penalties** are not an **indemnifiable financial loss**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.



3. Corporate taxation and employee compensation

We will pay on behalf of any **director or officer or member** financial loss of any **claim** relating to:

- a) corporate taxes owed by an **insured company**
 - b) **employee** compensation other than any bonus owed by an **insured company**
- to the extent that:
- i) it is determined by law that the **directors or officers or member** are personally liable for such taxes and compensation; and
 - ii) it is not **indemnifiable financial loss**; and
 - iii) **you** have become insolvent; and
 - iv) such taxes and compensation are not owed as the result of any intentional, criminal or wilful act to breach any statutory or contractual duty governing the payment of such taxes or compensation by such **director or officer or member**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

4. Costs for shareholder derivative claims

If an **insured 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 always that such derivative action constitutes a **claim** otherwise covered under this policy.

The most **we** will pay is the **limit of indemnity** stated in the schedule.

5. Court attendance costs

We will pay on behalf of any **insured person** £250 per day for each day on which their attendance is required in court in connection with any **claim**.

6. Deprivation of assets

In the event that an **insured person** becomes subject to an interlocutory or interim court order which controls, freezes, suspends, confiscates or creates a charge over their real property or personal assets, and provided first that any personal allowance ordered by the court in their respect has been exhausted, **we** will pay the **insured person's** costs in relation to a **claim** direct to the provider for:

- a) schooling
- b) housing
- c) utilities
- d) personal insurances.

Provided always that:

- i) such costs will be paid for a maximum period of six months from the relevant court order
- ii) the most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

7. 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**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

8. Entity investigation costs

We will pay **investigation costs** incurred by an **insured person** from the date at which an **investigation** is first made:

- a) to interview or depose an **insured person**
- b) for the production of documents from an **insured person** in connection with such **investigation**.

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

The most **we** will pay for any one **claim** is the limit stated in the schedule.



9. Environmental mismanagement claims

We will pay the financial loss of an insured person that arises from any claim based upon, arising out of or attributable to:

- a) the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of pollutants or greenhouse gases into or on real or personal property, water or the atmosphere
- b) any direction or request that the insured persons test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants or greenhouse gases, or any voluntary decision to do so, whether or not such greenhouse gases are pollutants

if and to the extent such claim:

- i) is an employment claim against an insured person, including without limitation any such claim for retaliatory treatment
- ii) is against an insured person for wrongful acts in connection with misrepresenting or failing to disclose information related to greenhouse gases or actual or alleged global warming or climate changes
- iii) results in financial loss incurred by any insured person.

The most we will pay for any one claim is the limit stated in the schedule.

10. Estates, heirs or legal representatives

We will pay on behalf of any estates, heirs or legal representatives of any insured person such financial loss as arises from or in consequence of any claim arising from a wrongful act by such insured person committed prior to the death, incapacity, insolvency or bankruptcy of the insured person provided that such estates, heirs or legal representatives observe and will be subject to the terms and conditions of this policy in so far as they can apply.

The most we will pay for any one claim is the limit stated in the schedule.

11. Excess individual directors' limit of indemnity

We will pay the financial loss of each and every insured person of the insured when the following have been exhausted:

- a) the limit of indemnity applicable to this section; and
- b) all other applicable Directors' and Officers' Liability insurance whether specifically written as excess over the limit of indemnity of this section or otherwise; and
- c) all other indemnification for loss available to any insured person.

The most we will pay is £100,000 in the aggregate per insured person and will not exceed the limit stated in the schedule in the aggregate for all insured persons during the period of insurance. This limit will be in addition to the limit of indemnity stated in the schedule.

12. Insolvency hearing costs

We will pay on behalf of an director or officer or member the reasonable fees and expenses incurred with our prior written consent payable to outside legal advisors in order to prepare for and attend at any formal or official hearing relating to an investigation or inquiry into the affairs of any insured company or director or officer or member by any insolvency administrator, liquidator, receiver or trustee in bankruptcy in order to mitigate or prevent a covered claim or where in our opinion a claim is likely to be made.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

13. Kidnap response

We will pay the kidnap response costs of an insured person and an insured company in case of a kidnapping event.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance. This limit will be in addition to the limit of indemnity stated in the schedule.



14. Marital estates

We will pay the **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 extension is limited to **financial loss** arising from actions or proceedings for the enforcement of judgments or damages against an **insured person** resulting from a **claim** covered under this section 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.

The most we will pay for any one **claim** is the limit stated in the schedule.

15. Mitigation costs

We will pay on behalf of an **insured person** the reasonable fees and expenses incurred with our prior written consent as a result of action taken by an **insured person** in order to mitigate or prevent a covered **claim** or where in our opinion a **claim** is likely to be made.

The most we will pay for any one **claim** is the limit stated in the schedule.

16. Outside entity executive

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** and **pre-claim costs** but only excess of any indemnification provided by an **outside entity** and excess of any Directors' and Officers' Liability insurance coverage afforded to an **outside entity** or its directors or officers.

The most we will pay for any one **claim** is the limit stated in the schedule.

17. Reputational recovery costs

We will pay on behalf of an **insured person** the reasonable fees and expenses payable to outside public relations professionals incurred by such **insured person** with our prior written consent in order to mitigate damage to their reputation due to a covered **claim** as objectively established by media reports or other publicly available third-party data provided always that such **claim** is first made against an **insured person** during the period of insurance and notified to us in accordance with the **claim** notification condition in this policy.

The most we will pay for any one **claim** is the limit stated in the schedule.

18. Retired and resigned directors and officers

If this policy is not renewed or replaced or where such renewal or replacement does not specifically provide cover for such **directors or officers** we will provide an unlimited **extended reporting period** under this policy for any **director or officer** who has resigned or retired all of their positions as **director or officer** with the **insured company** during:

- a) the period of insurance of this policy
- b) the period of insurance of any other Directors' and Officers' insurance policy issued by us to the **insured company** of which this policy is a continuous renewal.

This cover will not apply to **indemnifiable financial loss** or to any **directors or officers** who resigned or retired their positions with the **insured company** by reason of, in connection with or during the 12 month period immediately following a **change of control**.

The most we will pay for any one **claim** is the limit stated in the schedule.

19. Workplace pensions scheme

We will pay on behalf of **directors or officers** the **financial loss** that arises from or in consequence of any **wrongful act** in connection with a workplace pension scheme as defined under the Pensions Act 2008.

The most we will pay for any one **claim** is the limit stated in the schedule.



Special exclusions

This section does not cover **financial loss**:

1. Bodily injury and property damage

in respect of any **claim** for:

- a) bodily injury, sickness, disease or death of any person and any consequential loss directly resulting therefrom
- b) any damage to or destruction of any tangible property including loss of use thereof and any consequential loss directly resulting therefrom other than loss, damage or destruction of documents or records.

Provided always that this exclusion will not apply to:

- i) **defence costs**
- ii) mental or emotional distress in connection with an **employment claim**
- iii) **financial loss** other than **defence costs** that is not **indemnifiable financial loss**

2. Conduct

arising from, based upon, attributable to or as a consequence of:

- a) any **insured** having gained any profit or advantage to which they had or have no legal entitlement
- b) any intentionally dishonest, intentionally fraudulent act or omission or intentional breach of regulatory instruction committed by any **insured person**

in the event that either of a) or b) is determined or established by:

- i) a written admission by such **insured**
- ii) a judgment or other final, non-appealable adjudication or proceeding adverse to such **insured**

until such determination **defence costs** will be advanced by **us**

- c) any act or omission committed by an **insured person** in reckless disregard of whether or not such act or omission might constitute a **wrongful act**

3. Partnership restriction

if **you** are a **partnership**:

- a) in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence of the rendering of or failure to render professional services to a **third party** for a fee or where a fee would ordinarily be charged
- b) in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence of supplying, or failing to supply, any goods to a **third party**
- c) in respect of any **claim** made by the **insured company** or an **insured person** against an **insured person**, including but not limited to any **claim** alleging a breach of the **partnership's** articles of partnership, partnership agreement or partnership deed, or any equivalent agreement
- d) in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence an **insured** entering into liquidation, receivership or administration whether voluntary or otherwise or being declared bankrupt
- e) in respect of any **claim** alleging, arising from, based upon, attributable to 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:
 - i) employers liability, disability benefits, working time regulations, redundancy pay, **benefits**, unemployment benefits, social security, retirement benefits, disability benefits or any similar law, rule or statute or portion of any law, rule or statute; and
 - ii) compensation earned by the claimant in the course of employment but not paid by **you** including but not limited to any unpaid salary, wages, overtime, bonus, stock based benefits or unpaid reimbursement of employee expenses or sick days
- f) in respect of any **claim** against a **partner** alleging, arising from, based upon, attributable to or as a consequence of an **employment wrongful act**
- g) **our** liability in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence of a **data protection breach** will not exceed £250,000 in the aggregate during the period of insurance and this limit will form part of and not be in addition to the **limit of indemnity** stated in the schedule



4. Prior circumstances and claims

in respect of any **claim**:

- a) arising from or in consequence of any circumstance, fact, matter or occurrence that may 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
- b) 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 an **insured** prior to inception of this policy

5. Trustee

in respect of any **claim** arising from or in consequence of infringement of obligations imposed by any statute, regulation or common law while acting in the capacity of **trustee** of any pension, superannuation scheme, profit sharing or other employee benefit scheme, or any sum payable pursuant to a financial support direction or contribution notice issue by a pension regulator.



Section B – Corporate liability

Cover

We will pay on behalf of the **insured company** the **financial loss** of the **insured company** in respect of any **claim** first made against the **insured company** during the period of insurance.

The most **we** will pay under this section including the additional covers is the **limit of indemnity** stated in the schedule.

The **excess** applicable to this section is stated in the schedule.

We will settle **your claim** in accordance with the Claims conditions.

Additional covers applicable to Section B – Corporate liability

The following additional covers will apply provided always that:

- a) the most **we** will pay is:
 - i) the **limit of indemnity** stated in the schedule; or
 - ii) any other limit stated below

whichever is the lesser

- b) the **excess** applicable is stated in the schedule.

1. Bilateral extended reporting period

In the event that either **we** do not renew or **you** do not renew or replace this section **you** have the right to purchase an **extended reporting period**:

- a) automatically for 90 days at no additional premium
- b) for 12 months subject to payment of an additional premium of 50% or 36 months subject to payment of an additional premium of 125% or 72 months subject to payment of an additional premium of 225% of the last annual premium stated in the schedule only in respect of any **wrongful act** committed prior to the effective date of such non-renewal.

Provided always that:

- i) **you** must give **us** written notice of **your** intention to purchase the **extended reporting period** within 30 days of the effective date of non-renewal of this section and pay the relevant premium in full and promptly after electing this extension
- ii) in the event of **change of control** the extended reporting period will not be available
- iii) if **you** elect to activate this extension then this extension will subsequently be deleted from the policy and no additional extended reporting period will be available.

2. Contractual liability

We will pay the **defence costs** of the **insured company** in respect of any **claim** first made against the **insured company** during the period of insurance relating to any alleged breach of any oral or written contract or agreement entered into by the **insured company**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

3. Corporate manslaughter

We will pay on behalf of the **insured company** the **financial loss** of the **insured company** in respect of criminal proceedings brought in respect of a charge or investigation relating to a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007.

The most **we** will pay for any one **claim** is the limit stated in the schedule.



4. Data protection breach

We will pay on behalf of the **insured company**:

- a) damages, judgments, awards or settlements that the **insured company** becomes legally liable to pay
- b) **defence costs**
- c) **investigation costs**
- d) civil, administrative or regulatory monetary penalties which are insurable under the internal laws of the jurisdiction in which such penalties are assessed or levied

in respect of any **claim** alleging a **data protection breach** unless such **data protection breach** arises from the intentional or wilfully negligent breach of any data protection statute or regulation by any **director or officer, member or partner** of the **insured company**.

Provided always that:

- i) the most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance
- ii) an **excess** of £10,000 or any amount stated in the schedule as the **excess** whichever is the greater will be applicable to part d) of this additional cover.

5. 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**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

6. Identity fraud costs

In the event that any party other than an **insured person** enters into an agreement with a **third party** pretending to be the **insured company** **we** will pay reasonable fees and costs to establish that such fraud has occurred should the third party seek to enforce such agreements against the **insured company**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

7. Intellectual property defence costs

We will pay the **defence costs** of the **insured company** in respect of any **claim** first made against the **insured company** during the period of insurance relating to any alleged invasion of privacy, plagiarism or breach of copyright or trademark, patents, database right, registered design or design right.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

8. Loss of documents

We will pay reasonable costs incurred by **you** with **our** consent for the restoration or replacement of records including computer systems records but excluding negotiable instruments of any kind held by **you** or for which **you** are legally responsible which have been accidentally lost or damaged.

Provided always that any computer systems records are backed up no less frequently than once every 7 days or as otherwise agreed by **us** and are held at a separate location.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

9. Mitigation costs

We will pay on behalf of an **insured company** the reasonable fees and expenses incurred with **our** prior written consent as a result of action taken by an **insured company** in order to mitigate or prevent a covered **claim** or where in **our** opinion a **claim** is likely to be made.

The most **we** will pay for any one **claim** is the limit stated in the schedule.

10. Pollution defence costs

We will pay the **defence costs** of the **insured company** in respect of any **claim** for **pollution**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.



11. Regulatory crisis response costs

We will pay the reasonable fees and expenses payable to outside legal professionals incurred by an **insured company** with our prior written consent in order to respond to a **pre-claim event**.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

12. Reputational recovery costs

We will pay on behalf of the **insured company** the reasonable fees and expenses payable to outside public relations professionals incurred by the **insured company** with our prior written consent in order to mitigate damage to the **insured company's** reputation due to a covered **claim** or where in our opinion a **claim** is likely to be made as objectively established by media reports or other publicly available third-party data provided that such **claim** is first made against the **insured company** during the period of insurance and notified to us in accordance with the **claim** notification condition in this policy.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

13. Workplace pensions scheme

We will pay on behalf of the **insured company** the **financial loss** that arises from or in consequence of any **wrongful act** in connection with a workplace pension scheme as defined under the Pensions Act 2008.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

Special exclusions

This section does not cover **financial loss**:

1. Bodily injury and property damage

in respect of any **claim** for:

- a) bodily injury, sickness, disease or death of any person and any consequential loss directly resulting therefrom
- b) any damage to or destruction of any tangible property including loss of use thereof and any consequential loss directly resulting therefrom other than loss, damage or destruction of documents or records.

Provided always that this exclusion will not apply to **defence costs**

2. Conduct

arising from, based upon, attributable to or as a consequence of:

- a) any **insured person** or **insured company** having gained any profit or advantage to which they had or have no legal entitlement
- b) any intentionally dishonest or intentionally fraudulent act or omission committed by any **insured person** or **insured company**

in the event that either a) or b) is determined or established by:

- i) a written admission by such **insured**
- ii) a judgment or other final, non-appealable adjudication or proceeding adverse to such **insured**

until such determination **defence costs** will be advanced by us

3. Contracts

in respect of any breach of any oral or written contract or agreement except to the extent that any **insured company** would have been liable in the absence of the contract or agreement except **defence costs** as provided for under Additional cover 2 – Contractual liability

4. Data protection breach

arising from, based upon, attributable to or as a consequence of a **data protection breach** except as provided for under Additional cover 4 – Data protection breach



5. Employment benefits

in respect of 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:

- a) employers liability, disability benefits, working time regulations, redundancy pay, **benefits**, unemployment benefits, social security, retirement benefits, disability benefits or any similar law, rule or statute or portion of any law, rule or statute
- b) compensation earned by the claimant in the course of employment but not paid by **you** including but not limited to any unpaid salary, wages, overtime, bonus, stock based benefits or unpaid reimbursement of employee expenses or sick days

6. Employment claim

in respect of any **employment claim**

7. Intellectual property

in respect of any form of invasion of privacy, plagiarism or breach of copyright or trademark, patents, database right, registered design or design right except **defence costs** as provided for under Additional cover 7 – Intellectual property defence costs

8. Monopolies

in respect of any actual or alleged violation of any law, whether statutory, regulatory or common law, relating to anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships

9. Partnership restriction

if **you** are a **partnership**:

- a) in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence of supplying, or failing to supply, any goods to a **third party**
- b) in respect of any **claim** made by a **partner**, including but not limited to any **claim** alleging a breach of the **partnership's** articles of partnership, partnership agreement or partnership deed, or any equivalent agreement
- c) in respect of any **claim** alleging, arising from, based upon, attributable to or as a consequence an **insured** entering into liquidation, receivership or administration whether voluntary or otherwise or being declared bankrupt

10. Pollution

in respect of any claim alleging, arising from, based upon, attributable to or as a consequence of **pollution** except **defence costs** as provided for under Additional cover 10 – Pollution defence costs

11. Prior circumstances and claims

in respect of:

- 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
- 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 an **insured** prior to inception of this policy

12. Professional services

in respect of the rendering of or the failure to render **professional services** to a **third party** for a fee or where a fee would ordinarily be charged

13. Securities offering

in respect of any public or private offering of **securities** made by the **insured company** during the period of insurance.



Section C – Entity employment practice liability

Cover

We will pay on behalf of any **insured company** the **financial loss** of the **insured company** in respect of any **employment claim** first made against the **insured company** during the period of insurance.

The most we will pay under this section including the additional covers is the **limit of indemnity** stated in the schedule.

The **excess** applicable to this section is stated in the schedule.

We will settle **your claim** in accordance with the Claims conditions.

Additional covers applicable to Section C – Entity employment practice liability

The following additional covers will apply provided always that:

- a) the most we will pay is the limit stated below
- b) the **excess** applicable is stated in the schedule.

1. Bilateral extended reporting period

In the event that either we do not renew or you do not renew or replace this section you have the right to purchase an **extended reporting period**:

- a) automatically for 90 days at no additional premium
- b) for 12 months subject to payment of an additional premium of 50% or 36 months subject to payment of an additional premium of 125% or 72 months subject to payment of an additional premium of 225% of the last annual premium stated in the schedule only in respect of any **employment wrongful act** committed prior to the effective date of such non-renewal.

Provided always that:

- i) you must give us written notice of your intention to purchase the **extended reporting period** within 30 days of the effective date of non-renewal of this section and pay the relevant premium in full and promptly after electing this extension
- ii) in the event of **change of control** the extended reporting period will not be available
- iii) if you elect to activate this extension then this extension will subsequently be deleted from the policy and no additional extended reporting period will be available.

2. Emergency costs

If our written consent cannot reasonably be obtained before **defence costs** are incurred with respect to any covered **employment claim** we will give retrospective approval for such **defence costs**.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

3. Loss of employee data costs

We will pay all reasonable costs necessarily incurred by an **insured company** for the hiring of a security consultant to review and revise existing data protection policies or develop an internal incident response plan in connection with a covered **employment claim** in case of a loss of or failure to secure an **insured company's employee data**.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

4. Reputational recovery costs

We will pay on behalf of an **insured company** the reasonable fees and expenses payable to outside public relations professionals incurred by an **insured company** with our prior written consent in order to mitigate damage to the reputation of an **insured company** due to a covered **employment claim** as objectively established by media reports or other publicly available third-party data provided that such **employment claim** is first made against an **insured company** during the period of insurance and notified to us in accordance with the claim notification condition in this policy.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.



5. Training and programme costs

We will pay all reasonable costs necessarily incurred by an **insured company** for educational, sensitivity or diversity training or minority development programmes in connection with a covered **employment claim** and required under the terms of a judgment or final consent decree.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

6. T.U.P.E. claims

We will pay on behalf of an **insured company** the **financial loss** of an **insured company** in respect of any **employment claim** alleging the failure by an **insured company** to inform or consult any **employee** through representatives or any actual or alleged violation of the rights of **employees** to engage in or to refrain from engaging in union or other collective activities in accordance with:

- a) The Transfer of Undertakings (Protection of Employment) Regulations 2006
- b) a protective award in the United Kingdom.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

Special condition

1. First EPL excess waiver

The **excess** applicable to Section C as stated in the schedule will not apply to the **financial loss** of the first **claim** or **employment claim** paid under this section. For all subsequent **claims** or **employment claims** within the period of insurance the **excess** will apply as stated in the schedule.

Special exclusions

This section does not cover **financial loss**:

1. Assumed liability

in respect of any **employment claim** based upon, arising out of, or attributable to liability of others assumed by the **insured company** under any contract or agreement either oral or written.

Provided always that this exclusion will not apply to the extent the **insured** would be liable for such **financial loss** in the absence of such contract or agreement

2. Bodily injury

in respect of any **employment claim** for bodily injury sickness, disease or death of any person and any consequential loss directly resulting therefrom.

Provided always that this exclusion will not apply to mental or emotional distress in connection with an **employment claim**

3. Conduct

arising from, based upon, attributable to or as a consequence of:

- a) any **insured** having gained any profit or advantage to which they had or have no legal entitlement
- b) any intentionally dishonest or intentionally fraudulent act or omission committed by any **insured**

in the event that either of a) or b) is determined or established by:

- i) a written admission by such **insured**
- ii) a judgment or other final, non-appealable adjudication or proceeding adverse to such **insured**; until such determination **defence costs** will be advanced by us



4. Employment benefits

in respect of any **employment 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:

- a) employers liability, disability benefits, working time regulations, redundancy pay, **benefits**, holiday pay, notice pay, unemployment benefits, social security, retirement benefits, occupational pension scheme benefits, disability benefits, health and safety or any similar law, rule or statute or portion of any law, rule or statute
- b) compensation earned by the claimant in the course of employment but not paid by **you** including but not limited to any unpaid salary, wages, overtime, bonus, stock based benefits or unpaid reimbursement of **employee** expenses or sick days.

Provided always that this exclusion will not apply to any allegation of retaliation or retaliatory treatment of the claimant by the **insured company** on account of the claimant exercising their rights pursuant to any such statute, law, rule or regulation

5. Prior circumstances and claims

in respect of:

- a) any **employment claim** arising from or in consequence of any circumstance, fact, matter or occurrence that might give rise to any **employment 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
- b) any **employment 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 **employment claim** made against the **insured company** prior to inception of this policy.



Section D – Pension trustees liability

Cover

We will pay on behalf of any **trustee** the **financial loss** arising from or in consequence of any **claim** first made against them either jointly or severally during the period of insurance by reason of any **wrongful act** save to the extent that such **trustee** is indemnified by the **insured company** and/or the **pension scheme**.

The most we will pay under this section including the additional covers is the **limit of indemnity** stated in the schedule.

The **excess** applicable to this section is stated in the schedule.

We will settle **your claim** in accordance with the Claims conditions.

Additional covers applicable to Section D – Pension trustees liability

The following additional covers will apply provided always that:

a) the most we will pay is:

- i) the **limit of indemnity** stated in the schedule; or
- ii) any other limit stated below

whichever is the lesser

b) the **excess** applicable is stated in the schedule.

1. Additional pension scheme

We will grant automatic inclusion of an additional **pension scheme** under this policy as a **pension scheme** for 90 days from the effective date of assumption of responsibility by the **insured company**. After this period of 90 days we may amend terms and conditions in relation to such additional **pension scheme**. Provided always that you are under no obligation to accept any amendment to terms and conditions and can elect to cancel cover in respect of such **pension scheme** effective from the expiry of the 90 day period.

2. Bilateral extended reporting period

In the event that either we do not renew or you do not renew or replace this section you have the right to purchase an **extended reporting period**:

- a) automatically for 90 days at no additional premium
- b) for 12 months subject to payment of an additional premium of 50% or 36 months subject to payment of an additional premium of 125% or 72 months subject to payment of an additional premium of 225% of the last annual premium stated in the schedule only in respect of any **wrongful act** committed prior to the effective date of such non-renewal.

Provided always that:

- i) you must give us written notice of your intention to purchase the **extended reporting period** within 30 days of the effective date of non-renewal of this section and pay the relevant premium in full and promptly after electing this extension
- ii) in the event of **change of control** the extended reporting period will not be available
- iii) if you elect to activate this extension then this extension will subsequently be deleted from the policy and no additional extended reporting period will be available.

3. 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**.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance



4. Estates, heirs or legal representatives

We will pay on behalf of any estates, heirs or legal representatives of any **trustee** such **financial loss** as arises from or in consequence of any **claim** arising from any **wrongful act** by **trustees** committed prior to the death, incapacity, insolvency or bankruptcy of the **trustees** provided that such estates, heirs or legal representatives observe and will be subject to the terms and conditions of this policy in so far as they can apply.

The most we will pay for any one **claim** is the limit stated in the schedule.

5. Financial Ombudsman Service and awards made by The Pensions Regulator

We will pay on behalf of the **trustees** and/or the **insured company** any monetary award made against them either by the Financial Ombudsman Service appointed by the Secretary of State for Work and Pensions (or its equivalent) or by The Pensions Regulator arising from any **claim** or complaint first made against or any application first made in respect of a **trustee** during the period of insurance.

Provided always that:

- a) the most we will pay for any one **claim** is the limit stated in the schedule
- b) we will not make any payment for fines, penalties or punitive damages imposed in connection with any criminal act for which the **insured company** have been or are to be prosecuted.

6. Marital estates

We will pay the **financial loss** arising from or in consequence of any **claim** first made against the lawful spouse or domestic partner of any **trustee** during the period of insurance arising solely out of their capacity as the spouse or domestic partner of any **trustee**. The cover provided by this extension is limited to **financial loss** arising from actions or proceedings for the enforcement of judgments or damages against a **trustee** resulting from a **claim** against that **trustee** covered under this section where such enforcement relates to the ownership of property including marital community property jointly held by the **trustee** 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.

The most we will pay for any one **claim** is the limit stated in the schedule.

7. Reputational recovery costs

We will pay on behalf of an **insured company** the reasonable fees and expenses payable to outside public relations professionals incurred by an **insured company** with our prior written consent in order to mitigate damage to the reputation of an **insured company** 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 company** during the period of insurance and notified to us in accordance with the claim notification condition on this policy.

The most we will pay is the limit stated in the schedule in the aggregate during the period of insurance.

8. Retired natural person trustees

If this policy is not renewed or replaced or where such renewal or replacement does not specifically provide cover for such **trustees** we will provide an unlimited extended reporting period under this policy for any **trustee** who has resigned or retired all of their positions as **trustees** with the **insured organisation** during:

- a) the period of insurance of this policy
- b) the period of insurance of any other Pension Trustees insurance policy issued by us to the **insured company** of which this policy is a continuous renewal.

This cover will not apply to indemnifiable financial loss or to any **trustees** who resigned or retired their positions with the **insured company** by reason of, in connection with or during the 12 month period immediately following a **change of control**.

The most we will pay for any one **claim** is the limit stated in the schedule.



9. Sponsoring employer and pension scheme reimbursement

We will pay on behalf of the **insured company** or the **pension scheme** any indemnity payable to any **trustee** which the **insured company** or the **pension scheme** is legally entitled or obliged to make for such **financial loss** as arises from or is a consequence of any **claim** first made against such **trustee** during the period of insurance by reason of any **wrongful act** but only to the extent that the **insured company** or the **pension scheme** has indemnified such **trustee**.

The most we will pay for any one **claim** is the limit stated in the schedule.

10. Sponsoring entity and pension scheme

We will pay on behalf of the **insured company** or the **pension scheme** the **financial loss** arising from or in consequence of any **claim** first made against it during the period of insurance by reason of any **wrongful act**.

The most we will pay for any one **claim** is the limit stated in the schedule.

Special exclusions

This section does not cover **financial loss**:

1. Bodily injury and property damage

in respect of any **claim** for:

- a) bodily injury, sickness, disease or death of any person and any consequential loss directly resulting therefrom
- b) any damage to or destruction of any tangible property including loss of use thereof and any consequential loss directly resulting therefrom other than loss, damage or destruction of documents or records.

Provided always that this exclusion will not apply to **defence costs**

2. Conduct

arising from, based upon, attributable to or as a consequence of:

- a) any **insured** having gained any profit or advantage to which he, she or it had or has no legal entitlement
- b) any intentionally dishonest or intentionally fraudulent act or omission committed by any **insured**

in the event that either of a) or b) is determined or established by:

- i) a written admission by such **insured**
- ii) a judgment or other final, non-appealable adjudication or proceeding adverse to such **insured**

until such determination **defence costs** will be advanced by us

3. Failure to fund or collect

in respect of the failure to fund the **pension scheme** in compliance with the **pension scheme** trust document or other similar provisions; and/or the failure to collect contributions (including participants' contributions) from the **insured company** owed to the **pension scheme** unless the failure is due to the negligence of a **trustee**

4. Prior circumstances and claims

in respect of:

- 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
- 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 an **insured** prior to inception of this policy.



Section E – Crime

Cover

The following covers will apply provided always that:

- a) the most **we** will pay under this section including all covers is:
 - i) the **limit of indemnity** stated in the schedule; or
 - ii) any other limit stated below

whichever is the lesser

- b) the **excess** applicable is stated in the schedule.

We will settle **your loss** in accordance with the Claims conditions.

1. Employee dishonesty

We will indemnify the **insured company** for **loss** arising from loss of **assets** resulting directly from any **act of fraud or dishonesty** committed by an **employee** acting alone or in collusion with others which is first **discovered** during the period of insurance.

The most **we** will pay for any one **loss** is the limit stated in the schedule.

2. Computer fraud and funds transfer fraud

We will indemnify the **insured company** for **loss** by theft which is first **discovered** during the period of insurance of:

- a) **assets** due to any fraudulent or dishonest misuse or manipulation by a **third party** of the computer hardware, software programs or systems operated by the **insured company**
- b) the **insured company's** funds or those for which the **insured company** are responsible at law from an account maintained by you at a financial institution following fraudulent electronic, telegraphic, cable, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from **you** but which are fraudulently altered, transmitted or issued by a **third party** or are a forgery.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

3. Forgery and counterfeiting

We will indemnify the **insured company** for **loss** which is first discovered during the period of insurance:

- a) of **assets** resulting from **forgery**
- b) arising from the acceptance by the **insured company** in good faith in exchange for money, goods or services of any post office or express money order issued or purporting to have been issued by any post office or express office if such money order is not paid on presentation
- c) arising from **counterfeiting**.

The most **we** will pay for any one **loss** is the limit stated in the schedule.

4. Social engineering

We will indemnify the **insured company** for **loss** resulting directly from an **insured company** having in good faith transferred any of the **insured company's money, securities** or goods in reliance upon a **transfer instruction** purportedly issued by an **insured person, customer** or **vendor**, but which **transfer instruction** proves to have been fraudulently issued by an imposter without the knowledge or consent of the **insured person, customer** or **vendor**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.



5. Bilateral extended reporting period

In the event that either **we** do not renew or **you** do not renew or replace this section **you** have the right to an **extended reporting period** of 12 months subject to payment of an additional 50% of the last annual premium stated in the schedule but only in respect of any **loss** which occurred prior to the effective date of such non-renewal.

Provided always that:

- a) **you** must give **us** written notice of **your** intention to purchase the **extended reporting period** within 30 days of the effective date of non-renewal of this section and pay the relevant premium in full and promptly after electing this extension
- b) in the event of a **change in control** the **extended reporting period** will not be available
- c) if **you** elect to activate this extension then this extension will subsequently be deleted from the policy and no additional **extended reporting period** will be available.

6. Business interruption

We will indemnify the **insured company** for all reasonable **additional costs** necessarily incurred during the **indemnification period** and after the **waiting period** arising from a covered **loss**.

Provided always that:

- a) these additional costs are beyond the **insured company's** usual operational costs and necessary for the restoration of the normal course of the operations of the **business**
- b) the most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

7. Contractual penalties

We will indemnify the **insured company** for any contractual penalty assumed by and enforced against the **insured company** under a written contract resulting directly from **loss** insured under this policy.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

8. Employee benefit plans

We will indemnify the **trustees** of any **pension scheme** or other **employee benefits** scheme set up by the **insured company** to provide benefit to **employees** in respect of insured **loss** under this policy.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

9. Extortion by employees

We will indemnify the **insured company** for **loss** arising from extortion by any **employee**.

Provided always that:

- a) prior to the surrender of any **assets** the person receiving the threat has made a reasonable effort to report the threat to a **director or officer, member, partner** or to another **employee** and the **insured company** have made a reasonable effort to report the threat to the relevant authority
- b) the most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

10. Interest

We will indemnify the **insured company** for the amount of any reduction in interest receivable or additional interest payable by the **insured company** resulting directly from a **loss** covered under this policy provided always that **our** liability for such interest will be calculated by applying the average base rate in force by the Bank of England between the date of sustaining such **loss** and the date of **discovery** of such **loss**.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.



11. Investigation costs

We will indemnify the **insured company** in respect of all reasonable costs and expenses necessarily incurred to establish the extent of any **loss** covered under this policy.

Provided always that:

- a) **we** will not pay for any remuneration due to any **insured person** or the equivalent of them the cost of their time or any overhead costs
- b) the most **we** will pay for any one **loss** is the limit stated in the schedule.

12. New entities

If **you**:

- a) consolidate or merge with
- b) acquire majority voting rights or control of
- c) acquire the assets of

another entity, cover is immediately provided to such entity where such entity:

- i) has gross annual turnover which is less than 25% of **your** gross annual turnover and has less than 25% of **your** total **employees**
- ii) does not undertake any activities which vary materially from **your** activities as advised to **us**
- iii) complies with the controls and procedures adopted by **you** as advised to **us**
- iv) has not in the preceding 3 years suffered loss of a type covered by this policy whether insured or not which was greater than 25% of the amount of the **excess** stated in the schedule.

Provided always that:

- 1) **you** will give written notice to **us** of all entities added to the insurance under this policy by virtue of this clause within 30 days of the date of such addition and failure to give such notice will be an election by **you** for that entity not to be included under this policy
- 2) **you** will provide **us** with all information concerning the addition that **we** may require and will pay any additional premium required by **us** and failure to pay such additional premium within 30 days of request by **us** will be an election by **you** for that entity not to be included under this policy
- 3) the insurance provided by this extension will only apply to **losses** occurring after the date of any addition to this policy.

13. Reconstitution of data

We will indemnify the **insured company** for the reasonable costs incurred in rewriting or amending the software programs or systems where such rewriting or amendment is necessary to correct the programs or amend the security codes following the fraudulent use of the computer hardware or software programs or systems operated by the **insured company** and which was the subject of a claim under this section.

The most **we** will pay is the limit stated in the schedule in the aggregate during the period of insurance.

14. Run off cover for ceased subsidiary companies

In respect of any entity which is being sold or discontinued during the period of insurance and which was previously forming part of the **insured company** **we** will continue to indemnify the **insured company** for direct loss of **assets** committed whilst such entity was part of the **insured company**.

Provided always that:

- a) this extension will not apply if the **insured company** has no contractual liability for loss of **assets** committed prior to the date of sale or discontinuance of such entity
- b) the most **we** will pay for any one **loss** is the limit stated in the schedule.



Special exclusions

This section does not cover:

1. Consequential loss

consequential or indirect loss of whatsoever nature except as covered under Covers 7 – Contractual penalties, 10 – Interest, 11 – Investigation costs and 13 – Reconstitution of data

2. Damages and fines

damages, fines, penalties or taxes of whatsoever nature except contractual penalties as provided for under Cover 7 – Contractual penalties

3. Defence costs

the costs of defending any legal proceedings brought against the **insured company** or the fees, costs or expenses incurred or paid by the **insured company** in prosecuting or defending any legal proceedings whether or not such legal proceedings result or would result in a **loss** to the **insured company** under this policy except as may be stated specifically elsewhere in this policy

4. Dealing and trading

any **act of fraud or dishonesty** committed by any **employee** who is engaged in trading or dealing in **securities**, valuable papers, commodities, foreign exchange, derivatives, loans, transactions in the nature of a loan or other extension of credit and the like

5. Extortion kidnap and ransom

loss arising out of or in connection with **extortion**, kidnap, ransom or any threat of such except as covered under Cover 9 – Extortion by employees

6. Inter insured

loss sustained by one part of any **insured company** to the benefit of any other part of any **insured company**

7. Inventory or profit and loss computation

loss or that part of any **loss** as the case may be the proof of which is either to its factual existence or to its amount dependent solely upon an inventory computation or a profit and loss computation

8. Prior circumstances and claims

any claim:

- a) arising from or in consequence of any circumstance, fact, matter or occurrence that might give rise to a claim that was reported under any other insurance policy prior to inception of this policy or that was disclosed in the latest information, materials or statements supplied to **us** by **you**
- b) alleging or deriving from the same or similar facts or that has the same originating source or cause as the matters alleged in any claims made by an **insured company** prior to the inception of this policy

9. Prior knowledge of fraud or dishonesty

any **act of fraud or dishonesty** committed by any **employee** from and after the time that the **insured company** or any **director or officer, member, partner**, departmental head, senior manager or the equivalent of them not acting in collusion with such **employee** has knowledge or information that such **employee** has committed any **act of fraud or dishonesty** whether such act be committed before or after the date of commencement of employment by the **insured company**

10. Proprietary information and trade secrets

loss of or arising from intangible property or the accessing of confidential information including but not limited to intellectual rights, trade secrets, proprietary information, patents, trademarks, copyrights, computer programs, customer information or confidential processing methods except to the extent that such intangible property or confidential information is used to support or facilitate the committing of a criminal act that constitutes or results in a **loss** as otherwise covered under this policy

11. Retroactive date

any **loss** the cause of which occurred before the retroactive date stated in the schedule.



Special conditions

1. Excess

You will not effect any insurance or bond in respect of the amount of any **excess** stated in this policy.

2. Joint insured

If the **insured company** comprises more than one party:

- a) the company, Limited Liability Partnership or **partnership** set out as **you** in the schedule will act for itself and be deemed to act as the sole agent for the **insured company**. All parties comprising the **insured company** are deemed to have consented and agreed that rights of action under this section are not assignable except with prior written consent
- b) **you** have the sole right to file notice or proof of **loss**, adjust, receive or enforce payment of any **loss**
- c) payment of any **loss** will fully release **us** on account of such **loss**. If **we** agree to make payment to an entity other than **you** such payment will be deemed to have been made to **you**
- d) **you** have the sole right to bring legal proceedings arising under or in connection with this section.

3. Knowledge

Knowledge possessed or **discovery** made by the **insured company** or by any **director or officer, member, partner, departmental head or other senior manager or the equivalent thereof** will be deemed to constitute knowledge possessed or **discovery** made by all other **insureds** or entities forming part of **you**.

4. Liquidation, takeover and the like

The insurance provided under this policy will be deemed to be cancelled immediately:

- a) upon the liquidation whether voluntary or compulsory of the **insured company** or any part of the **insured company**, the appointment of a Receiver or manager or the entering into of any Scheme of Arrangement or composition with creditors
- b) upon control of the **insured company** or any part of the **insured company** being taken over by any government or by officials appointed by any government or competent authority.

5. Non-identification

If a **loss** is alleged to have been caused by an **act of fraud or dishonesty** by any **employee** and the **insured company** are unable to discover the identity of the actual **employee** we will indemnify the **insured company** provided that the evidence submitted proves beyond reasonable doubt that the **loss** was caused by the fraudulent or dishonest acts of one or more **employee**.

6. Prosecution

The **insured company** will if and when required by **us** but at **our** expense if a conviction is obtained use all diligence in prosecuting to conviction any person by whose dishonesty a claim will have been made under this section.

7. Social engineering cover

There is no cover provided under Cover 4 – Social engineering unless before acting upon any **transfer instruction** the **insured** has confirmed the validity of such **transfer instruction**. Such confirmation must include a prearranged procedure in which the **insured** either:

- a) verifies the authenticity and accuracy of the **transfer instruction** by means of a call back to a predetermined telephone number; or
- b) uses some other verification procedure; and the **insured** preserved a contemporaneous written record of this verification along with all elements of the fraudulent **transfer instruction**.

No other clause in this policy shall cover any **loss** that relates to the cover provided under Cover 4 – Social engineering.



8. Valuation

a) Securities

In no event will **we** be liable in respect of **securities** for more than the actual cash value thereof at the close of business on the business day preceding the day on which the **loss** was **discovered**.

b) Books of accounts and records

In the case of **loss** of or damage to **property** consisting of books of accounts or other records other than electronic data used by the **insured company** in the conduct of the **insured company's business** **we** will be liable under this section only if such books or records are actually reproduced and then for not more than the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data which will have been furnished by the **insured company** in order to reproduce such books and other records.

c) Electronic data

In the event that a **loss** as covered under this section results in the destruction, erasure or theft of electronic data used by the **insured company** while such data is stored within the **insured company's** computer systems **we** will be liable under this section if such data is actually reproduced and cover hereunder will only apply to the cost of labour for the actual transcription or copying of data, which will have been furnished by the **insured company** in order to reproduce such electronic data.

d) Damage to premises

In the event that a **loss** as covered under this section results in damage to the **insured company's** premises **we** will not be liable for more than the actual cost of repairing such premises with material of like quality and value.

e) Foreign currency

If a foreign currency being a currency other than the currency in which this section is written is involved in a **loss** sustained by the **insured company** under this section then for the purpose of any calculation required in the settlement of a **loss** the rate of exchange will be the rate as offered by **our** London Clearing Bank on the date of such settlement.

f) Other property

In no event will **we** be liable as respects other **property** not included in the above for more than the actual cash value thereof at the time of loss or for more than the actual cost of repairing such other **property** or of replacing it with **property** or material of like quality and value. Provided always that the actual cash value of such other **property** held by the **insured company** as a pledge, or as collateral for an advance or a loan will be deemed not to exceed the value of the **property** as determined and recorded by the **insured company** when making the advance or loan nor in the absence of such record the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.



General conditions

For the purposes of these general conditions 'claim' will mean **claim, financial loss, employment claim or loss.**

1. Arbitration

If **we** admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by **you** and **us** in accordance with the law at the time. **You** may not take any legal action against **us** over the dispute before the arbitrator has reached a decision.

2. Automatic acquisition

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

- a) is not domiciled outside the European Union
- 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.

3. Cancellation notice

In the event of non payment of premium **we** have the right to cancel this policy or any section or part of it by giving 14 days notice in writing by special delivery mail to **your** last known address.

4. 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** or loss 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 possible.

Provided always that if the **change of control** is the result of any **director or officer** conducting a management buy-out of **you** during the period of insurance this condition will not take effect until a period of 30 days has elapsed from the date of the **change of control**.

5. Change in circumstances

You must notify **us** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by **you** or any **insured** to **us** or stated as material facts by **us** to **you** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to **us** then **we** are under no obligation to agree to make them and may no longer be able to provide **you** or any **insured** with cover.

If **you** do not notify **us** of any such change **we** may exercise one or more of the options described in clauses c) i), ii) and iii) of General condition 9 – Fair presentation of the risk but only with effect from the date of the change in circumstances or material facts.

6. Contracts (Rights of Third Parties) Act 1999

A person or **insured** 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.

7. 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 this policy including the premium at renewal. If you decide that **you** do not want **us** to renew this policy provided **you** or **your** insurance intermediary notifies **us** before the next renewal date **we** will not renew it.

8. Excess

We will only pay that amount of each claim that is in excess of the applicable **excess** stated in the schedule. The **excess** is not part of **our limit of indemnity** and is to be borne by **you** and will remain uninsured. If more than one **excess** is applicable to a single claim, then the applicable **excess** will be applied separately to each part of such claim, but the maximum total **excess** applicable to such claim will not exceed the largest applicable **excess**.

9. Fair presentation of the risk

- a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:
 - i) disclose to **us** all material facts in a clear and accessible manner; and
 - ii) not misrepresent any material facts.
- b) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless **we** may:
 - i) avoid this policy which means that **we** will treat it as if it had never existed and refuse all claims in which case **we** will not return the premium paid by **you**; and
 - ii) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred.



c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this policy may be affected in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:

- i) if **we** would not have provided **you** with any cover **we** will have the option to:
 - 1) avoid the policy which means that **we** will treat it as if it had never existed and repay the premium paid; and
 - 2) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred
- ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply. **We** may recover any payments made by **us** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
- iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.

10. Fraudulent claims

If **you** or anyone acting on **your** behalf:

- a) makes a fraudulent or exaggerated claim under this policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or
- e) realises after submitting what **you** reasonably believed was a genuine claim under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or
- f) suppresses information which **you** know would otherwise enable **us** to refuse to pay a claim under this policy

we will be entitled to refuse to pay the whole of the claim and recover any sums that **we** have already paid in respect of the claim.

We may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an **insured person** and not on behalf of **you** this condition should be read as if it applies only to that **insured person's** claim and references to this policy should be read as if they were references to the cover effected for that person alone and not to the policy as a whole.

11. One claim

All claims against any one or more **insured** arising from:

- a) one act or omission; and/or
- b) one series of related acts or omissions; and/or
- c) the same act or omission in a series of related matters or transactions; and/or
- d) similar acts or omissions in a series of related matters or transactions; and/or
- e) one matter or transaction

will be regarded as one claim. All such claims will be considered first made on the date upon which the earliest claim is made.

12. Other insurances

If a claim under this policy would but for the existence of this policy be insured by any other valid and collectable:

- a) Directors' and Officers' Liability or Management Liability policy or indemnity
- b) Employment Practices Liability insurance policy
- c) General Liability insurance policy
- d) Pollution Liability insurance policy
- e) Pension Trustee Liability insurance policy
- f) Employee Dishonesty or Crime policy
- g) any other insurance which has a duty to defend such claim

we will only be liable for any amount above that collectable under such other policy.

In the event of a claim made against an **outside entity executive** cover provided by this policy will be specifically excess of:

- i) any indemnification provided by an **outside entity**; and
- ii) any insurance coverage afforded to an **outside entity** or its directors or officers or equivalent executive or management position.

In the event such other Directors' and Officers' or Management Liability insurance coverage afforded to the **outside entity** or any of its directors or officers is provided by **us** or Zurich Insurance Group or would be provided but for the application of the retention amount, exhaustion of the **limit of indemnity** or failure to submit a notice of a claim as required then **our limit of indemnity** for all claims under this policy in respect of such cover will be reduced by the amount of the **limit of indemnity** as stated in the schedule of the other Zurich Insurance Group insurance provided to such **outside entity**.



13. 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 subject to the Consumer Credit Act 1974 if applicable the credit agreement and the policy will be cancelled immediately.

14. Recoveries

Any sums recovered following payment under this policy will after the deduction of the costs incurred in the course of such recovery be distributed as follows:

- a) firstly to **you** in respect of any sum by which the amount of the **loss** exceeded the **limit of indemnity**
- b) secondly to **us** to the extent of the claim paid or payable
- c) finally to **you** for the amount of any **excess** applicable.

15. Representations and severability

This clause is applicable only to Sections A, B, C and D.

The **proposal** will be construed as a separate **proposal** for coverage by each **insured**. No statement in the **proposal** or knowledge possessed by **you** will be imputed to any other **insured person** for the purpose of determining if coverage is available. The declarations, representations and warranties in the **proposal** and knowledge possessed by any past, present or future Chief Executive Officer, Chief Financial Officer, Director of Human Resources, and/or in house General Counsel of the **insured company** will be imputed to the **insured company** for determining if coverage is available with respect to claims against such party under the applicable section of the policy.

16. Sanctions

Notwithstanding any other terms of this policy **we** will be deemed not to provide cover nor will **we** make any payment or provide any service or benefit to **you** or any other party to the extent that such cover, payment, service or benefit would violate any applicable trade or economic sanctions law or regulation.

17. Subrogation

Upon any payment made or to be made under any section of this policy **we** will be entitled to assume conduct of all rights of recovery available to **you** and **you** will render all reasonable assistance to **us** in the prosecution of such rights including but not limited to trying to recover from the **insured company** any deductible paid by **us**.

You will execute all papers reasonably required and will take all reasonable action that may be necessary to secure any and all of **our** subrogation rights. With respect to Section A only in no event will **we** exercise **our** rights of subrogation against an **insured person** under this policy unless it is determined by a written admission, a final judgment or other adjudication in the underlying action or in a separate action or proceeding that such **insured person** had obtained an illegal profit or advantage or committed an intentionally dishonest act or omission or intentionally fraudulent act or omission.

18. Territorial limits

Coverage under this policy will apply:

- a) under Sections A, B, C and D to **financial loss** resulting from any **claim** or **wrongful act**
- b) under Section E to loss arising from **acts of fraud or dishonesty**

occurring anywhere in the world.



Claims conditions

Claims conditions applicable to Sections A, B, C and D

1. Claims notification

Upon learning of any circumstance or receiving verbal or written notice of any **claim** or **employment claim** you must tell us as soon as reasonably possible and in any event no later than 45 days after the expiry of the period of insurance of:

- a) any **claim** or **employment claim**
- b) any **insured person** being required to attend an **investigation**.

If an **insured** becomes aware of any circumstances which may reasonably be expected to give rise to a **claim** or **employment claim** being made against an **insured** then you will have the right to give written notice to us of those circumstances within the period of insurance such notice to comprise the **wrongful act** allegations anticipated and the reasons for anticipating such a **claim** or **employment claim**.

Written notice must include but is not limited to a description of the **claim** or **employment 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 **insured** first became aware of the **claim** or **employment claim**, **investigation** or circumstance.

2. Claims series

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

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

Provided always that if the first such **claim** or **employment claim** or first such **investigation** was made prior to the period of insurance then all such **claims** and **investigations** will be deemed to have been made prior to the period of insurance and therefore excluded from cover.

3. Defence of claim

It is the duty of an **insured** when receiving a **claim** or **employment claim** to take all reasonable steps to defend such **claim** or **employment claim** and not do anything which may prejudice our position.

We will have no duty to defend any **claim** or **employment claim** made under this policy.

Provided always that for any **claim** or **employment claim** which may be covered under this policy we will have the right to be provided with all such information regarding the **claim** or **employment claim** as we will reasonably require and we will be kept fully informed regarding all matters regarding the investigation, defence or settlement of any **claim** or **employment 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 arbitration procedure described by General condition 1 will apply.

4. Fair allocation

If a **claim** or **employment claim** made against any **insured** and any defendant not insured under this policy includes both **financial loss** which is covered under this policy and financial loss together with associated defence costs which are not covered then we and you will use all reasonable endeavours to determine a fair allocation between **financial loss** which is covered and financial loss which is not covered under this policy.

5. First settlement offer

If you consent to the first reasonable settlement offer made by the claimant which we support and recommend with regard to a **claim** or **employment claim** which results in a settlement of the **claim** or **employment claim** then the applicable **excess** amount will be retroactively reduced by 50% provided always that you agree to such settlement within 21 days of the settlement first being recommended by us and that the **financial loss** of the **claim** or **employment claim** exceeds the **excess**.

6. Joint insured

If you are a **joint insured** our **limit of liability** for **financial loss** sustained by any or all of the Limited Companies, Limited Liability Partnerships or **partnerships** named in the schedule as forming part of you will not exceed the amount for which we would be liable if all **financial loss** were sustained by any one of the said Limited Companies, Limited Liability Partnerships or **partnerships**.



7. Payments

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

8. Payments on behalf of insured persons

If the **insured 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 **insured company** for all payments made by **us** that would not have been made if the indemnity had been provided by the **insured company**.

9. Written consent

You must obtain **our** written consent before:

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

Provided always that paragraphs a) and b) will not apply in the case of emergency costs.

Claims conditions applicable to Section E

1. Claims notification and proof of loss

As soon as reasonably possible upon the **discovery** of **loss** and whether or not **you** intend to make a claim under this policy **you** will notify **us** in writing but in any event no later than 30 days after the expiry of the period of insurance or any **extended reporting period**. Such notice will include but not be limited to a description of the circumstances leading to the **loss** and the names if known of the persons causing such **loss**.

In addition **you** will provide **us** with proof of **loss** within 6 months of the **discovery** of any insured **loss** under this policy or with **our** prior consent within such additional time as **you** may request such consent not to be unreasonably withheld by **us**.

2. Claims series

Where more than one **loss** that may give rise to a **claim** arises from one **act of fraud or dishonesty** or from a series of **acts of fraud or dishonesty** which are connected causally with another or which are by any means inter-related or inter-connected they will be deemed to be a single **loss** notwithstanding the number of **loss** notifications that have been made and such single **loss** will be attributed solely to the period of insurance during which the first **loss** arising from such series of **acts of fraud and dishonesty** was **discovered**.

3. Limitation

Our total liability for loss arising from any one **act of fraud or dishonesty**:

- a) sustained by any or all of the persons, companies, **partnerships** or other entities forming part of the **insured company** will not exceed the amount for which **we** would be liable if all losses were sustained by any one of the persons, companies, **partnerships** or other entities forming part of the **insured company**; and
- b) will not exceed the **limit of indemnity**.

4. Loss settlement

We may with **your** consent settle any claim for loss of property with the owner thereof. Any property for which **we** have made indemnification will become **our** property. **We** may at **our** discretion pay such actual cash value or make such repairs or replacements.

If **we** and **you** cannot agree upon such cash value or such cost of repairs or replacements such cash value or such cost will be determined by arbitration in accordance with General condition 1.

5. Submission of records

In the event of a **loss** **you** will immediately upon **our** request deliver to **us** all pertinent records, information, explanation and other evidence as may be reasonably required for the purposes of investigating or verifying the **loss** together with a statutory declaration of the truth of the **loss** and of any matters connected with it if required.



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