



VOLANTE GLOBAL

Directors and Officers

Liability Insurance BBDO 2.6



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Directors and officers Liability Insurance BBDO 2.6

This insurance **Policy**, including its specifications, endorsements and Policy schedule, constitute part of the insurance contract between the **Policy holder** and the **Insurer**. The insurance **Policy** shall always be complemented by the terms of the General Conditions and Definitions (BBG).

1. GENERAL INSURANCE COVER

1.1. Insured person Liability

The **Insurer** will pay on behalf of an **Insured person** any **Financial loss** resulting from a **Claim** first made against him or her during the Policy period or, if applicable, the **Extended reporting period**, for any **Wrongful act**, except to the extent that such **Insured person** is indemnified by the **Company**.

1.2. Company Reimbursement

The **Insurer** will pay on behalf of the **Company** any indemnity payable to an **Insured person** which the **Company** is legally authorised or obliged to make for the **Financial loss** resulting from a **Claim** first made against an **Insured person** during the Policy period or, if applicable, the **Extended reporting period**, for any **Wrongful act**.

1.3. Outside entity directors Liability

The **Insurer** will pay on behalf of an **Outside entity director** any **Financial loss** resulting from a **Claim** first made against him or her during the Policy period for any **Wrongful act** committed or attempted while serving in his or her capacity as a **Director or officer** with an **Outside entity** at the **Company's** specific direction and request.

This insurance cover shall apply only as specific excess over any other applicable valid **Directors and officers** or management liability policy of insurance and any indemnification permitted or required to be paid by such **Outside entity**. If such other policy of insurance is issued to an **Outside entity** by a member of the **Insurer** the limit of liability under this **Policy** shall be reduced by the limit of liability under such other **Policy**.

1.4. Defence costs

The **Insurer** will pay on behalf of an **Insured person** any reasonable **Defence costs** incurred with the **Insurer's** prior written consent, which shall not be unreasonably withheld or delayed, in connection with the investigation, mitigation, defence, adjustment, settlement or appeal of a **Claim** first made against an **Insured person** during the Policy period for any **Financial loss** covered by this **Policy**.

1.5. Extended reporting period (ERP)

In the event of a non-renewal or cancellations of this **Policy**, or a **Change in control**, the **Policy holder** shall have the right to an **Extended reporting period** stated in the Policy schedule, provided that the **Policy holder** gives written notice and pays the additional premium specified in the Policy schedule within sixty (60) calendar days following expiry of the Policy period. However, the **Policy**

holder shall always have the right to a sixty (60) days automatic **Extended reporting period** at no additional premium.

2. EXTENDED INSURANCE COVER

2.1. Retired Directors or Officers ERP

If this **Policy** is neither renewed nor replaced with a directors or officers or management liability contract of insurance or indemnity, or an **Extended reporting period**, any **Directors and officers** who retires from the **Company** during the Policy period, shall automatically be entitled to a single **Extended reporting period** under this **Policy**, of seventy-two (72) months at no additional premium or, if applicable, any other period stated in the Policy schedule.

2.2. Subsidiary Directors and Officers ERP

If a **Subsidiary Company** cease to be a **Subsidiary Company** of the **Company** prior to the expiry of the Policy period, then an **Insured person** of that **Subsidiary Company** shall have an automatic right to a seventy-two (72) months **Extended reporting period** at no additional premium.

2.3. Corporate Manslaughter Defence costs

The **Insurer** will indemnify any reasonable **Defence costs** incurred with the **Insurer's** prior written consent (which shall not be unreasonably withheld) in connection with the investigation, mitigation, defence, adjustment, settlement or appeal of a **Claim** first made against an **Insured person** during the Policy period for corporate manslaughter or breach of an occupational health and safety law or similar law under any jurisdiction protecting the health and safety of **Employees** of the **Company**.

2.4. Pre- investigation Defence costs

The **Insurer** will indemnify any reasonable **Defence costs** incurred by an **Insured person** prior to a **Claim** in the investigation of the matter, including without limitation, the defending of proceedings or instituting an appeal of any subsequent **Claim** but only when and to the extent it is established after a **Claim** is made that such fees, costs and expenses avoided **Defence costs** being incurred in relation to such **Claim**.

2.5. Emergency Defence costs

If the **Insurer's** prior written consent cannot be reasonably obtained before **Defence costs** are incurred with respect to any **Claim**, the **Insurer** will, notwithstanding item 1.4 above, indemnify **Defence costs** up to the sub-limit of indemnity shown in the Policy schedule.

2.6. Tax Payment Liability

The **Insurer** will pay on behalf of any **Director or officer** taxes determined to be owed by such **Director or officer**, according to the Swedish Skatteförfarandelagen (SFS 2011:1244), arising from a **Claim** first made against such **Director or officer** during the Policy period and alleging any **Wrongful**

act of such **Director or officer** in his or her capacity as such, or any **Wrongful act** committed by an **Employee** of the **Company** with regard to the failure to pay such taxes.

However, this **Policy** shall under no circumstances cover taxes determined to be owed by a **Director or officer** in connection with any intentional, criminal or fraudulent acts committed by such **Director or officer**; or taxes which the **Company** is financially able to pay; or taxes considered uninsurable under the law.

2.7. Public Relations Expenses

The **Insurer** will indemnify any reasonable fees and related expenses of a public relations firm or consultant, crisis management firm or law firm, which an **Insured person** may engage with the written consent of the **Insurer**, (such consent not to be unreasonably withheld or delayed), in order to prevent or limit adverse effects or negative publicity for **Insured persons** which may arise from a **Claim** first made during the Policy period. The **Insurer's** liability under this public relations expenses clause shall not exceed the sub-limit of indemnity shown in the Policy schedule.

3. EXCLUSIONS

This **Policy** does not cover any **Claim, Financial loss, Defence costs** or any other costs

3.1. Criminal Acts

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

3.1.1 any **Insured** having gained in fact any profit or advantage to which he, she or it had or has no legal entitlement; or

3.1.2 the committing of any fraudulent or other deliberate criminal act.

This exclusion shall not apply (and **Defence costs** shall be advanced) until the circumstances described above are established by final adjudication in the underlying judicial action of a competent court of law or by arbitral court. The conduct of an **Insured person** shall not be imputed to any other **Insured person** for the purpose of determining the applicability of this exclusion,

3.2 Property Damage and Bodily Injury

for **Property Damage and/or Bodily Injury**.

This exclusion shall not apply to mental anguish or emotional distress in connection with any **Employment Claim** or to **Defence costs** incurred by an **Insured person** in connection with a Corporate Manslaughter Proceeding. The conduct of an **Insured person** shall not be imputed to any other **Insured person** for the purpose of determining the applicability of this exclusion,

3.3 Environmental damage

arising from, based upon, attributable to or as a consequence of **Environmental damage**.

3.4 Prior or Pending Litigation or Circumstances

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

3.4.1 any official examination, enquiry, investigation or other proceedings ordered or commissioned by a legally empowered body, initiated prior to or pending at the Continuous cover date specified in the Policy schedule; or

3.4.2 any litigation, suit, **Claim**, arbitration or mediation initiated prior to or pending at the Continuous cover date specified in the Policy schedule; or litigation, suit, arbitration or mediation alleging or deriving from the same or essentially the same facts as alleged in such prior or pending litigation, suit, **Claim**, arbitration or mediation;

3.4.3 any **Claim** or circumstance existing prior to the Policy period that has been reported under any **Directors and officers** or management liability **Policy** of which this **Policy** is a renewal or replacement or which it may succeed,

3.5 Trustees

for any act or omission by an **Insured person** acting as a trustee, fiduciary or administrator of a pension, profit sharing or **Employee** benefits program, including any actual or alleged violation of the responsibilities, obligations or duties imposed by the **Employee** retirement income Securities Act of 1974 (US) or the Pension Act 1995 (UK) or similar provisions under any jurisdiction,

3.6 Insured versus Insured

arising from, based upon, attributable to or as a consequence of any **Claim** brought or maintained within the jurisdiction of, or under the laws of, the United States of America, or its territories or possessions, by or on behalf of the **Company** or an **Outside entity** or by an **Insured person** of the **Company** or an **Outside entity**,

This exclusion shall not apply to

1. any **Claim** brought as a security holder class action or security holder derivative action,
2. any **Claim** brought by an insolvency administrator, receiver, trustee or liquidator of the **Company** or an **Outside entity**,
3. any **Claim** brought by a former **Insured person** of the **Company** or an **Outside entity**,
4. any **Employment Claim** brought by and **Insured person**
5. any **Claim** brought by or with the assistance of any **Insured person** who is protected as a whistle bower under applicable laws and regulations, or
6. any **Defence costs** of an **Insured person**,

3.7 Stock offering

arising from, based upon, attributable to or as a consequence of any initial public offering of the **Company's** own shares that is first commenced during the Policy period.

4. GEOGRAPHICAL LIMITS

The **Policy** applies for **Wrongful acts** committed or omitted and for **Claims** made within the geographical limits stated in the Policy schedule.

5. WHEN THE INSURANCE APPLIES

5.1 Claims Made During the Policy period

The Insurance covers **Claims** first made during the Policy period or during the **Extended reporting period** (if applicable) based upon any **Wrongful act** after the retroactive date stated in the Policy schedule (if applicable).

5.2.1 Subsidiary Companies

The Insurance covers **Claims** made against **Insured persons** of **Subsidiary Companies** only based upon any **Wrongful act** committed or omitted during a period when the **Company** was a **Subsidiary Company** and

1. which for the first time is made during the Policy period or during the **Extended reporting period** (if applicable), or
2. if the **Subsidiary Company** is disposed of during the Policy period, which for the first time is made not later than 12 months after the **Subsidiary Company** ceased to be a **Subsidiary Company**.

5.3 Change of control of the Policy holder

If during the Policy period a **Change of control** of the **Policy holder** occurs, the cover provided by this **Policy** shall only apply in respect of **Wrongful acts** committed or omitted prior to the effective date of such **Change of control**. The **Policy holder** shall give written notice to the **Insurer** of such **Change of control** as soon as practicable. Notwithstanding the effect on cover caused by such a **Change of control** there shall be no entitlement to cancellation of this **Policy** by any party hereto and the entire original premium for this **Policy** shall be deemed to have been fully earned as of the date of the **Change of control**.

5.4. Bankruptcy of the Company or an Outside entity

In the event of bankruptcy, chapter 11 proceedings, liquidation, insolvency or voluntary winding-up of the **Company** or an **Outside entity**, the cover provided by this **Policy** shall only apply in respect of **Wrongful acts** committed or omitted prior to such event. Notwithstanding the effect on cover caused by such event there shall be no entitlement to cancellation of this **Policy** by any party hereto and the entire original premium for this **Policy** shall be deemed to have been fully earned as of the date of the event.

6. LIMIT OF LIABILITY AND DEDUCTIBLE

6.1 Maximum Liability

The **Limit of liability** as stated in the Policy schedule shall be the **Insurer's** maximum liability, in the aggregate, payable under this **Policy** for all covered **Financial loss** and **Defence costs** during the Policy period or **Extended reporting period** (if applicable). The **Limit of liability** shall apply over and above the applicable Deductible. The limit of liability for any **Extended reporting period**, **Defence costs** and any specified sub-limit of liability, shall be part of, and not in addition to, the limit of liability for the Policy period. For **claims** relating to or arising out of liability in accordance with the General Data Protection Regulation ("GDPR") or similar foreign legislation, the **Insurer's** maximum liability shall be reduced to 10% of the general **Limit of Liability**.

6.2 Deductible

The **Insurer** shall be liable only for the amount of **Financial loss** and **Defence costs** that exceeds the applicable deductible as specified in the Policy schedule. Deductibles apply to **Financial loss** of an **Insured persons** that the **Company** has indemnified, has agreed to indemnify or is permitted or required to indemnify pursuant to law, byelaws, contract or agreement. The deductible is to be finally borne by the **Company** and shall remain uninsured.

6.3 Series Loss

Where more than one **Claim** arises from one **Wrongful act** or from a series of **Wrongful acts** which are connected causally with another or in any way related, they shall be deemed to be a single **Claim** notwithstanding the number of **Claims** that have been made (a "**Series Loss**") and such single **Claim** shall be attributed solely to the Policy period or the **Extended reporting period** (if applicable) during which the first **Claim** of such **Series Loss** was first made.

One single **Limit of liability** and one single deductible shall apply to all **Financial loss** and **Defence costs** that will arise from a **Series Loss**.

7. NOTIFICATION AND HANDLING OF CLAIMS

7.1 Notification of Claims

The **Company** or the **Insured person** shall give the **Insurer** written notice of any **Claim** as soon as practicable after the Chief Executive Officer, Chief Financial Officer, Chief Legal Counsel, Chief Risk Officer or Risk Manager of the **Policy holder** becomes aware of any **Claim**, but under no circumstances later than twelve months after termination of the Policy period or the **Extended reporting period**, otherwise the right to indemnification or other insurance cover shall be forfeited.

Written notice to the **Insurer** shall be given to the **Claims** notification address specified in the Policy schedule and shall include the reasons for the anticipation of a **Claim**, with full particulars as to the circumstances, dates and persons involved.

7.2 Notification of circumstances

If during the Policy period an **Insured** should become aware of any circumstances which may reasonably be expected to give rise to a **Claim** covered by this **Policy**, written notice of such circumstances may be given to the **Insurer**. Provided that the notice will clearly outline and comprise the **Wrongful act** allegations anticipated, and the reasons for anticipating a **Claim**, with full particulars as to dates, persons and entities involved, then a **Claim** which is subsequently made against **Insured persons** on the same or materially the same grounds shall be considered made at the time when the notice of circumstances was received by the **Insurer**.

7.3 Handling of Claims

It shall be the duty of the **Insured** to take all reasonable steps to defend any **Claim** and not to do anything to prejudice the position of the **Insurer**. The **Insurer** shall have no duty to defend any **Claim** made against any **Insured**.

The **Insurer** shall have the right to be provided with all information concerning a **Claim** as the **Insurer** may reasonably require. The **Insurer** shall be kept fully informed of all matters relating to or concerning the investigation, defence or settlement of any such **Claim** and shall have the right to receive copies of all relevant documentation relating thereto. The **Insurer** shall have the right to effectively associate with the **Insureds** in the defence, investigation and negotiation of any settlement of a **Claim**.

The **Insureds** shall not admit or assume any liability, enter into any settlement agreement, consent to any judgement, or incur any **Defence costs** or **Investigation costs**, and no legal representative shall be retained to defend any **Insureds**, without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld or delayed. Only those settlements, consent judgements, **Defence costs** and **Investigation costs** that have been consented to by the **Insurer** shall be recoverable as **Financial loss** under the terms of this **Policy**.

If the **Insurer** and the **Insured** cannot agree on whether a **Claim** should be contested or not, neither the **Insurer** nor the **Insured** shall be obliged to contest the **Claim** unless an impartial mediator considers that the **Claim** should be contested. A mediator shall be appointed by the **Insurer** and **Insured** in mutual agreement.

The **Insurer** will make payments of accepted **Claims** and **Defence costs** and to the **Insureds** as and when such costs fall due. Any payments of **Claims** or costs that have been made by the **Insurer** shall be repaid to the **Insurer** by the person or entity to whom such payments have been made in the event that any such person or entity shall not be entitled under this **Policy** to the payment.

7.4 Order of payments

In the event of **Claims** that are reasonably likely to exceed the limit of indemnity, the **Insurer** shall first pay for **Financial loss** and **Defence costs** on behalf of **Insured persons** and only after such payment and only with respect to the remaining amount of the limit of liability, for any indemnity payable to an **Insured person** which the **Company** is legally authorised or obliged to make. If additional cover is provided by endorsement to this **Policy**, payment under such cover shall be paid

only after payment for indemnity as described above and only with respect to the remaining amount of the **Limit of liability**.

The insolvency of any **Company** shall not relieve the **Insurer** of any of its obligations to prioritise payment under this **Policy**.

7.5 Allocation between matters and parties

If a **Claim** is made for **Financial loss** of **Defence costs** covered by this **Policy** together with other loss or costs that are not covered by this **Policy**, or, if a **Claim** is made against both a party entitled to insurance cover and a party not entitled to insurance cover, then the **Insured Companies**, **Insured person(s)** and the **Insurer** agree to use their best efforts to determine a fair and proper allocation of the amounts as between the **Company**, the **Insured person(s)** and the **Insurer**.

8. **INFORMATION**

8.1 Notice

The **Policy holder** shall act on behalf of all **Insured's** in all matters with respect to this **Policy** except in the case of a **Claim** in which it has a material conflict of interest with an **Insured**. In such case, the **Insured** shall be entitled to communicate directly with the **Insurer**. In the event of a conflict of interest between **Insured's**, the **Insurer** shall be under no obligation to communicate to any **Insured** its position with regard to any other **Insured**.

8.2 Severability

In granting cover under this **Policy**, the **Insurer** has relied upon the **Proposal** which shall be considered as incorporated in and constituting part of the **Policy**.

The **Proposal** shall be construed as a separate application for insurance under this **Policy** by each **Insured**. No statements in the **Proposal** or knowledge possessed by an **Insured person** shall be imputed to any other **Insured person**. Only the statements made by, information or knowledge possessed by and any conduct of any past, present or future Chief Executive Officer, Chief Financial Officer, Chief Legal Counsel, Chief Risk Officer or Risk Manager (or equivalent executive or management positions) of a **Company** shall be imputed to that **Company** and the knowledge of the same officers of the **Policy holder** shall be imputed to all **Companies**.

8.3 Non rescindability

The **Insurer** agrees that it shall not seek to rescind or avoid the **Policy** with respect to coverage under item 1.1. of this **Policy** for any **Insured person** who did not make any wrongful statement or did not have knowledge of any wrongful statement or misrepresentation or non-disclosure with regard to the **Proposal**.

9. ARBITRATION

Any dispute, difference or controversy in connection with this insurance, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce (SCC). The arbitral tribunal shall be composed of three arbitrators. All three arbitrators shall be appointed by the SCC Institute. The place of arbitration shall be Stockholm, Sweden. The arbitrators shall determine the matters of dispute in accordance with the laws of Sweden.

10. DEFINITIONS

For the purposes of this **Directors and officers Liability Insurance Policy**

Approved person shall mean any natural person employed by a **Company** to whom the Prudential Regulation Authority and/or the Financial Conduct Authority (or any successor organisation or organisations) has given its approval to perform one or more controlled functions under Section 59 of the Financial Services and Markets Act 2000 (UK) (or enactment thereof) or equivalent functions anywhere in the world.

Bodily Injury shall mean mental or emotional distress, bodily injury, sickness, disease or death of any person including any consequential loss resulting therefrom.

Change of control shall mean that any person, entity or group of **Companies**

- a) acquires more than fifty (50) percent of the **Policy holder's** share capital; or
- b) acquires the majority of the voting rights in the **Policy holder**; or
- c) assumes the right to appoint or remove the majority of the board of directors (or equivalent position) of the **Policy holder**; or
- d) assumes control pursuant to written agreement with other shareholders over the majority of the voting rights in the **Policy holder**; or
- e) merges with the **Policy holder**, such that the **Policy holder** is not the surviving entity.

Claim shall mean:

- a) a written demand for compensation, monetary damages or non-monetary relief served or brought by a Third Party or the **Company**; or
- b) a civil proceeding, suit or counter-claim commenced by the service of a claim form or similar pleading; or
- c) a formal notice of a criminal proceeding; or
- d) a formal notice of an arbitration or mediation proceeding; or
- e) a formal administrative or regulatory proceeding commenced by the service on any **Insured** of a notice of charges, formal investigative order or similar document against any **Insured**; or
- f) a formal criminal, administrative or regulatory investigation, hearing or enquiry, commenced by any regulator, government body, government agency or official trade body of an **Insured person** once such **Insured person** is identified in writing by such investigating authority. An investigation, hearing or enquiry as described in this paragraph shall be deemed to be first made when the **Insured person** is first identified or served; or
- g) a request to extend the operation of or waive any statute of limitations or contractual time-bar.

The term “**Claim**” shall include an **Employment Claim** but shall not include a Securities Claim made against the **Company**, unless additional cover for Securities Claim against the **Company** is provided by endorsement to this **Policy**,

Clean Up Costs shall mean 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**.

Company shall mean the **Policy holder**, any **Subsidiary Company** of the **Policy holder** and any foundation or charitable trust solely controlled or sponsored by the **Policy holder** or any **Subsidiary Company** thereof. However, this definition shall not include any pension or superannuation fund, trust or scheme.

Corporate Manslaughter Proceeding shall mean a formal criminal proceeding against a **Director or officer** of the **Company** for involuntary manslaughter (including constructive manslaughter or gross negligence manslaughter) in their capacity as such for the **Company** and directly related to the business of the **Company**.

Defence costs shall mean reasonable and necessary fees, costs, charges and expenses, incurred with the written consent of the **Insurer**, (such consent not to be unreasonably withheld or delayed).

Defence costs shall also include reasonable and necessary fees or expenses of any accredited expert retained through defence lawyers, approved in writing by the **Insurer**, to prepare necessary information or evidence in connection with the defence of a **Claim**. **Defence costs** shall not include remuneration payable to any **Insured persons** or **Employees** of any **Company**, cost of their time or costs of any **Company**, in the investigation, defence, adjustment, settlement or appeal of any **Claim** made or brought against any **Insured**. **Defence costs** shall not include **Investigation costs**.

Director or officer shall mean any past, present or future director, officer, trustee or governor or equivalent position of a **Company**, including any member of a supervisory or advisory board or management board of a **Company** and any other natural person holding any past, present or future management or supervisory position or equivalent position of a **Company** under the laws of any jurisdiction. The term **Director or officer** shall also include any shadow director or de-facto director or prospective director named in any listing particulars or prospectus issued by a **Company** and any natural person who created, founded and/or incorporated a **Company**, in their capacity as a such creator, founder or incorporator.

Employee shall mean a natural person while in the regular service of the **Company** in the ordinary course of the **Company**’s business and whom the **Company** compensates by salary, wages and/or commissions and has the right to govern, instruct and direct in the performance of such service. The term **Employee** shall not include independent contractors.

Employment Claim shall mean a **Claim** (including a proceeding/investigation/charge brought by or before the US Equal Employment Opportunity Commission or similar local, state or government authority) which is brought and maintained by or on behalf of any past, present, future or prospective **Employee** of the **Company** against any **Insured person** based on any actual or alleged wrongful dismissal, discharge or termination of employment, employment related misrepresentation, violation of employment discrimination laws (including workplace harassment), wrongful failure to promote, wrongful discipline, wrongful deprivation of a career opportunity,

negligent evaluation, invasion of privacy, employment related defamation or employment related infliction of emotional distress.

Extended reporting period shall mean the relevant **Extended reporting period** specified in the Policy schedule during which insurance cover is extended but only apply to **Wrongful acts** committed prior to the expiry date of the Policy period or a **Change of control**.

Financial Institution shall mean any bank including any merchant or investment bank, any finance **Company**, insurance or reinsurance **Company** (other than a captive owned by the **Policy holder**), 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 on commodities, futures or foreign exchange trading or any other similar entity.

Financial loss shall mean:

- a) damages, including pre- and post judgment **Interests** awarded on a covered judgment and plaintiff's legal fees awarded on a covered judgment,
- b) any amount which an **Insured person** is legally liable to pay according to Aktiebolagslagen (SFS 2005:51) 25th Chapter, § 18, or any similar rule in any other jurisdictions, unless the board of directors deliberately has avoided to prepare a balance sheet for liquidation despite the conditions according to Aktiebolagslagen (SFS 2005:51) 25th Chapter, § 13 being at hand,
- c) **Investigation costs**,
- d) any administrative fines, civil fines and other non-criminal fines and penalties, and
- e) multiple damage, punitive damage, exemplary damage and aggravated damage.
Enforceability of this section (e) shall be governed by such applicable law, which most favors coverage for such damages, provided that such law has a substantial connection or relationship to the relevant **Insureds**, to the **Company** or to the **Claim**.

Financial loss does not include

- a) taxes (other than as stated in item 2.6),
- b) social security contributions,
- c) **Clean up costs**,
- d) fines or penalties imposed by law (other than as stated in section d of this definition)
- e) the multiplied portion of any damage award or punitive, exemplary or aggravated damages, or
- f) damages that are uninsurable under the law pursuant to which this **Policy** shall be construed.

Insured shall mean any **Insured person** and any **Company**.

Insured person(s) shall mean:

- a) any **Director or officer**,
- b) any **Outside entity director**,
- c) any Non-executive Director,
- d) any **Approved person**,
- e) any natural person who is or was a spouse or domestic partner of an **Insured person** for loss arising from a **Claim** against such **Insured person**,

- f) any administrator, heirs, legal representatives or executor of a deceased, incompetent, insolvent or bankrupt **Insured person's** estate for **Financial loss** arising from a **Claim** against such **Insured person**, or
- g) any **Employee** acting in a managerial or supervisory capacity for the **Company**, including whilst acting as a lawyer on behalf of the **Company** for any **Claim** or **Employment Claim** but only if and as long as such **Claim** is also made, and is continuously maintained, against a **Director or officer**.

Insured persons shall not include any agent, contractor, legal or other advisor, consultant, external auditor, or compulsory liquidator, administrator or receiver of the **Company**.

Investigation costs are part of **Financial loss** and shall mean any reasonable and necessary fees or expenses, incurred with the written consent of the **Insurer**, (such consent not to be unreasonably withheld or delayed), in connection with an **Insured person** preparing for and attending an investigation, hearing or enquiry.

Investigation costs shall not include remuneration payable to any **Insured persons** or **Employees** of the **Company**, cost of their time or costs of any **Company**.

Limit of liability shall mean the amount stated in the Policy schedule which shall be the **Insurer's** maximum liability, in the aggregate, payable under this **Policy**, subject to the terms and conditions of item 6.1 of this **Policy**.

Non-Executive Director shall mean any natural person serving as a Director of the **Policy holder** at the inception of the Period of Insurance who is not also an Officer or **Employee** of the **Company**. The term Non-Executive Director shall also include any natural person who begins serving as a Non-Executive Director of the **Policy holder** during the Period of Insurance.

Outside entity shall mean any entity in which the **Company** has an equity ownership interest, but not greater than fifty (50) percent equity ownership interest and, irrespective of ownership, any not-for-profit entity.

Outside entity shall not include and shall specifically exclude

- a) any **Subsidiary Company**,
- b) any **Financial Institution**; and
- c) any entity whose **Securities** are traded on a primary, secondary or other market in the United States of America or its territories or possessions, unless such **Financial Institution** or entity is specifically listed as an **Outside entity** in an endorsement attached to this **Policy**.

Outside entity director shall mean any Director, Officer or **Employee** of the **Company** whilst serving or acting in his or her capacity as a **Director or officer** (or equivalent executive or management position in any country) of an **Outside entity** at the **Company's** specific direction and request.

Pollutants shall mean 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 (waste includes, but is 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.

Property Damage shall mean any damage to or destruction of any property or loss of use of such property, and any consequential loss resulting therefrom.

Proposal shall mean

- a) any information and/or statements or materials requested by the **Insurer**, or supplied to the **Insurer** by or on behalf of the **Company** or of any **Insured person**, either before or during the Period of Insurance,
- b) any **Proposal** form completed by the **Policy holder** for this **Policy** and any previous **Policy** issued by the **Insurer** for which this **Policy** is a replacement or renewal, and
- c) the financial statements and annual reports of the **Company**.

Securities shall mean any bond, debenture, note, share, stock or other equity or security for debt which is issued or given by the **Company** 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.

Shadow Director shall mean any natural person who as a consequence of being a director, officer or **Employee** of the **Company** is deemed a shadow director as defined in Paragraph 741 of the **Companies Act of 1985**, of any **Company**.

Subsidiary Company shall mean an entity in which the **Policy holder** stated in the schedule, either directly or indirectly through one or more other entities:

- a) controls the composition of the board of directors;
- b) holds more than 50% of the voting rights; or
- c) holds more than half of the issued share capital or equity.

on or before the inception date of this **Policy**.

The definition of **Company** will be automatically extended to include any **Subsidiary Company** which the **Policy holder** first either directly or indirectly through one or more of its **Subsidiary Companies** acquires or creates after the inception of this **Policy** unless such **Subsidiary Company**:

- a) has total consolidated assets which are greater than the auto acquisition threshold specified in the Policy schedule. The total consolidated assets of the new **Subsidiary Company** is compared with the total consolidated assets of the **Policy holder** (last audited annual report), or
- b) has **Securities** publicly traded on any **Securities** exchange; or
- c) is a **Financial institution**.

If a newly acquired or created **Subsidiary Company** falls into a) to c) above, such entity will be covered under this **Policy**, but only for a period of sixty (60) days from the date the **Policy holder** either directly or indirectly through one or more of its **Subsidiary Companies** first acquired or created such **Subsidiary Company**, or until the end of the Policy period, whichever occurs first, provided the

Policy holder pays any additional premium required by the **Insurer** in connection with such new **Subsidiary Company**.

The **Insurer** may in its sole discretion extend coverage for any such new **Subsidiary Company** beyond the sixty (60) day period provided that the **Policy holder**:

- d) requests an extension of this **Policy** for such **Subsidiary Company** in writing to the **Insurer**; and
- e) gives the **Insurer** sufficient details to permit the **Insurer** to assess and evaluate the potential increase in exposure; and
- f) agrees to any additional premium and amendments to the **Policy** required by the **Insurer** at its sole discretion.

Unless otherwise agreed in writing and attached as an endorsement to this **Policy**, cover under this **Policy** for such **Subsidiary Company** first acquired or created after the inception of this **Policy** shall only apply for **Wrongful Acts** or other acts, facts or event covered under this **Policy**, committed or occurring or taking place after such entity is first acquired or created and whilst remaining a **Subsidiary Company** of the **Policy holder**.

Third Party shall mean any person or entity other than the **Company** or an **Insured**.

Wrongful act shall mean the actual, alleged or attempted breach of duty, breach of statutory duty, breach of trust, breach of warranty of authority, neglect, error, misstatement, misleading statement, or any other **Wrongful act** or omission committed or attempted by, or allegedly committed or attempted by:

- a) any **Insured person** whilst acting in his or her respective capacity on behalf of the **Company** or any matter **Claimed** against such **Insured person** solely by reason of his/her status as such,
- b) any **Insured person** whilst acting in the capacity as a **Director or officer** (or in an equivalent executive or management position in any other country) of an **Outside entity** at the **Company's** specific direction and request, or
- c) the **Company**, but only if entity cover for securities **Claims** is provided by endorsement to this **Policy**.