

AIG

PrivateEdge



General Terms and Conditions



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In consideration of the payment of the **Premium**, or agreement to pay the **Premium**, the **Insurer** and the **Policyholder** agree as follows:

1. General Terms and Conditions

These **General Terms and Conditions** shall apply to all **Coverage Sections**, unless a **Coverage Section** states specifically that all or part of these **General Terms and Conditions** shall not apply to such specific **Coverage Section**. The terms, conditions and limitations set forth in each **Coverage Section** shall only apply to that particular **Coverage Section**. The definitions shall have the meaning given to them either in Section 5.1 of these **General Terms and Conditions** or in the **Coverage Section** it is used in.

2. Limits and Retentions

2.1. Limits of Liability

- (i) There shall be a separate **Limit of Liability** applying under this **Policy** for each **Coverage Section** purchased as specified in the Schedule. Each such separate **Limit of Liability** is the total amount payable by the **Insurer** under this **Policy** for all **Loss** arising from any **Single Claim** under such **Coverage Section**.
- (ii) Notwithstanding subsection 2.1(i) above:
 - (a) in respect of all **Insured Events** first notified during the **Automatic Discovery Period** or **Optional Discovery Period**, the total amount payable by the **Insurer** under this **Policy** for all **Loss** under any one **Coverage Section** in the aggregate shall not exceed the **Limit of Liability** for that **Coverage Section**. Any payment of **Loss** under a **Coverage Section** shall erode the applicable **Limit of Liability**;
 - (b) where applicable to the **Coverage Section** in question, in respect of any **Claim** brought by or on behalf of any **Company**, the total amount payable by the **Insurer** under this **Policy** for all **Loss** under any one **Coverage Section** in the aggregate shall not exceed the **Limit of Liability** for that **Coverage Section**;
 - (c) the **Insurer's** liability in respect of all **Insured Events** that:
 - (1) arise out of, are in connection with, are based upon, or are otherwise attributable to the insolvency of any **Company, Plan** or **Corporate Trustee Company**; or
 - (2) give rise to or otherwise contribute to the insolvency of any **Company, Plan** or **Corporate Trustee Company**,shall not exceed the **Limit of Liability** under the applicable **Coverage Section** regardless of whether such **Insured Events** involve the same or different claimants, **Insureds**, legal causes of action or give rise or contribute to insolvency of the same or different **Company, Plan** or **Corporate Trustee Company**; and
- (iii) The **Insurer** shall have no liability in excess of the **Limit of Liability** applicable to the **Coverage Section** in question, irrespective of the number of **Insured Events, Insureds** or amount of any **Loss**, including with respect to all **Insured Events** that constitute a **Single Claim** whenever first made or arising.
- (iv) Each Sub-Limit of Liability specified in Item 5 of the Schedule is the maximum amount in the aggregate the **Insurer** shall pay for the cover to which it applies and is part of the **Limit of Liability** applicable to the relevant **Coverage Section**.

2.2. Retentions

The **Insurer** shall only indemnify the **Insured** for **Loss** incurred in excess of the **Retention**. The **Retention** also applies to **Defence Costs**. The **Insurer** may, in its sole and absolute discretion, advance all or part of the **Retention**, and, in that event, such amounts shall be reimbursed to the **Insurer** by the **Policyholder** forthwith.

The **Retention** is to be borne by the **Company** (or in the case of the **PTL Coverage Section** the **Company, Plan or Corporate Trustee Company** or in the case of the **Crime Coverage Section** the **Insured**) and shall remain uninsured. A single **Retention** shall apply to all **Loss** arising from all **Insured Events** that constitute a **Single Claim**. In the event that a **Single Claim** triggers more than one **Retention**, then, as to such **Single Claim**, the highest of such applicable **Retentions** shall be in effect in regards to the **Loss**.

The **Retentions** applicable to each **Coverage Section** are set out at Item 2 of the Schedule and the application of a **Retention** to a **Loss** under one **Coverage Section** shall not reduce the **Retention** under any other **Coverage Section**.

If an **Insured Person** becomes legally obligated to repay to a **Company** or **Corporate Trustee Company** monies advanced by the **Company** on account of any **Claim** or other **Insured Event**, by reason of sections 234(3) and 205 of the Companies Act 2006, the **Insurer** agrees to pay such amount to the **Company** or **Corporate Trustee Company** on behalf of the **Insured Person** promptly upon notification by the **Policyholder** to the **Insurer** of such **Insured Person's** obligation to repay.

No **Retention** is applicable to: **Non-Indemnifiable Loss** under the **D&O Coverage Section** or the **PTL Coverage Section**, or fees costs and expenses under Extension 2.2(ii) (Use of Investigative Specialists) of the **Crime Coverage Section**.

Where a **Retention** is payable with respect to any **Claim** under any **Coverage Section** purchased under this **Policy**, the **Insurer** shall waive payment of such **Retention**, or shall refund any **Retention** monies paid, where, with respect to such **Claim**, there is:

- (i) final adjudication by a judicial or arbitral tribunal of no liability in favour of all **Insureds** against whom such **Claim** is made; or
- (ii) a complete and final settlement exonerating all **Insureds**,

2.3. Subrogation

Where any amount is paid under this **Policy** in respect of a **Claim** or other **Insured Event**, the **Insurer** shall be subrogated to all rights of recovery of the **Insured** (whether or not the **Insured** has been fully compensated for its actual loss). The **Insurer** shall be entitled to pursue and enforce such rights in the name of the **Insured** and the **Insured** shall provide the **Insurer** with all reasonable assistance and co-operation in this regard including the execution of any necessary documents. The **Insured** shall not do anything to prejudice the **Insurer's** rights of recovery. The **Insurer** shall not exercise any right of recovery against a director, officer or employee of the **Company** unless it can establish that the Conduct Exclusion in the relevant **Coverage Section** applies to that **Insured Event** and to that director, officer or employee. The **Insurer** may at its sole discretion waive, by written agreement, any of its rights of subrogation pursuant to this Section 2.3 (Subrogation).

2.4. Recovery of Limits

In the event the **Insurer** recovers amounts it paid under this **Policy**, the **Insurer** shall reinstate the **Limits of Liability** of this **Policy** to the extent of such recovery, less its costs incurred in administering and obtaining such recovery. Any amount recovered by the **Insurer** in excess of the **Insurer's** total payment under this **Policy**, less its costs incurred in administering and obtaining such recovery shall be returned to the **Insured**. The **Insurer** assumes no duty to seek a recovery of any amounts paid under this **Policy**.

2.5. Automatic Discovery Period

The **Policyholder** will be entitled to a **Discovery Period** automatically for a period of ninety (90) days if this **Policy** is not renewed or replaced (the “**Automatic Discovery Period**”). The **Automatic Discovery Period** is non-cancellable and shall not apply if this **Policy** is avoided, rescinded or cancelled. The **Automatic Discovery Period** shall not apply where an **Optional Discovery Period** has been purchased or to any **Claim** or other **Insured Event** covered under any renewal or replacement of this **Policy** (or any policy providing similar cover).

An **Automatic Discovery Period** shall not apply if a **Transaction** occurs. However, upon written request of the **Insured** and subject to the terms and conditions of Section 2.7 (Pre-Agreed Run-off) of these **General Terms and Conditions** run-off coverage may be purchased.

2.6. Optional Discovery Period

The **Policyholder** shall be entitled to purchase a **Discovery Period** of a period up to three (3) years if this **Policy** is not renewed or replaced (the “**Optional Discovery Period**”). Provided that the **Policyholder** makes a request for such an **Optional Discovery Period** and makes payment of the applicable additional premium amount being:

- (i) one hundred percent (100%) of the **Full Annual Premium**, for a period of one (1) year;
- (ii) one hundred and seventy-five percent (175%) of the **Full Annual Premium**, for a period of two (2) years; or
- (iii) two hundred percent (200%) of the **Full Annual Premium**, for a period of three (3) years.

If the **Policyholder** exercises its rights to purchase an **Optional Discovery Period**, that period incept at the end of the **Policy Period** and there shall be no **Automatic Discovery Period**. The right to purchase an **Optional Discovery Period** shall terminate unless written notice of election, together with any additional premium due, is received by the **Insurer** no later than thirty (30) days after the effective date of the cancellation or non-renewal.

For the purposes of this Section 2.6 (Optional Discovery Period):

The **Optional Discovery Period** cannot be cancelled and any additional premium charged for an **Optional Discovery Period** shall be fully earned at inception.

An **Optional Discovery Period** shall not apply if a **Transaction** occurs. However, upon written request of the **Insured** and subject to the terms and conditions of Section 2.7 (Pre-Agreed Run-off) of these **General Terms and Conditions** run-off coverage may be purchased.

2.7. Pre-Agreed Run-Off

In the event of a **Transaction** the **Policyholder** shall be entitled to purchase a **Discovery Period** of a period up to six (6) years, provided that the **Policyholder** makes a request for such a **Discovery Period** in writing and makes payment of the applicable additional premium amount being:

- (i) one hundred percent (100%) of the **Full Annual Premium**, for a period of one (1) year;
- (ii) one hundred and fifty percent (150%) of the **Full Annual Premium**, for a period of three (3) years;
- (iii) two hundred percent (200%) of the **Full Annual Premium** for a period of six (6) years.

If the **Policyholder** exercises its rights to purchase a **Discovery Period** in the event of a **Transaction**, that period incept at the end of the **Policy Period** and there shall be no **Automatic Discovery Period**. The right to purchase a **Discovery Period** in the event of a **Transaction** shall terminate unless written notice of election, together with any additional premium due, is received by the **Insurer** no later than thirty (30) days after the effective date of the **Transaction**.

For the purposes of this Section 2.7 (Pre-Agreed Run-Off):

Any **Discovery Period** cannot be cancelled and any additional premium charged for the **Discovery Period** shall be fully earned at inception.

3. Claims

3.1. Notice and Reporting

The cover provided under this **Policy** is granted solely with respect to:

- (i) **Claims** first made against an **Insured**;
- (ii) other **Insured Events** first occurring; and
- (iii) with regard to the **Crime Coverage Section** only, **Loss** first **Discovered**; and
- (iv) with regard to the **PTL Coverage Section** only, loss of **Documents** first **Discovered**

during the **Policy Period**, or any applicable **Discovery Period** or which are deemed to have been so first made or have so occurred under Section 3.2 (Related Claims, Insured Events or Circumstances).

The **Insured** shall provide written notice to the **Insurer** of:

- (a) any **Claim** first made against the **Insured** as soon as practicable after the **Company's Responsible Officer** first becomes aware of such a **Claim**;
- (b) with regard to the **Crime Coverage Section** only any **Loss** as soon as practicable after **Discovery**;
- (c) with regard to the **PTL Coverage Section** only any loss of **Documents** as soon as practicable after **Discovery**; or
- (d) any other **Insured Event** as soon as practicable after the **Insured Event** first occurs.

In all events, notice of any **Insured Event** must be given no later than:

- (1) ninety (90) days after the end of the **Policy Period**; or
- (2) prior to the expiry of any applicable **Discovery Period**.

The **Insured** may, during the **Policy Period**, notify the **Insurer** of any circumstances that the **Company's Responsible Officer** may become aware of and which may reasonably be expected to give rise to a **Claim** or other **Insured Event**. The notice must include, to the extent known by the **Company's Responsible Officer** after reasonable inquiry, the reasons for anticipating a **Claim** or other **Insured Event**, full known particulars as to dates, acts and the potential **Insureds** and claimant concerned.

All notifications must be in writing to:

Financial Lines Claims

American International Group UK Limited
2-8 Altyre Road
Croydon CR9 2LG.

or by email to Claims.Privateedge@aig.com

The date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.

3.2. Related Claims, Insured Events or Circumstances

If notice of a **Claim**, an **Insured Event** or circumstance is given as required by this **Policy** then any subsequent **Claim**, **Insured Event** or circumstance that constitutes a **Single Claim** with that **Claim**, **Insured Event** or circumstance shall be deemed to have first been made at the same time as that **Claim** was first made, **Insured Event** first occurred or circumstance was first notified, and reported to the **Insurer** at the time the required notices were first provided.

3.3. Defence/Settlement

The **Insurer** has the right but no obligation to defend, and the **Insured** shall have the obligation to defend and contest any **Claim** made against them unless the **Insurer**, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any **Claim**. If the **Insurer** does not so elect, it shall be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer** making a payment under this **Policy**.

In the event that legal representation is necessary in relation to any **Claim** or **Insured Event**, the **Insured** may contact the Advice and Legal Defence Helpline listed in Item 9 of the Schedule. Should the **Insured** wish to appoint legal representation other than the AIG panel of law firms via the Advice and Legal Defence Helpline, the **Insured** shall make the request in writing to the **Insurer** prior to retaining its selected law firm. Such request shall include the identity of the proposed fee earners, the proposed hourly rates for each fee earner, a summary of the firm's and those fee earners' experience in handling similar matters and a budget for the **Claim** or **Insured Event**.

The **Insurer** has the right at any time after notification of a **Claim** or **Insured Event** to make a payment to the **Insured** of the unpaid balance of the **Limit of Liability**, and upon making such payment, all obligations of the **Insurer** to the **Insured** under this **Policy** for that **Claim** or **Insured Event**, including, if any, those relating to the defence of such **Claim** or **Insured Event**, shall cease.

Notwithstanding the preceding paragraphs, the **Insurer** will accept as necessary the retention of separate legal representation to the extent required by a material conflict of interest between any **Insured Persons**. Furthermore, if a **Claim** or **Pre-Claim Inquiry** is made against an **Insured Person** by the **Company**, the **Insurer** shall have no duty or obligation to communicate with any other **Insured Person** or the **Company** in relation to that **Claim** or **Pre-Claim Inquiry**.

3.4. Insurer's Consent

The **Insured** shall not admit or assume any liability, enter into any settlement agreement, consent to any judgment, incur any **Defence Costs** or incur any other amounts where consent is required under any **Coverage Section** without the prior written consent of the **Insurer** (which shall not be unreasonably withheld or denied, provided that the **Insurer** shall be entitled to exercise all of its rights under the **Policy**). Only liabilities, settlements, judgments and **Defence Costs** consented to by the **Insurer**, and judgments resulting from **Claims** defended in accordance with this **Policy** or other **Insured Events** handled in accordance with this **Policy**, shall be recoverable as **Loss** under this **Policy**.

Notwithstanding the preceding paragraph, prior written consent is not required for:

- (i) use of the Advice and Legal Defence Helpline as provided for in Section 3.10 (Access to Legal Helpline); or
- for **Defence Costs** incurred by a law firm instruction through the Advice and Legal Defence Helpline (as provided for in Section 3.3 (Defence/Settlement)) in respect of any **Claim** or **Insured Event** which has been notified to the **Insurer** in accordance with Section 3.1 (Notice and Reporting) and where written notice of **Defence Costs** incurred by a law firm through the Advice and Legal Defence Helpline is provided to the **Insurer** as soon as practicable.

In relation to the **D&O Coverage Section** only, the reporting of matters to an **Official Body** without the **Insurer's** prior written consent shall not constitute a contravention of this Section 3.4 (Insurer's Consent) by the **Insured**, but

only where the **Insured** is not legally permitted by the **Official Body** to make a request for such consent and provided that, as soon as legally permitted by the **Official Body**, the **Insured** will seek the **Insurer's** consent in accordance with this Section 3.4 (Insurer's Consent).

3.5. Insured's Consent

The **Insurer** may make any settlement of any **Claim** or **Insured Event** it deems expedient with respect to any **Insured**, subject to such **Insured's** written consent (which shall not be unreasonably withheld or denied). If any **Insured** unreasonably withholds or denies consent to such settlement, the **Insurer's** liability for all **Loss** on account of such **Claim** or **Insured Event** shall not exceed the amount for which the **Insurer** could have settled such **Claim** or **Insured Event**, plus **Defence Costs** incurred as of the date such settlement was proposed in writing by the **Insurer**, less coinsurance (if any) and the applicable **Retention**.

3.6. Cooperation

The **Insured** will at their own cost:

- (i) render all reasonable assistance to the **Insurer** and co-operate in the investigation, defence, settlement or appeal of any **Claim** or **Insured Event** and the assertion of indemnification and contribution rights;
- (ii) use due diligence and do and concur in doing all things reasonably practicable to avoid or diminish any **Loss** under this **Policy**;
- (iii) give such information and assistance to the **Insurer** as the **Insurer** may reasonably require to enable it to investigate any **Loss** or determine the **Insurer's** liability under this **Policy**.

3.7. Advance Payment of Costs

Except to the extent that the **Insurer** has denied cover, the **Insurer** will advance to, or pay on behalf of an **Insured**, reasonable costs provided under this **Policy** promptly after sufficiently detailed invoices, including time, expense and narrative detail satisfactory to the **Insurer**, are received and accepted by the **Insurer**. The **Insurer** may not refuse to advance costs by reason only that the **Insurer** considers that conduct specified in Exclusion 4.1 (Conduct) of the **D&O Coverage Section** and/or Exclusion 4.1 (Conduct) of the **PTL Coverage Section** and/or Exclusion 3.1 (Conduct) of the **EPL Coverage Section** has occurred until such time as the condition to that Exclusion is satisfied.

3.8. Other Insurance

All purchased **Coverage Sections** of this **Policy** shall always apply excess over any other valid and collectible insurance or indemnification available to the **Insured** from any other party unless such other insurance is expressly written to be excess over the **Limit of Liability** provided by this **Policy**.

3.9. Allocation

In the event that any **Claim** or **Insured Event** involves both covered matters and matters not covered under this **Policy** or persons covered and persons not covered under this **Policy**, a fair and proper allocation of any cost of defence, damages, judgments and/or settlements shall be made between each **Insured** and the **Insurer** taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this **Policy**.

If the **Insurer** and the **Insured** cannot agree on allocation in accordance with this Section 3.9 (Allocation) within 14 days of any allocation issue first notified in writing to the **Insured** by the **Insurer**, then they agree to refer the determination to **Senior Counsel**, whose decision shall be final and binding on all parties. **Senior Counsel** is to determine the fair and equitable allocation as an expert, not as an arbitrator. The **Insured** and the **Insurer** shall be entitled to make written submissions to **Senior Counsel**. **Senior Counsel** is to take account of the parties' submissions, but **Senior Counsel** is not to be fettered by such submissions and is to determine the fair and equitable

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allocation in accordance with his or her own judgment and opinion. **Senior Counsel's** expenses in providing such determination will be borne equally by the **Insured** and the **Insurer** and any such payments will not erode the **Limit of Liability**.

3.10. Access to Legal Helpline

The **Insured** is entitled to access the Advice and Defence Legal Helpline listed in Item 9 of the Schedule prior to a matter becoming a **Claim** or an **Insured Event**. Where an **Insured** wishes to access the Advice and Defence Legal Helpline they shall follow the procedure set out in the Schedule.

4. General Provisions

4.1. Non Payment and Cancellation

This **Policy** may be cancelled by the **Insurer** for non-payment of the **Premium**.

4.2. Insolvency & Order of Payment

The **Insurer** will pay **Loss** covered under this policy in the order in which such **Loss** is presented to the **Insurer** for payment. Should the **Insurer**, at its sole and absolute discretion, determine that the **Limit of Liability** of any purchased **Coverage Section** will not be sufficient to cover all such **Loss** under such coverage section, the **Insurer** shall pay **Loss** in the following order:

- (i) **Loss** of an **Insured Person** where a **Company** or **Plan** (if applicable) has not indemnified such **Insured Person**;
- (ii) thereafter, with respect to any remaining balance of the relevant **Limit of Liability** for the affected **Coverage Section** the **Insurer** may, at its option, request the **Policyholder** to elect in writing either to stipulate the order and the amounts in which **Loss** is to be discharged, or to receive such balance to be held on behalf of any **Insured** who has incurred such **Loss**.

Payment pursuant to this Section 4.2 (Insolvency & Order of Payments) shall fully discharge the **Insurer** from its obligations under this policy.

Insolvency, receivership or bankruptcy of any **Insured** shall not relieve the **Insurer** of any of its obligations hereunder.

4.3. Notice & Authority

Except as provided in Section 3.1 (Notice & Reporting) of these **General Terms and Conditions**, the **Policyholder** shall act on behalf of each and every **Insured** with respect to all matters relevant to this **Policy** unless the **Policyholder** is insolvent in which event every **Insured** shall act on their own behalf.

4.4. Assignment

This **Policy** and any rights under or in respect of it cannot be assigned without the prior written consent of the **Insurer**.

4.5. Governing Law

This **Policy** and any disputes or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.

4.6. Contracts (Rights of Third Parties) Act 1999

Nothing in this **Policy** is intended to confer a directly enforceable benefit on any third party other than an **Insured**, whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

4.7. Interpretation

The descriptions in the headings and titles of this **Policy** are solely for reference and convenience and do not lend any meaning to this **Policy**. Words and expressions in the singular shall include the plural and vice versa. Words following the terms including, include or any similar expression shall be construed as illustrative. All references to specific legislation include amendments to and re-enactments of such legislation and similar legislation in any jurisdiction in which a **Claim** is made or an **Insured Event** occurs. References to positions, offices or titles shall include their equivalents in any jurisdiction in which a **Claim** is made or an **Insured Event** occurs. Words in **bold** typeface have special meaning and are defined in these **General Terms and Conditions** or in the applicable **Coverage Section**. Words that are not specifically defined in this **Policy** have the meaning normally attributed to them.

4.8. Dispute Resolution

Except as otherwise specifically provided in this **Policy**, any dispute arising out of or in connection with this **Policy** or its subject matter or formation (including non-contractual disputes or claims) which cannot be resolved by agreement within sixty (60) days, may be referred to binding arbitration by either party, upon giving seven (7) days' notice to the other, in the London Court of International Arbitration (LCIA), whose rules shall be deemed incorporated by reference to this clause, and the cost shall be borne equally between the **Insured** and **Insurer**. The **Insured** and the **Insurer** shall each name one arbitrator and the third shall be appointed by the LCIA. The language to be used in the arbitration proceedings shall be English. The arbitration shall be conducted by a panel of three (3) arbitrators having knowledge of the legal and insurance issues relevant to the matters in dispute. The decision of the arbitrators shall be final and binding and provided to both parties, and the arbitrators shall not be asked, and shall not award attorney's fees or other costs.

4.9. Severable nature of the Policy

With respect to the **D&O Coverage Section** and the **PTL Coverage Section** only, this **Policy** is a severable policy covering each **Insured** for their own individual interest.

With respect to **Insured Persons**: no statements made by or on behalf of an **Insured Person**, or information or knowledge possessed by an **Insured Person**; nor any act, error or omission of an **Insured Person**, shall be imputed to any other **Insured Person**, for the purpose of determining whether any **Insured Person** is covered under this **Policy**.

With respect to any **Company, Plan** or **Corporate Trustee Company**: only the statements and knowledge of any Chief Executive Officer, Chief Operating Officer, Financial Director or Chief Legal Officer/General Counsel of the **Policyholder**, or any person who signed the declaration or proposal form in connection with this **Policy** or any **Policy** of which this policy is a renewal or replacement; will be imputed to all **Companies, Plans** or **Corporate Trustee Companies**.

4.10. Insured's Duty of Fair Presentation

Prior to the inception of or any variation of this **Policy**, the **Insured** must make a fair presentation of the risk to be insured under this **Policy**.

A fair presentation of the risk is one:

- (i) which discloses every material circumstance that the Information Holders know or ought to know; or
- (ii) failing that which gives the **Insurer** sufficient information to put a prudent insurer on notice that it needs to make further enquiries for the purpose of revealing those material circumstances.

For the purposes of this Section 4.10 (Insured's Duty of Fair Presentation) the Information Holders ought to know what should reasonably have been revealed by a reasonable search of information available to the **Insured**, including information held by the **Insured's** agents or by those for whom cover is provided by this **Policy**; and an Information Holder is deemed to know any circumstance which he suspected, and would have known but for deliberately refraining from confirming or enquiring about it;

- (iii) which makes that disclosure in a manner which would be reasonably clear and accessible to a prudent insurer; and
- (iv) in which every material representation:
 - (a) as to a matter of fact, is substantially correct;
 - (b) as to a matter of expectation or belief, is made in good faith.

For the purposes of this Section 4.10 (Insured's Duty of Fair Presentation) the "Information Holders" consist of those who participate on behalf of the **Insured** in the process of procuring the **Insured's** insurance together with the individuals who play significant roles in the making of decisions about how the **Company's** activities are to be managed or supervised.

4.11. Non-avoidance for Insured Persons

With respect to the **D&O Coverage Section** and the **PTL Coverage Section** only, those coverage sections are not avoidable or rescindable in whole or in part with respect to any breach of the duty of fair presentation of risk by an **Insured Person**, whether prior to entering into this **Policy** or prior to a variation of this **Policy**, except with respect to a fraudulent breach of the duty of fair presentation of risk by an **Insured Person**, where established by final adjudication of a judicial or arbitral tribunal, or any formal written admission by or on behalf of that **Insured Person**. In which circumstances the **Insurer** shall be entitled to avoid the **Policy** and refuse all claims in relation to that **Insured Person**.

4.12. Insurer's Remedies for Breach of Fair Presentation of the Risk

Except as set out in Section 4.11 (Non-avoidance for Insured Persons) if the **Insured** breaches its duty of fair presentation of risk, whether prior to entering into this **Policy** or prior to a variation of this **Policy**, and, but for the breach, the **Insurer**:

- (i) would not have entered into the **Policy**; or
- (ii) would have done so only on different terms,

the **Insurer** will have remedies as against the **Insured** as follows:

- (a) the **Insurer** may avoid the **Policy** and refuse all claims if the breach is deliberate or reckless, in which event the **Insurer** may retain the premium paid;
- (b) In all other cases:
 - (1) where the **Insurer's** underwriter would have charged more premium, any amounts payable by the **Insurer** will be scaled down to the ratio that the premium actually charged (the "Actual Premium") bears to the premium that he would have charged to assume that risk (the "Reference Premium"); and in addition
 - (2) where the **Insured's** underwriter would have written the risk on different terms (other than in relation to premium) the **Policy** is to be treated as if it had been entered into on those terms.

4.13. Fraudulent Claims

If any **Insured** shall make a fraudulent claim under this **Policy**, the **Insurer**:

- (i) is not liable to pay any part of the claim;
- (ii) may recover from that **Insured** any sums already paid to or on behalf of that **Insured** in respect of the claim; and
- (iii) may, by notice to that **Insured**, treat this **Policy** as having been terminated as against that **Insured** with effect from the date of the fraudulent act, in which case the **Insurer** is not liable to that **Insured** for any relevant event occurring after that date and is entitled to receive and retain the full premium.

4.14. Changes in Risk

The **Insurer** shall not be liable for **Loss** arising out of, based upon or attributable to any **Wrongful Act**, act, error or omission committed or **Insured Event** arising after the effective date of a **Transaction**.

Cover for any **Subsidiary** shall only apply for **Wrongful Acts**, acts, errors or omissions committed or occurring, or **Insured Events** arising, whilst the **Policyholder** had **Control** of such entity.

Cover for any **Insured Person** shall only apply for **Wrongful Acts**, acts, errors or omissions committed or occurring or **Insured Events** arising whilst such **Insured Person** is or was acting in the capacity of an **Insured Person**.

Cover for any **Plan** covered under the PTL **Coverage Section** that was transferred, spun-off or terminated prior to or during the **Policy Period** shall only apply for **Wrongful Acts**, acts, errors or omissions committed or occurring, or **Insured Events** arising, prior to the date such **Plan** was transferred, spun-off or terminated.

Cover for any **Corporate Trustee Company** covered under the PTL **Coverage Section** shall only apply for **Corporate Trustee Company Wrongful Acts**, acts, errors or omissions committed or occurring, or **Insured Events** arising, whilst such **Corporate Trustee Company** is or was acting in the capacity of a **Trustee** of a **Plan**.

4.15. Complaints

We believe you deserve courteous, fair and prompt service. If there is any occasion when our service does not meet your expectations please contact us using the appropriate contact details below, providing the Policy/Claim Number and the name of the **Policyholder/Insured Person** to help us deal with your comments quickly.

Claims related complaints:

Write to: Head of Financial Lines & Professions Claims – Claims Manager,
American International Group UK Limited, 58 Fenchurch Street, London, EC3M 4AB

Call: +44 (0) 20 7063 5418

Email: uk.customer.relations@aig.com

Online: <http://www.aig.co.uk/your-feedback>

All other complaints:

Write to: Customer Relations, American International Group UK Limited,
The AIG Building, 2-8 Altyre Road, Croydon CR9 2LG

Call: +44 0800 012 1301

Email: uk.customer.relations@aig.com

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Online: <http://www.aig.co.uk/your-feedback>

Lines are open Monday to Friday 9.15am – 5pm, excluding bank holidays. The Customer Relations Unit free call number may not be available from outside the UK – so please call us from abroad on +44 20 8649 6666.

We will acknowledge the complaint within 5 business days of receiving it, keep you informed of progress and do our best to resolve matters to your satisfaction within 8 weeks. If we are unable to do this you may be entitled to refer the complaint to the Financial Ombudsman Service. We will provide full details of how to do this when we provide our final response letter addressing the issues raised.

Please note that the Financial Ombudsman Service may not be able to consider a complaint if the complainant:

- has not provided us with the opportunity to resolve the complaint, or
- is a business with more than 10 employees and a group annual turnover of more than €2 million; or
- is a trustee of a trust with a net asset value of more than £1 million or;
- is a charity with an annual income of more than £1 million.

The Financial Ombudsman Service can be contacted at:

Write to: The Financial Ombudsman
Service, Exchange Tower, London, E14 9SR

Call 0800 023 4567 or 0300 123 9 123

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

Online www.financial-ombudsman.org.uk

Following this complaint procedure does not affect your right to take legal action.

4.16. Financial Services Compensation Scheme

The **Insurer** is covered by the Financial Services Compensation Scheme (FSCS). The **Insured** may be entitled to compensation from the scheme in the unlikely event that the **Insurer** cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Further information is available from the FSCS:

Financial Services Compensation Scheme,

7th Floor Lloyds Chambers, Portsoken Street, London E1 8BN.

Telephone: +44 (0) 20 7892 7300

Fax: +44 (0) 20 7892 7301

E-mail: enquiries@fscs.org.uk

4.17. Privacy Policy

American International Group UK Limited Privacy Policy is available at <https://www.aig.co.uk/privacy-policy> or by requesting a copy from: Data Protection Officer American International Group UK Limited,

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The AIG Building, 58 Fenchurch Street, London EC3M 4AB, UK or by email dataprotectionofficer.uk@aig.com

Before providing us with Personal Information about another individual you must (unless we agree otherwise): (a) inform the individual about the content of this notice and our Privacy Policy; and (b) obtain their permission (where possible) to share their Personal Information with us in accordance with the Privacy Policy.

5. Definitions

5.1. Definitions

Terms appearing in **bold** in these **General Terms and Conditions** and not defined in Section 5.2 – Definitions of General Applicability shall have the meaning ascribed to them in the applicable **Coverage Section** for the purposes of coverage provided under that particular **Coverage Section**.

Certain terms may have different meanings dependent on the applicable **Coverage Section**. Where the term is defined in more than one **Coverage Section** such term shall have the meaning ascribed to the term in the **Coverage Section** in which the term appears, but that meaning shall apply solely for purposes of coverage provided under that particular **Coverage Section**. If there is any conflict between the Definitions of General Applicability below and those within a particular **Coverage Section** then the definition within the **Coverage Section** will take precedence.

5.2. Definitions of General Applicability

The following terms are applicable to all **Coverage Sections** and shall have the meanings set out below:

5.3. Automatic Discovery Period

As defined in Section 2.5 (Automatic Discovery Period) of the **General Terms and Conditions**.

5.4. Company

The Policyholder and any Subsidiary.

5.5. Continuity Date

The date specified in Item 8 of the Schedule.

5.6. Control

The securing of the affairs of an entity by means of:

- (i) controlling the composition of the board of directors of such entity;
- (ii) controlling more than half of the shareholder or equity voting power of such entity;
- (iii) holding more than half of the issued share or equity capital of such entity; or
- (iv) creation of such entity.

5.7. Coverage Section

Any coverage section that is purchased by the **Policyholder** as indicated in Item 4 of the Schedule, and which then forms part of this **Policy**.

5.8. Discovery Period

The period immediately following the expiry of the **Policy Period** during which written notice may be given to the **Insurer** of a **Claim** first made against an **Insured** during the **Policy Period** and covered by this **Policy** or any other **Insured Event** which first arose prior to the expiry of the **Policy Period** and covered by this **Policy** or for the purposes of the **Crime Coverage Section** only any **Loss** first **Discovered**, or for the purposes of the **PTL Coverage Section** only any loss of **Documents** first **Discovered** and covered by this **Policy**.

5.9. Endorsement

A document attached to and forming a part of this **Policy** agreed by the **Insurer** in writing that amends the terms of the **Policy**.

5.10. Full Annual Premium

The **Premium** plus any additional premium charged for any **Endorsements** applied to the **Policy** during the **Policy Period**.

5.11. General Terms and Conditions

This document which forms part of this **Policy**.

5.12. Insurer

AIG Europe Ltd.

5.13. Limit of Liability

The amount specified in item 4 of the Schedule being made up of the Management Liability Limit of Liability, Corporate Limit of Liability, PTL Limit of Liability, EPL Limit of Liability and/or Crime Limit of Liability as applicable and depending on which coverages are shown as purchased on the Schedule.

5.14. Policy

These **General Terms and Conditions**, the Schedule, and any purchased **Coverage Section** and any **Endorsements** attaching to this **Policy**.

5.15. Policy Period

The period from the inception date to the expiry date specified in Item 3 of the Schedule.

5.16. Policyholder

The entity specified in Item 1 of the Schedule.

5.17. Premium

The premium detailed in Item 10 of the Schedule.

5.18. Responsible Officer

Any Chief Executive Officer, Finance Director, Head of Compliance, Chief Information Officer, Data Protection Officer, Risk Manager, Head of HR (or equivalent positions) or member of the **Insured's** Legal department and/or Risk department and/or Insurance department.

5.19. Retention

The amounts specified as such in Item 4 of the Schedule.

5.20. Security

Any security representing debt or equity interests in a **Company**.

5.21. Senior Counsel

A senior lawyer to be mutually agreed upon by the parties, or in the absence of agreement, to be appointed by the head of the bar association / law society (or equivalent organisation) in the jurisdiction in which the **Claim** was made or where an **Insured Event** first arises.

5.22. Single Claim

Any one or more **Claims** or **Insured Events** to the extent that such **Claims** or **Insured Events** arise out of, are based upon, are in connection with, or are otherwise attributable to the same cause or source. All such **Claims** or **Insured Events** shall be regarded as a **Single Claim** regardless of whether such **Claims** or **Insured Events** involve the same or different claimants, **Insureds** or causes of action.

5.23. Subsidiary

Any entity of which the **Policyholder** has or had **Control** on or before the inception date of this **Policy** either directly or indirectly through one or more of its other **Subsidiaries**.

Subsidiary shall also automatically include any entity of which the **Policyholder** acquires **Control** during the **Policy Period** unless such entity:

- (i) incorporated or domiciled in the United States of America; or
- (ii) has any of its securities listed on a securities exchange;

For any such entity that falls within (i) or (ii), cover shall apply automatically for a period of either 30 days from the date the **Policyholder** acquires **Control** or the end of the **Policy Period**, whichever is earlier, provided the **Policyholder** submits in writing to the **Insurer** the particulars of such entity prior to the end of the **Policy Period**. At the **Policyholder's** request, cover may be extended for a longer period of time provided that the **Policyholder** provides the **Insurer** with sufficient details during such 30 day period to permit the **Insurer** to assess and evaluate its exposure with respect to such entity and the **Policyholder** accepts any consequent amendments to the policy terms and conditions, including payment of any reasonable additional premium required by the **Insurer**.

5.24. Transaction

Any one of the following events:

- (i) the **Policyholder** consolidates with or merges into (such that the **Policyholder** is no longer the parent company), or sells all or substantially all of its assets to, any other person or entity or group of persons and/or entities acting in concert;
- (ii) any person or entity, whether individually or collectively with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at general meetings of the **Policyholder** or control the appointment of directors who are able to exercise a majority of votes at meetings of the board of directors of the **Policyholder**; or
- (iii) any **Company** lists its **Securities** on any securities exchange; or
- (iv) any **Company** makes an offering of its **Securities** to persons (other than qualified investors) via crowdfunding.

