

Bajaj Allianz Protect Platinum II Directors and Officers Liability

Bajaj Allianz General Insurance Co. Ltd.

 **BAJAJ** | Allianz 

VIN: P-BAL-LI-P13-05-V01-12-13

Bajaj Allianz Protect Platinum II

Directors & Officers Liability and Company Reimbursement Policy

This is a "claims made policy". Except as otherwise provided herein, this Policy covers only Claims first made against the Insured and reported to the Insurer in the Policy Period, or Discovery Period if applicable. All words capitalised and bolded in the Policy or this Schedule shall have the meaning given to them in Section 3 of the Policy entitled "Definitions".

Schedule

Policy Number:

Item 1: Policyholder

Name:

Address:

Item 2: Policy Period

From: 12.00 am local standard time

To: 11.59 pm local standard time

Item 3: Limit of Liability

Item 3.1: Sub-Limits, which form part of and are not in addition to the Limit of Liability - Item 3

- (i) _____ Legal Representation Costs in the aggregate
- (ii) _____ Pecuniary Penalties in the aggregate
- (iii) _____ Public Relations Expenses in the aggregate
- (iv) _____ Emergency Costs Advancement in the aggregate
- (v) _____ Pollution Defence Costs Cover in the aggregate

Item 3.2: Protected Excess Limit for Non-Executive Directors

- (i) _____ per Non-Executive Director
- (ii) _____ in the aggregate for all Non-Executive Directors

Item 3.3: Counselling Services Extension

- (i) _____ per Insured
- (ii) _____ in the aggregate for all Insureds

Item 4: Retention

- (i) NIL Insuring Clause 1.1: **Directors & Officers**
- (ii) Insuring Clause 1.2: **Company Reimbursement:**
 - (a) for each **Claim**
 - (b) **Securities Claim** falling anywhere in the world outside the United States of America or Canada or their territories
 - (c) **Securities Claim** falling under the jurisdiction of the United States of America or Canada or their territories
- (iii) Insuring Clause 1.3: **Company Insurance for Securities Claims:**
 - (a) **Securities Claim** falling anywhere in the world outside the United States of America or Canada or their territories
 - (b) **Securities Claim** falling under the jurisdiction of the United States of America or Canada or their territories

UIN: P-BAL-LI-P13-05-V01-12-13

- (iv) Extension Insuring Clause 12.13: **Legal Representation Costs.**
For each **Inquiry**
(a) **Inquiry** outside the United States of America or its territories
(b) (i) **Inquiry** in the United States of America or its respective territories
(ii)
- (v) NIL Extension Insuring Clause 12.24: **Protected Excess Limit for Non- Executive Directors**
- (vi) NIL Extension Insuring Clause 12.134: **Counselling Services Extension**

Item 5: Prior or Pending Litigation Date:

Item 6: Discovery Period: 50%

Item 7: Premium: _____ (plus taxes)

Item 8: Address for Notification of Claims:

Claims Manager – Financial Lines
Bajaj Allianz General Insurance Co. Ltd;
GE Plaza 1st Floor, Airport Road, Yerawada,
Pune 411006 INDIA

Item 9: Continuity Date: _____

Item 10: Acquisition Threshold: _____

Item 11: Securities Offering Amount:

- (i) _____ **Securities** registered on any exchange outside the United States of America or its territories
- (ii) _____ **Securities** registered on any exchange in the United States of America or its territories
- (iii) _____ Private Placement(s), Debt or notes registered on any exchange outside the United States of America or its territories
- (iv) _____ Private Placement(s), Debt or notes registered on any exchange in the United States of America or its territories

Item 12: Insurer: Bajaj Allianz General Insurance Co. Ltd.

Item 13: Policy Interpretation: India

Item 14: Endorsements as of the Inception of the Policy:

.....
Signed for and on behalf of Bajaj Allianz General Insurance Co. Ltd.

CONTENTS OF POLICY

Section 1: Insuring Clause	1
1.1 Directors and Officers	1
1.2 Company Reimbursement	1
1.3 Company Insurance for Securities Claims	1
Section 2: Extensions	1
2.1 Legal Representation Costs	1
2.2 Protected Excess Limit for Non-Executive Directors	1
2.3 Public Relations Expenses	1
2.4 Extradition Costs	2
2.5 Emergency Costs Advancement	2
2.6 Occupational Health and Safety Costs	2
2.7 Retired Directors and Officers	2
2.8 Pollution Defence Costs Cover	2
2.9 Pollution Shareholder Claim Cover	2
2.10 Advancement of Defence Costs within Thirty (30) Days	2
2.11 Automatic New Subsidiary Cover	3
2.12 New Offering of Securities	3
2.13 Counselling Services Extension	3
Section 3: Definitions	3
3.1 Bail Bond and Civil Bond Expenses	3
3.2 Claim	3
3.3 Company	4
3.4 Defence Costs	4
3.5 Director	4
3.6 Discovery Period	4
3.7 Emergency Costs	4
3.8 Employee	4
3.9 Employment Benefits	4
3.10 Employment Wrongful Act	5
3.11 External Administrator	5
3.12 Extradition Costs	5
3.13 Extradition Proceeding	5
3.14 Financial Institution	6
3.15 Insured	6
3.16 Insurer	6
3.17 Inquiry	6
3.18 Legal Representation Costs	6
3.19 Limit of Liability	7
3.20 Loss	7
3.21 Non-Executive Director	7
3.22 Non-Profit Entity	7
3.23 Officer	7
3.24 Outside Entity	8
3.25 Pecuniary Penalties	8
3.26 Policy	8

3.27	Policyholder	8
3.28	Policy Period	8
3.29	Pollutant	8
3.30	Pollution	8
3.31	Prior or Pending Date	8
3.32	Proposal	9
3.33	Prosecution Costs	9
3.34	Protected Excess Limit	9
3.35	Public Relations Expenses	9
3.36	Retention	9
3.37	Retired Director or Officer	9
3.38	Schedule	9
3.39	Securities	9
3.40	Securities Claim	9
3.41	Self Report	10
3.42	Self Report Investigation	10
3.43	Subsidiary	10
3.44	Transaction	10
3.45	Trustee	10
3.46	Workplace Death	11
3.47	Wrongful Act	11
Section 4: Discovery Period		11
4.1	Discovery Period	11
Section 5: Exclusions		11
5.1	Dishonest or Improper Conduct	11
5.2	Known Prior Matters and Notifications	12
5.3	Insured versus Insured – USA only	12
5.4	ERISA	12
5.5	Bodily Injury and Property Damage	12
5.6	Professional Services	12
5.7	Pollution	13
5.8	Outside Entity	13
5.9	SEC	13
5.10	Contract	13
5.11	Pricing	13
Section 6: Severability and Non-Avoidance		13
6.1	Severability	13
6.2	Non-avoidance	14
Section 7: Changes in Exposure		14
7.1	Subsidiary and Auto Acquisition	14
7.2	Duties of the Insured to Report Offering of Securities	14
Section 8: Conditions		14
8.1	Notification	14
8.2	Defence Costs to be Advanced	15
8.3	Territory and Jurisdiction	15
8.4	Policy Interpretation	15

8.5	Limit of Liability	15
8.6	Retention and Retention Return	15
8.7	Defence, Co-operation and No Admissions	16
8.8	Allocation	16
8.9	Arbitration Clause	16
8.10	Other Insurance	17
8.11	Transactions	17
8.12	Run off after Transaction	17
8.13	Management buyouts	17
8.14	Subrogation	17
8.15	Authorisation	17
8.16	Non-Assignment	17
8.17	Interpretation	18
8.18	Priority of Payments	18
8.19	Cancellation	18
8.20	Entire Agreement	19
8.21	Resolving Issues	19

Bajaj Allianz Protect – Platinum II Directors & Officers Liability and Company Reimbursement Policy

In consideration of the payment to the Insurer of the premium, the Insurer will pay to or on behalf of the Insured in accordance with and subject to the terms and conditions of this Policy.

Section 1: Insuring Clause

1.1 Directors and Officers

The Insurer will pay to or on behalf of the Insured all Loss resulting from a Claim against the Insured except for and to the extent that the Company has indemnified the Insured. This cover only applies when the Claim is first made and reported to the Insurer during the Policy Period, or Discovery Period if applicable.

1.2 Company Reimbursement

The Insurer will pay to or on behalf of the Company all Loss resulting from a Claim against the Insured to the extent that the Company has indemnified such Insured. This cover only applies when the Claim is first made and reported to the Insurer during the Policy Period, or Discovery Period if applicable.

1.3 Company Insurance for Securities Claims

The Insurer will pay to or on behalf of the Company, all Loss resulting from any Securities Claim against the Company. This cover only applies when the Securities Claim is first made and reported to the Insurer during the Policy Period, or Discovery Period if applicable.

Section 2: Extensions

The Insurer agrees to extend the cover under the Policy on the following bases and subject to all the terms and conditions of this Policy:

2.1 Legal Representation Costs

The Insurer will pay to or on behalf of the Company or Insured all Legal Representation Costs resulting from an Inquiry. This cover only applies when notice compelling attendance by the Insured at the Inquiry is first served on the Insured or the Self Report Investigation is first required and reported to the Insurer during the Policy Period or Discovery Period if applicable.

The sub-limit for this cover is the amount shown in Item 3.1(i) of the Schedule in the aggregate per Policy Period for all Insured for all Legal Representation Costs.

2.2 Protected Excess Limit for Non-Executive Directors

In addition to the Limit of Liability, the Insurer will pay to or on behalf of each Non-Executive Director all Loss, up to the Protected Excess Limit, resulting from a Claim against, or Inquiry compelling attendance by, such Non-Executive Director. This cover is only available where there is/are no other source or sources of indemnification available to the Non-Executive Director, including but not limited to indemnification by the Company after exhaustion of the Limit of Liability; or other available insurance.

The limit for this cover is the amount shown in Item 3.2(i) of the Schedule in the aggregate per Policy Period for each Non-Executive Director, up to a total aggregate amount in the Policy Period as shown at Item 3.2(ii) of the Schedule, for all Loss in respect of all Non-Executive Directors for all Claims and Inquiries.

2.3 Public Relations Expenses

The Insurer will pay to or on behalf of the Insured, Public Relations Expenses with the Insurer's prior written consent (not to be unreasonably withheld) for the Insured to retain a public relations consultant to reduce or prevent the effects of negative publicity which the Insured reasonably believes may lead to a Claim or an Inquiry.

This cover only applies when the request to retain a public relations consultant is first made and reported to the Insurer during the Policy Period, or Discovery Period if applicable.

The sub-limit for this cover is the amount shown in Item 3.1(iii) of the Schedule in the aggregate per Policy Period for all Insured for all Public Relations Expenses.

2.4 Extradition Costs

The **Insurer** will pay to or on behalf of the **Insured**, **Extradition Costs** with the **Insurer's** prior written consent (not to be unreasonably withheld) for the **Insured** to retain legal adviser or tax accountant to advise that **Insured** in connection with an **Extradition Proceeding**.

2.5 Emergency Costs Advancement

If **Defence Costs** or **Legal Representation Costs** are incurred by an **Insured**, prior to receiving the written consent of the **Insurer**, the **Insurer** agrees to give retrospective approval for such amounts incurred by the **Insured** to the point in time when the **Insured** could reasonably have sought the **Insurer's** written consent. The **Company** or the **Insured** shall give written notice to the **Insurer** of the **Claim** or **Inquiry** which was the subject of the emergency as soon as practicable, together with reasons why an emergency existed.

The sub-limit for this cover is the amount shown in **Item 3.1 (iv)** of the **Schedule** in the aggregate for all **Defence Costs** and **Legal Representation Costs**.

Notwithstanding above, if it is established that there is no entitlement to indemnity under the **Policy** for the specific **Defence Costs**, **Legal Representation Costs**, such amounts shall be repaid to the **Insurer** immediately.

2.6 Occupational Health and Safety Costs

The Bodily Injury and Property Damage Exclusion 5.5 shall not apply to **Defence Costs** resulting from a **Claim**, or **Legal Representation Costs** resulting from an **Inquiry**, in respect of any alleged breach of any occupational health and safety law or regulation, including but not limited to a **Workplace Death**.

2.7 Retired Directors and Officers

The **Insurer** agrees to indemnify any **Retired Directors** or **Officers** for **Claims** made against, or **Inquiries** involving, such persons during the period of 84 months immediately following the expiry of this **Policy Period**, but only to the extent that such **Claims** are for **Wrongful Acts** and **Inquiries** occurring prior to the effective date of termination or non-renewal, provided that:

- (i) this **Policy** is not renewed or replaced with any other policy affording Directors and Officers or management liability cover;
- (ii) a **Discovery Period** is not invoked;
- (iii) a **Transaction** has not taken place; and,
- (iv) **External Administrator's** appointment has not taken place.

2.8 Pollution Defence Costs Cover

The Pollution Exclusion 5.7, shall not apply to **Defence Costs** for a **Claim** brought or **Legal Representation Costs** for an **Inquiry** instituted outside the United States of America or its territories based on or arising from or attributable to **Pollution**.

The sub-limit for this cover is the amount shown in **Item 3.1(v)** of the **Schedule** in the aggregate per **Policy Period** for all **Insured** for any **Claim** or **Inquiry**.

2.9 Pollution Shareholder Claim Cover

The Pollution Exclusion 5.7, shall not apply to any **Claim** made by any holder of **Securities** of the **Company**, either directly or derivatively, without the solicitation, voluntary assistance or participation or assistance of any **Insured**.

2.10 Advancement of Defence Costs within Thirty (30) Days

As stated in Section 8.2, in respect of any **Claim** or **Inquiry**, the **Insurer** shall pay **Defence Costs** or **Legal Representation Expenses** on behalf of the **Insured** on an as incurred basis prior to final disposition or adjudication, the advancement of **Defence Costs** or **Legal Representation Expenses** as provided under this policy will be made within thirty (30) days of receipt of an invoice by the **Insurer**.

2.11 Automatic New Subsidiary Cover

If during the **Policy Period** the **Company** acquires or creates a new **Subsidiary** then that legal entity shall be covered as a **Subsidiary** under this policy with effect from the date of acquisition or creation unless at the time of such acquisition, the legal entity is:

- domiciled in or has any of its **Securities** listed on any exchange in the United States of America or Canada, its territories and possessions and any state or political subdivision thereof;
- a **Financial Institution**;
- assets greater than the **Acquisition Threshold** in Item 10 of the **Schedule**;

in which case the **Company** shall provide the **Insurer** with full information, pay any additional premium and agree any amendment to the provisions requested by the **Insurer** to obtain cover as a **Subsidiary** for such legal entity.

2.12 New Offering of Securities

If during the **Policy Period** the **Company** issues or proposes the sale or allocation of **Securities** that does not exceed the amount specified in Item 11 of the **Schedule** then the **Insurer** shall immediately provide cover for such under this policy; if the sale or allocation exceeds the amount specified in Item 11 of the **Schedule** then the **Company** shall provide the **Insurer** with full information in respect of the said **Securities** and pay any additional premium and agree any amendment to the provisions requested by the **Insurer** to obtain cover for such under this policy.

2.13 Counselling Services Extension

In addition to the **Limit of Liability**, the **Insurer** will pay to or on behalf of each **Insured**, up to the **Counselling Services Extension Limit** all reasonable fees, costs and expenses of an accredited psychiatrist, psychologist or counsellor chosen by the **Insured** at his/her own discretion with the prior written consent of the **Insurer**, not to be unreasonable withheld or delayed, to treat stress, anxiety or such similar medical conditions resulting from a **Claim** against, or **Inquiry** compelling attendance by, such **Insured**.

The sub-limit for this cover is the amount shown in **Item 3.3 (i)** of the **Schedule** in the aggregate per **Policy Period** for each **Insured**, up to a total aggregate amount in the **Policy Period** as shown at **Item 3.3 (ii)** of the **Schedule**, for all **Loss** in respect of all **Insured** for all **Claims** and **Inquiries**.

The cover provided by this extension is in addition to, and not part of, the **Limit of Liability** and applies excess over any other insurance providing similar cover and indemnification available from any other source.

Section 3: Definitions

3.1 Bail Bond and Civil Bond Expenses

Reasonable premium for a financial instrument, including but not limited to a bond, but not collateral for the instrument, that guarantees an **Insured's** contingent obligation for a specified amount required by a Court.

3.2 Claim

means any:

- (i) written demand or written allegation of a **Wrongful Act** against an **Insured**;
- (ii) civil or arbitral proceeding for monetary or non-monetary relief against an **Insured** for a **Wrongful Act**, including but not limited to any mediation or similar proceeding;
- (iii) criminal suit or proceeding against an **Insured** for a **Wrongful Act**;
- (iv) **Extradition Proceedings** against an **Insured** for a **Wrongful Act**;

- (v) formal regulatory or administrative proceeding against an **Insured** for a **Wrongful Act**, or
- (vi) **Securities Claim**.

A **Claim** is first made against an **Insured** when the demand is received by the **Insured** or the proceeding commencing it is first served on the **Insured**.

3.3 Company

means the **Policyholder** and any **Subsidiary** thereof.

3.4 Defence Costs

- means the reasonable legal expenses and legal costs, **Extradition Costs**, incurred by an **Insured** with the written consent of the **Insurer**, not to be unreasonably withheld, to investigate, defend or appeal a **Claim** and which the **Insured** is obligated to pay.

- means the reasonable legal expenses and legal costs incurred by the **Company** with the written consent of the **Insurer**, not to be unreasonably withheld, to investigate, defend or appeal a **Securities Claim** and which the **Company** is obligated to pay.

This includes **Ball Bond and Civil Bond Expenses**, the cost of an appeal bond but without the obligation to apply for and furnish any such bond. **Defence Costs** are part of and not in addition to the **Limit of Liability**. **Defence Costs** does not include wages, salaries and other remuneration of any **Director, Officer** or **Employee** of the **Company**, or any internal costs or expenses of the **Company**.

3.5 Director

means any natural person holding a past, present or future management or supervisory position, or an alternate director, a shadow director or de facto director or equivalent position, in the **Company**, under the laws of any jurisdiction, including any member of the supervisory board; board of Commissioners, President Commissioner or management board.

3.6 Discovery Period

means the period immediately after expiry of the **Policy Period**, during which (subject to the provisions of Section 4, **Discovery Period**) the **Insured** may notify **Claims** made, or **Inquiries** commenced, in that period in respect of **Wrongful Acts** or, in the case of **Inquiries**, conduct occurring before expiry of the **Policy Period**.

3.7 Emergency Costs

means **Defence Costs** or **Legal Representation Costs** agreed by the **Insurer** in accordance with Extension 2.5.

3.8 Employee

means a natural person (including any **Director** or **Officer**) who was, is or becomes during the **Policy Period** employed by the **Company** in the ordinary course of its business, is paid as such and whose duties and activities are subject to the direction and control of such entity. **Employee** only includes such a person when undertaking acts within the scope of the usual duties of an **Employee** of such entity. It does not include contractors, consultants or agents of the **Company**.

3.9 Employment Benefits

means any amount payable pursuant to or in relation to an employment contract, to which the **Employee** was or would have been entitled as an **Employee** had the **Company** provided continuity, reinstatement or commencement of employment for that **Employee**. Without limitation this includes:

- (i) stock, shares, stock options, share options or any entitlement or right under any employee plan of any description;
- (ii) participation in any stock, share option or share option plan, or participation in any employee plan of any description;
- (iii) bonus or incentive payments, or any entitlement or right under a bonus or incentive plan (which, for clarity, does not include any payments, entitlements or rights under any commission scheme);

- (iv) severance or redundancy payments or entitlements;
- (v) any benefit, payment or entitlement of any kind in respect of paid or unpaid leave;
- (vi) non-monetary benefits including but not limited to the allocation of a company car, travel allowance, mobile or landline telephone, medical or life insurance expenses, education and training allowances, and equipment allowances;
- (vii) payments or contributions in respect of any provident, benefit, superannuation, pension or retirement fund, or any other account, fund, scheme or plan intended to provide Benefits, in whole or in part, at retirement or a particular age, or on the happening of a particular event;
- (viii) any amount the **Company** is ordered to pay in respect of an allegedly unfair contract, notwithstanding that it acted in accordance with the terms of the employment contract.

3.10 Employment Wrongful Act

means:

- (i) unfair or wrongful dismissal, termination or discharge of employment, either actual or constructive;
- (ii) harassment including bullying;
- (iii) discrimination;
- (iv) retaliation, including lockouts;
- (v) employment related misrepresentations to an **Employee** or applicant for employment;
- (vi) employment related humiliation, defamation or invasion of privacy, denial of natural justice;
- (vii) wrongful failure to employ or promote;
- (viii) wrongful deprivation of career opportunity;
- (ix) wrongful failure to grant tenure;
- (x) negligent evaluation or unfair discipline;
- (xi) failure to provide accurate references;
- (xii) failure to comply with employment policies or procedures; or

solely relating to an **Employee** or prospective **Employee** of the **Company**.

Employment Wrongful Act does not include any actual or alleged unfair contract of employment.

3.11 External Administrator

means any externally appointed trustee, receiver, receiver and manager, liquidator, administrator, mortgagee in possession or the like or any employees of such person.

3.12 Extradition Costs

any reasonable fees, costs and expenses of any professionally qualified legal adviser; or tax accountant; retained by an **Insured** to advise that **Insured** in connection with an **Extradition Proceeding**.

3.13 Extradition Proceeding

means proceedings following a request for deportation, extradition or arrest warrant including an appeal or separate proceeding to overturn an extradition order.

3.14 Financial Institution

any organization whose function or principle activities are regulated by the financial regulatory bodies in the territories in which the organization operates, including but not limited to: any bank, clearing house, depository institution, investment firm, investment advisory, investment manager, investment fund, mutual fund, stockbroker, mortgage broker, credit institution, asset manager, private equity or venture capital company, insurance company, reinsurance company or real estate investment trust.

3.15 Insured

means any natural person who was, or during the **Policy Period**, is or becomes:

- (i) a **Director** or **Officer** of the **Company** (or the equivalent in any other jurisdiction);
- (ii) a **Director** or **Officer** of the **Company** who holds an appointed position as a director of an **Outside Entity** and who has been specifically requested in writing by the **Company** to hold that position;
- (iii) the spouse, domestic partner or family member of any **Director** or **Officer** of the **Company** where recovery is sought solely because joint property is held or owned by or on behalf of the spouse, domestic partner or family member. There is no cover for any **Claim** that alleges a **Wrongful Act** by the spouse, domestic partner or family member;
- (iv) the legal representatives, heirs, assigns or estates of (i) to (ii) above in the event of their death, incapacity, insolvency or bankruptcy but only based on the **Wrongful Acts** or, in the case of an **Inquiry**, conduct of the **Insured**, however there is no cover for any **Claim** that alleges a **Wrongful Act** by any such legal representatives, heirs, assigns or estates of (i) to (ii) above ;
- (v) a **Trustee**;
- (vi) any **Employee**;
- (vii) any compliance committee member appointed by the **Company**;
- (viii) any **Employee** of the **Company** who is joined as a party to any covered **Claim** against any person defined in (i) to (vii); and,
- (ix) any **Non Executive Director**.

Insured does not include any **External Administrator** or external auditor of the **Company**.

3.16 Insurer

means the **Insurer** stated in **Item 12** of the **Schedule**.

3.17 Inquiry

means an official investigation, official examination or official inquiry, in relation to the business or activities of the **Company** or the conduct of an **Insured** for which the notice or process compelling attendance or provision of information or documents by an **Insured** is first served during the **Policy Period**; or a **Self Report Investigation**. It is not necessary that a **Wrongful Act** be alleged against the **Insured**.

Inquiry shall not include routine regulatory supervision, inspection or compliance reviews or any investigation which focuses on an industry rather than a **Company**, **Outside Entity** or **Insured** in their capacity as such.

3.18 Legal Representation Costs

means the reasonable legal costs and expenses for which an **Insured** is legally liable and which are incurred, with the prior consent of the **Insurer**, for legal representation in connection with any legally compelled attendance at an **Inquiry**, including legal costs and expenses (including the provision of information or documents) related to a raid or on-site visit to a **Company** by any official Government body or authority, regulator, governmental or administrative agency or any self-regulatory body in respect of such **Inquiry**.

3.19 Limit of Liability

means the amount stated in **Item 3** of the **Schedule** and is the total aggregate amount payable per **Policy Period** by the **Insurer** in respect of all **Loss** under the **Policy**, including all sub-limits of liability in **Item 3.1**, save for the **Protected Excess Limit** stated in **Item 3.2**, which does not form part of, and is in addition to, the **Limit of Liability**. The **Limit of Liability** is payable in excess of any applicable **Retention**.

3.20 Loss

means:

- (i) damages, interest, settlements and judgments, including for exemplary and punitive damages not otherwise excluded;
- (ii) aggravated damages;
- (iii) **Ball Bond and Civil Bond Expenses;**
- (iv) **Pecuniary Penalties;**
- (v) **Defence Costs;**
- (vi) **Public Relations Expenses;**
- (vii) **Prosecution Costs;**
- (viii) **Extradition Costs;**
- (ix) **Legal Representation Costs;**

Loss does not include any sums which an **Insured** is legally liable to pay in respect of:

- (x) fines and penalties, other than **Pecuniary Penalties;**
- (xi) taxes other than to the extent that personal liability of an **Insured** under Insuring Agreement 1.1 for non-payment of corporate taxes is established by law in the jurisdiction in which the **Claim** is made and the **Company** is unable to indemnify the **Insured** due to insolvency;
- (xii) exemplary or punitive damages in respect of any **Employment Wrongful Act;** or
- (xiii) matters uninsurable under the laws of the country when the **Insurer** is located or the country where the **Claim** or **Inquiry** is made.

3.21 Non-Executive Director

means any natural person who serves or has served as an Independent **Director**, **Director** in a non-executive capacity of the **Policyholder**, as of the date of appointment as such; A **Director** in a non-executive capacity is one who has not been an **Employee** or executive of the **Company** in any of the past three financial years.

3.22 Non-Profit Entity

means any entity whose governing documents prevent it from distributing profits or assets for the benefit of members.

3.23 Officer

means any natural person who is:

- (i) a company secretary of the **Company;** or
- (ii) concerned in, or takes part in, the management of the **Company** whether or not that person is a **Director** and regardless of the name given to the position; or

- (iii) an **Employee** of the **Company** who makes or participates in making decisions that affect the whole or a substantial part of the business of the **Company**; or
- (iv) an **Employee** of the **Company** who has the capacity to significantly affect the **Company's** financial standing.

3.24 Outside Entity

means any:

- (i) entity in which the **Company** owns on, before or after the inception of the **Policy Period**, 10% or more of the issued and outstanding voting shares, but that it is not a **Subsidiary**; or
- (ii) **Non-Profit Entity**.

It does not include any entity:

- (a) incorporated in the United States of America or its territories;
- (b) that is a **Financial Institution**; or
- (c) which has any **Securities** traded on any exchange in the United States of America or its territories;

unless listed by endorsement to this **Policy**.

3.25 Pecuniary Penalties

means civil, pecuniary or administrative penalties an **Insured** is ordered to pay, to the extent that such penalties are insurable under the law in the country in which they are imposed and the country in which the **Insurer** is located up to the sub-limit in **Item 3.1(ii)** of the **Schedule** in the aggregate for all **Insured**.

3.26 Policy

means the **Proposal**, the provisions in this document, any endorsement to it (whether at or after inception) and the **Schedule**.

3.27 Policyholder

means the entity named in **Item 1** of the **Schedule**.

3.28 Policy Period

means the period of time specified in **Item 2** of the **Schedule**, or any other period as may be agreed in writing by the **Policyholder** and the **Insurer** (other than a **Discovery Period**).

3.29 Pollutant

means any substance, solid, liquid, gaseous or thermal irritant or contaminant including, but not limited to smoke, vapours, toxic mould, soot, fumes, acids, alkalis, chemicals, air emissions, odour, silica, waste water, oil, oil products, medical waste, radioactive or nuclear material, asbestos or asbestos products, fungus, mycota or by-products, lead or products containing lead and waste materials. Waste materials include but are not limited to recycled, reconditioned or reclaimed materials.

3.30 Pollution

means the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant** whether in a solid, liquid, gas, odour, noise, vibration, electromagnetic radiation, ionising radiation, thermal or other form at any time.

3.31 Prior or Pending Date

means the date in **Item 5** of the **Schedule**.

3.32 Proposal

means the proposal form submitted by the **Company** and/or any **Insured** in applying for this **Policy** and all information and documentation accompanying it, and incorporated by reference.

3.33 Prosecution Costs

means the reasonable legal fees or costs and expenses, incurred by an **Insured** with the prior written consent of the **Insurer** (not to be unreasonably withheld) to bring legal proceedings to obtain the discharge or revocation of:

- (i) an order disqualifying an **Insured** from managing a corporation during the **Policy Period**; or
- (ii) an interim or interlocutory order made during the **Policy Period** imposing:
 - (a) confiscation, or control, or suspension or freezing of rights of ownership of real property or personal assets of such **Insured**; or
 - (b) a charge over real property or personal assets of such **Insured**; or
- (iii) an order of a court imposing a restriction of such **Insured's** liberty; or
- (iv) a deportation order against an **Insured** following revocation of otherwise proper, current and valid immigration status for any reason other than such **Insured's** conviction of a crime.

3.34 Protected Excess Limit

means the additional limit for **Non-Executive Directors** as defined in Extension 2.2.

3.35 Public Relations Expenses

means the reasonable fees, costs and expenses incurred by an **Insured** with the **Insurer's** prior written consent (not to be unreasonably withheld) in the **Insured** retaining a public relations consultant..

3.36 Retention

means the amount stated in **Item 4** of the **Schedule**. It shall apply to all **Loss** including but not limited to **Defence Costs** and **Legal Representation Costs**.

3.37 Retired Director or Officer

means a **Director** or **Officer** of the **Company** who has ceased to hold any such office prior to expiry of the **Policy Period**, for any reason other than disqualification, and who has not assumed any similar office with the **Company**.

3.38 Schedule

means the schedule attaching to this **Policy**.

3.39 Securities

means any of the following issued by the **Company**:

- (i) bonds, debentures, evidence of indebtedness, notes, shares, stocks or other equity or debt security; and
- (ii) certificates of interest or participation in, receipts for, warrants or other rights to subscribe to or purchase, voting trust certificates relating to, certificates of deposits for, or other documentary evidence of interest in any of the **Securities** referred to in (i) above.

3.40 Securities Claim

means any

- (a) written demand or written allegation;
- (b) civil or arbitral proceeding for monetary or non-monetary relief, including but not limited to any mediation or similar proceeding; or

- (c) criminal suit or proceeding,

against the **Company** for or in respect of a **Wrongful Act** involving **Securities**, but solely in relation to:

- (a) violation of any laws (statutory or common), rules or regulations regulating **Securities** of the **Company**, the purchase or sale or offer, or solicitation of an offer, to purchase or sell any **Securities** of the **Company** or any registration relating to such **Securities**; or
- (b) the ownership of **Securities** of the **Company** brought by a holder of such **Securities**, whether directly or on behalf of the **Company**.

Securities Claim shall not include a **Claim** for an **Employment Wrongful Act** alleging or in connection with **Loss** of, inadequate consideration for, or failure to receive **Securities** (including but not limited to options and warrants).

3.41 Self Report

means the actual report to any governmental, regulatory or judicial agency by any **Insured** or **Company** pursuant to an obligation to inform such agency of matters giving rise to actual or potential regulatory issues, where failure to give such notification or delay in notifying, can itself give rise to enforcement consequences.

3.42 Self Report Investigation

means an internal investigation by or on behalf of the **Company** or an **Outside Entity** into the affairs of a **Company**, an **Outside Entity** or an **Insured** in their capacity as such in response to a direct regulatory, judicial or governmental request following a **Self Report**, if an **Insured** during the **Policy Period** or **Discovery Period** is first required to attend such investigation or first becomes aware that they are the subject of such investigation.

A **Self Report Investigation** shall be deemed to be first made when the **Insured** is first so required or becomes aware.

3.43 Subsidiary

means any entity where the **Company** before or at inception of the **Policy**, directly or indirectly:

- (i) controls the composition of the board of directors; and/or
- (ii) controls the voting power at any general meeting; and/or
- (iii) holds greater than 50% of the issued voting share capital; and/or
- (iv) exercises effective control of management, including of any joint venture.

3.44 Transaction

means:

- (i) the **Policyholder** merges with or consolidates into any other entity; or
- (ii) the **Policyholder** sells 50% or more of its assets to any person or entity or persons or entities acting in concert; or
- (iii) any person or entity or persons or entities acting in concert acquire more than 50% of the issued share capital of the **Policyholder**; or
- (iv) any person or entity or persons or entities acting in concert acquire control of the appointment of the majority of **Directors** of the **Policyholder**.

3.45 Trustee

means any natural person who is named as a trustee of a trust fund, pension scheme, profit-sharing scheme or scheme for **Employee Benefits** established and maintained by the **Company** solely for the benefit of the **Employees** of the **Company**

3.46 Workplace Death

means any death of a person for which an **Insured** may be alleged to be responsible under any occupational health and safety, or related, legislation or regulations, including but not limited to industrial or corporate manslaughter or both.

3.47 Wrongful Act

- means any actual or alleged misrepresentation, misstatement, misleading statement, error, omission, defamation, negligence, breach of warranty of authority or breach of duty by an **Insured**, acting solely in their capacity as such, or any matter claimed solely because of such status,
- means with respect to **Securities Claim** any actual or alleged misrepresentation, misstatement, misleading statement, error, omission, defamation, negligence, breach of warranty of authority or breach of duty by the **Company**;
- with respect to shareholder derivative actions any proposed act; and,
- **Wrongful Act** also includes actual or alleged **Employment Wrongful Act**.

Section 4: Discovery Period

4.1 Discovery Period

If this **Policy** is neither renewed nor replaced with Directors and Officers Liability or Management Liability Insurance at or after the expiry of the **Policy Period**, the **Company** shall be entitled to a **Discovery Period** of:

- (i) 45 days, granted automatically with no additional premium payable; or
- (ii) 12 months, upon payment of an additional premium, as stated in **Item 6** of the **Schedule** as a percentage of the annual premium in effect immediately prior to the expiry of the **Policy Period**.

If the **Policyholder** elects to purchase a **Discovery Period**, per 4.1. (ii) then, the **Policyholder** must make any request for a **Discovery Period** in writing, and pay any applicable additional premium, within 45 days after the expiry of the **Policy Period**. A **Discovery Period** is not cancellable by the **Policyholder** and any premium payable for a **Discovery Period** is non-refundable. No **Discovery Period** is available if this **Policy** is cancelled or avoided, or there has been a **Transaction** prior to expiry of the **Policy Period**.

Section 5: Exclusions

The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** or **Inquiry**:

5.1 Dishonest or Improper Conduct

which involves an **Insured** or **Company**:

- (i) committing or permitting any wilful breach of duty;
- (ii) committing or permitting any criminal, fraudulent, dishonest or malicious act;
- (iii) knowingly, wilfully or recklessly violating any obligation, contract, law or regulation;
- (iv) gaining any personal profit or advantage to which the **Insured** was not legally entitled; or
- (v) having been improperly involved in any **Securities** transaction by using information that is/was not available to other sellers or purchasers of such **Securities**.

Each of the clauses in this Exclusion will only apply where the conduct in question has been established by written admission, court judgment or other final adjudication.

5.2 Known Prior Matters and Notifications

based on, related or attributable to any fact, circumstance, **Claim**, **Wrongful Act** or other matter, which is or are the subject of any:

- (i) notification, in whole or part, under any policy which incepted prior to the inception of this **Policy**, or which alleges or derives from the same or essentially the same facts or circumstances as alleged in such earlier notification; or
- (ii) **Claim** litigation, proceeding or **Inquiry** which, in whole or part, existed or was pending at the **Prior or Pending Date** and of which the **Insured** or the **Company** had notice, or alleging or derived from the same or essentially the same facts or circumstances as alleged in such prior or pending **Claim**, litigation, proceeding or **Inquiry**; or
- (iii) **Inquiry** or **Claim** made, threatened or intimated against the **Insured** or **Company** before the commencement of the **Policy Period**; or
- (iv) disclosure to the **Insurer** in the **Proposal**, of any **Claim**, **Inquiry**, investigation, conduct, fact or matter regardless of how it is expressed; or
- (v) knowledge of the **Insured** or the **Company** prior to the **Continuity Date** stated in **Item 9** the **Schedule** that such might give rise to a **Claim** or an **Inquiry**, or where the **Insured** or the **Company** ought reasonably have been aware of that potential.

5.3 Insured versus Insured – USA only

which is or are made or commenced by or on behalf of or at the instigation of the **Company** or any **Insured** in the United States of America or its territories. However, this Exclusion shall not apply to:

- (i) **Defence Costs**;
- (ii) any **Claim** by an **Employee** alleging an **Employment Wrongful Act**;
- (iii) any **Claim** or **Inquiry** brought or maintained by an **External Administrator**, either directly or on behalf of the **Company**, without the instigation, assistance or participation of any **Insured** or the **Company**;
- (iv) any **Claim** brought or maintained by an **Insured** for contribution or indemnity if the **Claim** directly results from another **Claim** covered under this **Policy**;
- (v) any **Claim** made by a past **Insured**; or
- (vi) any shareholder derivative action brought by or maintained on behalf of the **Company** by any legally empowered entity or person, which is brought without the solicitation, assistance or participation or co-operation of any **Insured**.

5.4 ERISA

arising from or attributable to any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (USA) and any amendments thereto or similar provisions of any federal, country, state, territory or local statutory law or common law in the United States of America or Canada or any of their territories or possessions.

5.5 Bodily Injury and Property Damage

for bodily injury, sickness, mental anguish or emotional distress or disturbance, disease or death of any person howsoever caused or damage to or destruction of any tangible property, including loss of use thereof. However, this Exclusion shall not apply to **Claims** for an **Employment Wrongful Act** to the extent that they are in respect of mental anguish or emotional distress or disturbance.

5.6 Professional Services

in respect of the provision of professional services by the **Company** or any **Insured** to a third party except to the extent that such **Claim** or **Inquiry** alleges that the **Insured** failed to supervise an **Employee** in the provision of those services. This exclusion shall not apply to any **Claim** brought or maintained by a

Securities holder or group of **Securities** holders of the **Company** directly or derivatively without the solicitation, voluntary assistance, or participation of any **Insured**.

5.7 Pollution

arising from or attributable to:

- (i) the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants** into or upon land, the atmosphere or any water course or body of water, whether such discharge, dispersal, release or escape is intentional or accidental; or
- (ii) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**.

5.8 Outside Entity

which is made or commenced by or on behalf of, or in the name or by right of, any **Outside Entity** or any of its directors or officers, whether directly or derivatively, or any shareholder of the **Outside Entity** holding more than 15% of the issued and outstanding voting capital of the **Outside Entity**, against an **Insured** for a **Wrongful Act** with respect to such **Outside Entity**, unless such **Claim** is:

- (i) brought and maintained as a derivative action independently of, and without the solicitation, assistance or active participation of, the **Outside Entity**, the **Company** or any **Insured**; or
- (ii) for contribution or indemnity and directly results from another **Claim** covered under this **Policy**.

5.9 SEC

arising from, attributable to or in any way connected with (directly or indirectly) any actual or alleged violation of any of the provisions of the Securities Act 1933 (USA), the Securities Exchange Act 1934 (USA) or any amendment or re-enactment thereof, or any similar federal or state law, or any common law relating thereto.

The following exclusions only apply to Section 1.3. **Company Insurance for Securities Claims**, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Securities Claim** or **Inquiry**:

5.10 Contract

based on, arising from, alleging or attributable to any actual or alleged liability of the **Company** under any contract, express warranty, guarantee or other statement that relates to the purchase, sale or offer to purchase or sell any **Securities**; provided that this exclusion shall not apply to liability that would have attached to the **Company** in the absence of such contract.

5.11 Pricing

based on, arising from, or attributable to any allegation that the **Company** paid or received an inadequate or unfair price or consideration for any **Securities** of a company, provided this exclusion shall not apply to **Defence Costs**.

Section 6: Severability and Non-Avoidance

6.1 Severability

In issuing this **Policy** the **Insurer** has ~~relied~~ upon the **Proposal**.

No statements made, nor any information or knowledge possessed by an **Insured** when applying to the **Insurer** for this insurance, nor conduct of an **Insured** falling within the Dishonest or Improper Conduct Exclusion 5.1, shall be imputed by the **Insurer** to any other **Insured**.

For the purposes of determining the availability of cover under 1.3. **Company Insurance for Securities Claims**, only statements, information and knowledge possessed by any finance director, chief executive officer, chief operating officer, chief legal officer, managing director and chairman (or equivalent positions) of the **Company** shall be imputed to that **Company**, and the knowledge of the such position holders of the **Policyholder** will be imputed to any **Company**.

6.2 Non-avoidance

If the **Insurer** is entitled to avoid this **Policy** from inception or from the time of any variation in cover due to fraudulent non-disclosure or misrepresentation by the **Company** or one or more **Insured**, the **Insurer** shall maintain cover for each **Insured** or **Company**, subject to all **Policy** terms, to the extent that such **Insured** or **Company** was not involved in or aware of any such conduct. The **Insured** and **Company** agree that the **Insurer** is entitled to reduce its liability to nil in respect of those **Insured** or **Company** who were involved in or aware of such conduct.

Section 7: Changes in Exposure

7.1 Subsidiary and Auto Acquisition

Cover in respect of any **Subsidiary** shall apply only to **Wrongful Acts** occurring whilst such entity was a **Subsidiary**.

If a new **Subsidiary** is created or acquired during the **Policy Period** which does not fall within Extension 2.11, subject to any additional information required by the **Insurer**, and any additional premium, terms and conditions the **Insurer** requires and the **Company** accepts, cover under this **Policy** will be extended to the **Directors** or **Officers** of such **Subsidiary** for a **Wrongful Act** occurring after the acquisition or creation of such **Subsidiary**.

If a **Subsidiary** is sold or disposed of during the **Policy Period**, cover under this **Policy** in respect of the **Directors** or **Officers** of such entity shall apply only to **Wrongful Acts** occurring prior to it ceasing to be a **Subsidiary**.

7.2 Duties of the Insured to Report Offering of Securities

If during the **Policy Period** the **Company** issues or proposes the sale or allocation of **Securities** that exceeds the amount specified in Item 11 of the **Schedule** then the **Company** shall provide the **Insurer** with full information in respect of the said **Securities** and pay any additional premium and agree any amendment to the provisions requested by the **Insurer** to obtain cover for such under this **Policy**.

Section 8: Conditions

8.1 Notification

It is a condition precedent to the **Insurer's** liability to **Loss** under this **Policy** in respect of a **Claim** or **Inquiry** that the **Insured** or **Company** gives written notice to the **Insurer** as soon as practicable during the **Policy Period** and, in any event, no later than the expiration date of the **Discovery Period** if applicable. Notice must be sent to the address in Item 8 of the **Schedule**.

Notice of any such **Claim** or **Inquiry** must include full particulars, including but not limited to, (i) full details of such **Claim** or **Inquiry** (ii) the parties involved and (iii) copies of any documents commencing proceedings, any written notice of any official investigation, inquiry or investigation.

If during the **Policy Period** or **Discovery Period** if applicable the **Insured** or **Company** shall become aware of any circumstances that might give rise to a **Claim** or to an **Inquiry** and as soon as practicable thereafter and in any event during such period gives notice of the same to the **Insurer**, then any **Claim** later made or **Inquiry** later commenced against the **Insured** shall for the purposes of this **Policy** be treated as a **Claim** or **Inquiry** made during the **Policy Period** or **Discovery Period** if applicable. A notice of such circumstance must describe as precisely as possible all facts and details including the reasons for anticipating a **Claim** or **Inquiry** with full particulars as to dates and persons involved and an estimate of quantum.

8.2 Defence Costs to be Advanced

In respect of any **Claim** or **Inquiry**, the **Insurer** shall pay **Defence Costs** or **Legal Representation Expenses** on behalf of the **Insured** on an as incurred basis prior to final disposition or adjudication. If at any time a **Claim**, or part thereof, is deemed not to be covered under this **Policy** or is found to be excluded, then all such amounts advanced in any respect of any uncovered party or matter, including as determined by Section 8.9 Allocation, must be returned to the **Insurer** on demand, by the party not entitled to such cover.

8.3 Territory and Jurisdiction

This **Policy** applies to **Wrongful Acts** committed and **Claims** made and **Inquiries** held, anywhere in the world.

8.4 Policy Interpretation

Any issue relating to the construction, validity or operation of this **Policy** shall be in accordance with the laws of the country as stated in **Item 13** of the **Schedule**; except as otherwise provided herein, the parties submit to the exclusive jurisdiction of the courts in the country of **Item 13** of the **Schedule**.

8.5 Limit of Liability

The **Limit of Liability** is the total aggregate limit of the **Insurer's** liability in respect of all **Loss** for all **Claims** and **Inquiries** for all **Insured**. However, the **Protected Excess Limit** and Counselling Services Extension 2.13, do not form part of, and shall be in addition to, the **Limit of Liability**.

Any number of **Claims** against the **Insured** which arise out of or are attributable to or connected in any way with a single **Wrongful Act** or the same or a series of the same, related, interconnected or continuous **Wrongful Acts** shall constitute a single **Claim** for the purposes of this **Policy**. Where there is more than one such **Claim**, all such **Claims** shall be deemed first made when the earliest such **Claim** was first made.

Any number of **Inquiries** involving the **Insured** which arise out of or are attributable to or connected in any way with the same conduct or the same of a series of the same, related, interconnected or continuous shall constitute a single **Inquiry** for the purposes of this **Policy**. Where there is more than one such **Inquiry** in respect of which **Legal Representation Costs** have been or may be incurred, all such **Inquiries** shall be deemed first made at the time of service on the **Insured** of the formal notice compelling the attendance of the **Insured** at such **Inquiry**.

The applicable sub-limits shown in **Item 3.1** of the **Schedule** (or in any endorsement) are in the aggregate sub-limits for all **Claims** and **Inquiries** and all **Loss**, irrespective of the number of **Insured** involved, and are part of and not in addition to the **Limit of Liability**.

8.6 Retention and Retention Return

The **Limit of Liability** is payable in excess of any applicable **Retention**. The **Retentions** applicable are inclusive of all **Loss**. The applicable **Retention** is shown in the **Schedule**.

No **Retention** will apply to any **Claim**, and the **Insurer** will reimburse those **Defence Costs** incurred by the **Insured** to the extent not already paid by the **Insurer**, if:

- (i) the **Claim** is dismissed and without the payment of any monetary consideration by or on behalf of the **Insured**; or
- (ii) there is a final judgment of no liability in favour of the **Insured**, whether by settlement to which the **Insurer** has consented or by summary judgment, and without the payment of any monetary consideration by or on behalf of the **Insured**; or
- (iii) there is a final judgment of no liability obtained after trial, in favour of the **Insured**, after the exhaustion of all appeals.

Any reimbursement under this clause will only occur if, 180 days after the date of dismissal or final judgment of no liability is obtained, there is no further **Claim** brought based on the same or related **Wrongful Acts** or any matters relating to the facts and matters alleged in the relevant **Claim**.

8.7 Defence, Co-operation and No Admissions

It shall be the duty of the **Insured** to defend **Claims** and arrange for representation at an **Inquiry**. The **Insurer** shall have the right to effectively associate with the **Insured** in respect of the conduct and management of any **Claim** or **Inquiry** to which this **Policy** may apply, and to be given the opportunity to consult with the **Company** and the **Insured** in relation to proposed action that the **Company** or **Insured** may wish to take in relation to such **Claim** or **Inquiry**.

Any lawyers or other advisors the **Insured** propose to appoint shall be approved by the **Insurer** prior to their appointment. Such approval shall not be unreasonably withheld, including but not limited to the need for separate representation due to any conflicts of interest between the **Insured**, or between the **Insured** and the **Company**.

The **Company** and the **Insured** shall not admit liability for or settle any **Claim**, or incur any **Defence Costs** or **Legal Representation Costs** or other **Loss**, without the written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** will not be liable for any **Loss**, settlement, agreement or assumed obligation to which it has not consented in writing, other than as allowed under **Emergency Costs** Advancement, Section 2.5.

The **Company** and the **Insured** shall assert all appropriate defences and cross claims for contribution, indemnity or damages. The **Company** and the **Insured** shall, at their own cost, co-operate fully with the **Insurer** and/or its legal representative in relation to the conduct of any **Claim** or **Inquiry**, and in relation to the **Insurer's** investigation of the entitlement of the **Insured** or the **Company** to indemnity under this **Policy**.

The **Company** and the **Insured** shall do nothing which prejudices the **Insurer** in respect of a **Claim** or **Inquiry**, including but not limited to any subrogated or other rights of recovery.

The **Company** and the **Insured** agree that, where more than one **Insured** and/or the **Company** is involved in a **Claim** or **Inquiry**, the **Insurer** has no obligation to communicate with any other **Insured** or the **Company** in relation to that **Claim** or **Inquiry**.

8.8 Allocation

If an **Insured** or the **Company** incurs **Loss** in respect of a **Claim** which includes both covered and uncovered matters or which is made against both covered and non-covered parties then the **Insured** or the **Company** and the **Insurer** shall use their best efforts to agree upon a fair and proper allocation of the proportion of the **Loss** covered hereunder, having regard to the relative legal and financial exposures. Only **Loss** incurred by an **Insured** and in the case of **Defence Costs** directly attributable to the defence of an **Insured** is covered hereunder. **Loss** incurred by or attributable to the defence of the **Company** itself is not covered, unless under Section 1.3. **Company Insurance for Securities Claims**.

If an allocation cannot be agreed between the **Insured** or the **Company** and the **Insurer**, then the parties agree that it shall be determined, having regard to the relative legal and financial exposures, by an arbitrator to be mutually agreed upon. The costs of any reference to expert determination under this clause shall be borne equally by both the **Insured** and the **Company** seeking the determination and the **Insurer**.

8.9 Arbitration Clause

If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of the sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act 1996 as amended from time to time and for time being in force.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the **Insurer** has disputed or not accepted liability under or in respect of this policy. It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award of such arbitrator/arbitrators of the amount of the loss or damage shall first be obtained.

8.10 Other Insurance

This **Policy** will only cover **Loss** to the extent that the amount of such **Loss** is in excess of any indemnity or cover available to the **Insured** in respect of that **Loss** under any other policy entered into by the **Insured** or the **Company**.

This **Policy** will only cover **Loss** to the extent that the amount of such **Loss** is in excess of any indemnity or cover available to the **Insured** in respect of that **Loss** under any other policy effected on behalf of the **Insured** or under which the **Insured** is a beneficiary (but not a policy to which the preceding paragraph applies).

Neither of the two paragraphs immediately above applies to such other insurance that is written only as specific excess insurance over the **Limit of Liability** provided in this **Policy**.

8.11 Transactions

If during the **Policy Period** a **Transaction** is effected, the cover provided under this **Policy** only applies to **Wrongful Acts** or, in the case of an **Inquiry**, conduct occurring prior to the **Transaction** becoming effective. The **Policyholder** shall give the **Insurer** written notice of any **Transaction** as soon as practicable, but not later than 30 days after the effective date of the **Transaction**.

8.12 Run off after Transaction

In the event of a **Transaction**, then on application by the **Policyholder**, no later than 30 days after the completion of the **Transaction**, the **Insurer** will extend cover to apply in respect of **Claims** first made against an **Insured** and properly notified within a period of 84 calendar months from the expiry date of the **Policy Period** but only for **Claims** that arise from **Wrongful Acts** occurring prior to the date of such **Transaction**. This extension is only available if the **Policyholder** accepts the additional terms, conditions, exclusions or premium as the **Insurer** may require.

If cover is so extended, Extension 2.7: **Retired Directors**, Section 4: **Discovery Period** and Extension 2.11 Automatic New Subsidiary Cover are deleted from this **Policy** with effect from the date of such **Transaction**.

8.13 Management buyouts

If a **Subsidiary** ceases to be owned by the **Policyholder** due to a buy-out by existing management of the **Company**, the **Insurer** will extend the existing cover, subject to all terms, conditions and exclusions of the **Policy** to the **Insured** in respect of such **Subsidiary** for a period of up to 30 days from the date of the buy-out for **Wrongful Acts** committed subsequent to the buy-out, such period not to extend beyond the expiry date of this **Policy**. This Extension shall not apply where there is other insurance in respect of such **Wrongful Acts**.

8.14 Subrogation

In the event of any payment under this **Policy**, the **Insurer** shall be subrogated to all of the rights of recovery of the **Insured** and the **Company** in respect of such payment. In addition, the **Insured** and the **Company** shall execute all and any documentation and do any other things, at their own cost, as may be necessary to enable the **Insurer** to bring an action or suit for such recovery. Any recovery received shall first be applied against the costs of the recovery proceeding, then any payment made by the **Insurer** and then to any balance remaining thereafter being remitted to the **Insured** up to the amount of any uninsured **Loss**.

8.15 Authorisation

The **Policyholder** shall act as agent on behalf of the **Insured** in respect of all matters of any nature relating to or affecting this **Policy** other than in respect of Extension 2.2 **Protected Excess Limit**. The **Insurer** is entitled to treat the **Policyholder** as having such authority for all purposes connected with this **Policy**.

8.16 Non-Assignment

This **Policy** and any rights hereunder shall not be assigned without the written consent of the **Insurer**.

8.17 Interpretation

Words and expressions in the singular shall include the plural, and vice versa. Also, where a term of this **Policy** is not specifically defined, it is agreed that the definition normally attributed to it by any applicable law or business practice shall apply. In this **Policy** capitalised and bolded words have special meaning and are defined.

This **Policy**, its **Schedule** and any endorsements are one contract in which, unless the context otherwise requires:

- (i) headings are descriptive only, not an aid to construction;
- (ii) the male includes the female and neuter;
- (iii) all references to specific legislation include amendments to and re-enactments of such legislation; and
- (iv) references to positions, offices or titles shall include their equivalents in any jurisdiction in which a **Claim** is made or **Inquiry** conducted.

8.18 Priority of Payments

If payment of **Loss** is due under this **Policy** but the amount of such **Loss** in the aggregate exceeds or may exceed the remaining available **Limit of Liability** for this **Policy**, the **Insurer** is entitled to:

- (i) first pay such **Loss** for which coverage is provided under Insuring Clause 1.1 and Extension 2.1. of this **Policy** then,
- (ii) to the extent of any remaining amount of the **Limit of Liability** available after payment under (i) above, pay such **Loss** for which coverage is provided under any other Insuring Clause of this **Policy**.

Except as otherwise provided, the **Insurer** may pay **Loss** as it becomes due without regard to the potential for other future claims under the **Policy** or future payment obligations under the **Policy**.

The **Company** and the **Insured** agree that, where more than one **Insured** is entitled to indemnity under the **Policy**, the **Insurer** is entitled (but not obliged) to make payments in respect of such claims under the **Policy** in the sequence in which the claims by the **Insured** are received by it, irrespective of whether such payments might exhaust or erode the **Limit of Liability**.

8.19 Cancellation

This policy may be cancelled by or on behalf of the **Insurer** by giving the **Policyholder** at least 15 days written notice and in such event the **Insurer** shall refund to the **Insured** a pro-rata premium for the unexpired **Policy Period**. For the avoidance of doubt, the **Insurer** shall remain liable for any **Claim** which was made prior to the date upon which this insurance is cancelled.

This policy may be cancelled by the **Policyholder**, other than **Extension 2.2 protected Excess Limit**, at any time by giving at least 7 days written notice to the **Insurer**. The **Insurer** will refund premium according to the **Insurer's** Short Period Rates set out below:

Table of Short Period Rates	
Period of Risk	Amount of Premium to be Retained by the INSURER
Up to 1 month	1/8th of the Annual Premium.
1 month and above, up to 2 months	2/8th of the Annual Premium.
2 months and above, up to 3 months	3/8th of the Annual Premium.
3 months and above, up to 4 months	4/8th of the Annual Premium.
4 months and above, up to 5 months	5/8th of the Annual Premium.
5 months and above, up to 6 months	6/8th of the Annual Premium.
6 months and above, up to 7 months	7/8th of the Annual premium.
7 months and above	Full Annual Premium.

No refund of premium shall be due if the **Insured** has made a **Claim** under this policy.

8.20 Entire Agreement

The **Company, Insured** and the **Insurer** agree that this **Policy** (including the **Proposal** and any materials submitted therewith) and any written endorsements attached hereto constitute the sole and entire agreement between the parties with respect to this insurance. Any prior agreement or understanding between the parties is no longer valid.

8.21 Resolving Issues

If the **Insured** is dissatisfied with the service received from the **Insurer**, then the following procedure may be followed for resolving issues.

The **Insured** shall include the policy number in any communication with the **Insurer** as this will help the **Insurer** to deal with the issues more efficiently. If the **Insured** is not having the policy number, the Branch Office of the **Insurer** can be contacted.

First Step

Initially, the **Insured** shall contact the **Branch Manager/ Regional Manager** of the local office which has issued the **Policy**. The address and telephone number will be available in the policy.

Second Step

Naturally, it is hoped the issue can be resolved to the satisfaction of the **Insured** at the earlier stage itself. But if the **Insured** feels dissatisfied with the suggested resolution of the issue after contacting the local office, an e-mail can be sent to:

Customer Care Cell
 Bajaj Allianz General Insurance Co. Ltd.
 GE Plaza, Airport Road, Yerawada
 Pune 411 006
 E-mail: customercare@bajajallianz.co.in

UIN: P-BAL-LI-P13-05-V01-12-13

