



THIS POLICY (AND THE SCHEDULE WHICH FORMS AN INTEGRAL PART OF THE POLICY) IS A LEGAL CONTRACT PLEASE EXAMINE IT THOROUGHLY TO ENSURE IT MEETS YOUR REQUIREMENTS IF IT DOES NOT PLEASE ADVISE YOUR INSURANCE ADVISER IMMEDIATELY

WE WOULD REMIND YOU THAT YOU ARE REQUIRED TO INFORM US IMMEDIATELY OF ANY FACTS OR CHANGES WHICH WE WOULD TAKE INTO ACCOUNT IN OUR ASSESSMENT OR ACCEPTANCE OF THIS INSURANCE FAILURE TO DO SO MAY INVALIDATE YOUR POLICY OR RESULT IN CERTAIN COVERS NOT OPERATING FULLY. IF YOU ARE IN ANY DOUBT AS TO WHETHER A FACT IS MATERIAL OR NOT PLEASE CONTACT YOUR INSURANCE ADVISER

DIRECTORS AND OFFICERS LIABILITY INSURANCE

Royal & Sun Alliance Insurance plc (herein called the Insurer) and the Insured agree that

This Policy the Schedule (including any Schedule issued in substitution) and any Memoranda or Endorsements shall be considered one document and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears

The Proposal shall be incorporated in and be the basis of the contract

The Insurer will provide the insurance described in this Policy subject to the terms and conditions for the Period of Insurance shown in the Schedule and any subsequent period for which the Insured shall pay and the Insurer shall agree to accept the Premium

This is a "claims made" policy which only covers claims made against the Insured Persons and notified to the Insurer during the Period of Insurance

Insurance

1. The Insurer will pay on behalf of the Insured Persons Loss and Defence Costs arising from liability at law for a Wrongful Act committed by them and for which the Company has not provided indemnity
2. The Insurer will reimburse the Company those amounts otherwise payable under 1 above where the Company has provided indemnity for the Insured Persons as required or permitted by law

Provided that

- a. the claim legal proceedings or Investigation against the Insured Persons is made or commenced during the Period of Insurance or any Extended Reporting Period and any resulting claim under this Policy is made during the Period of Insurance or any Extended Reporting Period
- b. the total liability of the Insurer arising from all claims made under the Policy during the Period of Insurance after deduction of any Excess shall not exceed the Limit of Indemnity

Special Provisions

1. *Extended Reporting Period*

If the Insurer shall refuse to offer any terms for renewal of this Policy the Insured Persons or any of them shall have the right to an extension of the cover granted by this Policy in respect of a claim which may be made against them during the period of 180 days after the date of such non-renewal Provided however that this extension shall only apply in respect of Wrongful Acts committed or alleged to have been committed prior to the date of non-renewal and that application to the Insurer to exercise this right is made within 10 days of the expiry of insurance under this Policy

2. *Severability*

No fact relating to or knowledge of any Insured Person shall be imputed to any other Insured Person for the purpose of determining the availability of insurance for any Insured Person

The Proposal shall be construed as a separate application for cover by each of the Insured Persons with respect to the declarations and statements contained in the Proposal No statement or knowledge possessed by any Insured Person shall be imputed to any other Insured Person for the purpose of determining the availability of insurance

3. *Automatic Acquisition*

If the Company acquires during the Period of Insurance more than 50% of the issued and outstanding voting share capital of any company either directly or indirectly through any Subsidiary and the company acquired or created

a. is registered outside of the United States of America its territories and possessions or Canada and

b. does not have gross assets the value of which exceed 20% of those of the Company

then the Company shall not have to provide the Insurer with full particulars of the newly acquired company during the Period of Insurance or pay any additional premium relating to any such new Subsidiary

4. *Cancellation*

In the event of the compulsory liquidation of the Company this Policy will remain in force until expiry of the then current Period of Insurance unless cancellation is requested by all of the Directors and Officers

Exclusions

The Insurer shall not be liable for

1. Loss or Defence Costs brought about by or contributed to or consequent upon any dishonesty fraud or malicious conduct of the Insured Persons provided however that the Insured Persons shall be entitled to indemnity in respect of
 - a. Defence Costs reasonably incurred in successfully defending an action which arises out of such a claim
 - b. any Loss where the final judgement or other adjudication of the court hearing proceedings against the Insured Persons determines that he she or they are liable at law in respect of a Wrongful Act where such finding is not dependent on the existence of a dishonest fraudulent or malicious purpose or intent and where there is no finding that he she or they were guilty of dishonesty fraud or malicious conduct
2. Fines penalties punitive aggravated or exemplary damages other than exemplary damages awarded in an action for libel or slander
3. Loss or Defence Costs which arise from the breach of a professional duty to a client or a customer or other third party who relies on advice design specification or other professional services provided by or on behalf of the Insured
4. Loss or Defence Costs brought about by or attributable to any Insured Person gaining any profit or advantage or receiving any remuneration to which he or she was not legally entitled
5. Loss or Defence Costs for the death disease mental anguish or illness of or bodily injury to any person or loss of or damage to material property
6. Loss or Defence Costs directly or indirectly relating to arising from or in any way connected with seepage pollution or contamination of any kind
7. Loss or Defence Costs directly or indirectly relating to arising from or in any way connected with
 - i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - ii. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
8. Loss or Defence Costs incurred as a consequence of any circumstance
 - i. notified under any insurance which was in force prior to the inception of this Policy
 - ii. known to any of the Insured Persons at the inception of this Policy which might reasonably be expected to produce a claim

Interpretations

Proposal	shall mean the signed proposal form and declaration forwarded in connection with this Policy and any information supplied by or on behalf of the Insured in addition thereto or in substitution therefor
Insured Person(s)	shall mean any person who was or is or may be hereafter a Director or an Officer or the legal representatives of the Director or Officer in the event of his or her death incapacity or bankruptcy
Director	shall mean any person who was or is or may be hereafter a director of the Company
Officer	any person who was or is or may be hereafter an officer of the Company (other than its auditor liquidator administrator receiver or solicitor)
Company	shall mean the company or companies specified in the Schedule and any Subsidiary
Insured	shall mean Company and/or Insured Persons
Loss	shall mean damages contributions judgements or settlements claimant's cost and expenses and all other costs and expenses ordered by a court or other legally authorised tribunal or incurred with the Insurer's written consent in respect of claims made against the Insured Persons jointly or severally arising from any Wrongful Act committed by them in their respective capacities as Directors or Officers of the Company
Defence Costs	shall mean reasonable legal costs charges and expenses incurred by the Insured Persons with the Insurer's written consent in the defence of any legal proceedings that are commenced or threatened in a court of civil or criminal jurisdiction or in obtaining legal advice and/or representation in respect of an Investigation or any action against a Director pursuant to which a Director is liable to be disqualified from continuing to be a director of a company
Investigation	shall mean any official investigation examination or other proceedings made or commenced during the Period of Insurance by the Department of Trade and Industry The International Stock Exchange the Bank of England the Panel on Take-overs and Mergers the Securities and Investments Board or any similar body at which the affairs of the Company are being investigated
Subsidiary	shall mean any company within the meaning given by section 736 of the Companies Act 1985 or any amendment or re-enactment thereof and which either <ol style="list-style-type: none">i. is a subsidiary of the Company at inception of this insurance orii. unless as provided in the Automatic Acquisition clause becomes a subsidiary of the Company within the Period of Insurance and is so notified to the Insurer which has received such additional information relating thereto and such additional premium as it may require and which has agreed in writing to extend this insurance accordingly
Wrongful Act	shall mean any actual or alleged breach of trust breach of duty neglect error misstatement misleading statement omission Wrongful Trading breach of warranty of authority or other act wrongfully committed or attempted by the Insured Persons in their capacities as Directors or Officers
Wrongful Trading	shall bear the meaning set out in Section 214 of the Insolvency Act 1986 or any subsequent amendment or re-enactment thereof
Excess	shall mean the amount for which the Insured is responsible under this Policy for Loss and Defence Costs in respect of each and every claim prior to the Insurer being liable to make any payment under this Policy

General Conditions

1. ***Policy Voidable***
In the event of the Insurer being entitled to avoid this Policy from inception or from the time of any variation in the Insurance provided the Insurer may in its full discretion maintain this Policy in full force but exclude the consequences of any non-disclosure
2. ***Observance of Terms***
Observance of the terms of this Policy relating to anything to be done or complied with by the Insured is a condition precedent to any liability of the Insurer
3. ***Due Diligence***
The Insured shall use due diligence and do and concur in doing all such things as are reasonably practicable to avoid or diminish any Loss or Defence Costs
4. ***Notification***
The Insured shall notify the Insurer as soon as possible in writing with full particulars of any circumstances involving a claim against the Insured Persons or an Investigation or of any circumstances that could result in a claim or Investigation
5. ***Writs and Summonses***
The Insured shall forward to the Insurer any letter claim writ or summons immediately on receipt
6. ***Excess***
Any Excess under this Policy shall be borne by the Insured and shall not be insured under any other policy
7. ***Change of Control***
If an offer is made for the whole or controlling interest of the issued share capital of the Company and that offer is declared or becomes unconditional in accordance with its terms or in the case of a private limited company there is a change in ownership of the controlling interest of the Company's share capital the insurance provided under this Policy is amended to apply only to claims made by reason of a Wrongful Act occurring or Investigation made or commenced prior to the date that such offer is declared or becomes unconditional or the change in ownership is effective
8. ***Law Applicable Clause***
Unless the parties have agreed otherwise in writing any dispute concerning the interpretation of the Policy shall be governed and construed in accordance with English law and shall be resolved within the non-exclusive jurisdiction of the courts of England and Wales
9. ***Renewal Procedure***
Prior to Renewal Date each year the Insurer will request the Insured Persons to complete a proposal form
The renewal premium will be calculated with reference to the information provided therein

Claims Conditions

1. *Claims Notification*

Claim details must be sent initially to Royal & SunAlliance Leadenhall Court 1 Leadenhall Street London EC3V 1PP

2. *Non Admission of Liability*

The Insured shall not admit liability for or settle any claim or incur any costs charges or expenses without the written consent of the Insurer

3. *Causality*

Any claims under this Policy which are related or which arise from a common cause or source shall constitute a single claim for the purpose of this Policy

4. *Subrogation*

The Insurer shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim and shall have full discretion in the conduct of any proceedings and in the settlement of any claim but subject to the terms of Claims Condition 5

5. *Disputes*

The Insured shall not be required to contest any legal proceedings unless a Queens Counsel or similar authority to be mutually agreed upon by the Insured and the Insurer shall advise that such proceedings could be contested with a probability of success

6. *Settlement*

In connection with any claim against the Insured Persons the Insurer may at any time pay to the Insured Persons the Limit of Indemnity (after deduction of any sums already paid during the Period of Insurance) or any less amount for which such claim can be settled and thereupon the Insurer shall relinquish the control of such claim and be under no further liability in connection therewith

7. *Advance Payments*

Notwithstanding Insuring Clause 1 and subject to Exclusion 1 the Insurer may in its full discretion agree to advance payments for Defence Costs in respect of any claim brought about by or contributed to or consequent upon any dishonesty fraud or malicious conduct of the Insured Persons but in the event that a court subsequently determines that the Insured Person in question is guilty of dishonesty fraud or malicious conduct the Insured Person shall repay all such payments to the Insurer forthwith

8. *Contribution*

If at the time any claim arises under this Policy the Insured Persons are or would but for the existence of this Policy be entitled to indemnity under any other policy or policies the Insurer shall not be liable except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this insurance not been effected

COMPLAINTS PROCEDURE

We aim to provide you with a first class service. If we have not delivered the service that you expect or you are concerned with the service provided we would like the opportunity to put things right.

Our complaints process

- Initially please raise your concerns with your usual business contact
- If your complaint is not resolved or you are not happy with our response and the course of action proposed you can progress your complaint to our Customer Relations Office
- A separate investigation will then be carried out in an attempt to resolve your complaint and a final decision issued. However if resolution is not possible they will issue a response within 8 weeks of your original complaint.

Customer Relations Contact Details

Customer Relations Office
Royal & Sun Alliance Insurance plc
Bowling Mill
Dean Clough Industrial Park
Halifax HX3 5WA

Tel: 0800 1076160
Fax: 01422 325146
e-mail: halifax.customerrelationsoffice@uk.royalsun.com

What to do if you are still not satisfied

If you are still not satisfied Royal & Sun Alliance is regulated by the Financial Services Authority whose arbitration service is the Financial Ombudsman Service and you may be able to refer your complaint to them.

Financial Ombudsman Service

South Quay Plaza
183 Marsh Wall
London
E14 9SR

Tel: 0845 0801800
e-mail: enquiries@financial-ombudsman.org.uk
web: www.financial-ombudsman.org.uk

Your rights

Your rights as a customer to take legal action remain unaffected by the existence or use of any complaints procedures referred to above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.