

Management Liability Package

Employment Practices Liability Insurance (Any One Claim)

POLICY WORDING

Contents

SECTION	TITLE	PAGE
Preamble	Contract of Insurance	1
1	Insuring Clauses	1
2	Additional Benefits	1
3	Exclusions	1-2
4	Excess	2
5	Claim Conditions	2-6
6	General Conditions	6-7
7	Definitions	7-11
8	Important Information	12

Employment Practices Liability Insurance

POLICY WORDING

Preamble - The Contract of Insurance

In consideration of the premium, the **Insurer** shall provide insurance in accordance with this policy during the **Period of Insurance** (or during any subsequent **Period of Insurance** agreed between the **Insurer** and the **Insured**), subject to the terms contained herein or endorsed hereon.

Section 1 - Insuring Clause

1.1 Cover

The **Insurer** will pay on behalf of the **Insured**, **Loss** arising from a **Claim** first made during the **Period of Insurance** or, any applicable **Extended Reporting Period**.

Section 2 - Additional Benefits

2.1 Attendance Compensation Costs

The **Insurer** shall pay any reasonable costs, fees, or expenses incurred by an **Insured** in respect, or in the defence, of any **Claim** first made during the **Period of Insurance**, where an **Insured Person** is required to:

- (a) attend an **Official Inquiry**;
- (b) appear before a court, tribunal, or arbitration hearing as a witness;
- (c) participate in a face to face interview with the legal representatives conducting the defence of any **Claim** for the purpose of composing a witness statement;
- (d) attend a conference or consultation with a barrister; or
- (e) attend a court proceeding, tribunal, or arbitration hearing as an observer, however, the **Insurer** is only liable to pay, under this Additional Benefit 2.1(e), for the attendance of one such observer for all **Insured Organisations** together per day,

provided, the maximum amount available shall not exceed £350 per **Insured Person** per day.

The maximum amount the **Insurer** shall pay under this Additional Benefit in the **Period of Insurance** is the sub-limit specified in the Schedule irrespective of the number of **Claims**, the amount claimed, or the number of **Insureds** covered under this policy. This sub-limit is part of, and not in

addition to, the **Limit of Indemnity** under Insuring Clause 1.1.

Section 3 - Exclusions

3.1 Arbitration

The **Insurer** shall not be liable to make payment for any arbitration award made in respect of any **Claim** where the seat of the arbitration was located outside England, Wales, Scotland or Northern Ireland unless that seat was agreed to by the **Insurer**.

3.2 Bodily injury and Property Damage

The **Insurer** shall not be liable to make payment for **Loss** for **Bodily Injury** or **Property Damage**. This exclusion shall not apply to any **Claim** for emotional distress with respect to an **Employment Practice Claim**.

3.3 Breach of Minimum Wage Legislation

The **Insurer** shall not be liable to make payment for **Loss** arising from, based upon or attributable to, the breach of any obligation pursuant to any minimum wage legislation; provided that this exclusion shall not apply to **Claims** for **Retaliation** or violations of, or non-compliance with, working hours legislation.

3.4 Employment Contract, Employment Related Benefits, Unpaid Wages

The **Insurer** shall not be liable to make payment for **Loss** arising from, based upon or attributable to, the payment of any amount contractually due to an **Employee** including any payments for contractual or statutory notice periods, **Employment Related Benefits**, unpaid wages, or any other payments for services performed by an **Employee** for an employer.

3.5 Health and Safety, Employers Liability

The **Insurer** shall not be liable to make payment for **Loss** arising from, based upon or attributable to, any violation of legal responsibility, duty or obligation in relation to Health and Safety at Work Act 1974, employers liability, unemployment, social security, retirement or disability benefits or any similar law whether statutory or common law;

provided that this exclusion shall not apply to **Claims** for **Retaliation**.

3.6 Pension

The **Insurer** shall not be liable to make payment for **Loss** directly or indirectly based on, arising

from, based upon or attributable to, the trusteeship or administration by an **Insured** of any pension, profit share or other employee benefit programme or an **Insured** acting in a fiduciary capacity in respect thereof including any obligation incurred under the Pensions Act 1995 or Pensions Act 2004.

3.7 Prior Circumstances and Prior or Pending Claims

The **Insurer** shall not be liable to make any payment for **Loss** for any **Claim** arising from, based upon, or attributable to, or as a consequence of any:

- (a) **Circumstances** of which the **Insured** was, or ought reasonably to have been, aware at the inception date (whether or not notified under any similar insurance in force prior to the inception date of this policy, of which this is a renewal or replacement or which it may succeed in time); or
- (b) prior or pending **Claim**, litigation, or other legal proceeding involving an **Insured** as of the **Prior and Pending Date**, as well as all future claims or litigation based upon the prior or pending **Claim**, litigation, or legal proceeding or derived from the same or essentially the same facts that gave rise to the prior or pending **Claim**, litigation, or legal proceeding.

3.8 Strikes, Failure to Consult and Redundancies

The **Insurer** shall not be liable to make payment for **Loss** arising from, based upon, attributable to or as a consequence of any **Claim** resulting from strikes, obligations to consult **Employees** and/or their representatives in respect of collective redundancies, labour disputes or negotiations, trade union disputes or other similar actions.

3.9 Modifications for Disabled Persons

The **Insurer** shall not be liable to make payment for **Loss** arising from, based upon or attributable to any **Claim** seeking costs and expenses incurred or to be incurred to comply with an order, judgment or award or injunctive or other equitable relief of any kind, or that portion of a settlement encompassing injunctive or other equitable relief, in respect of a request to modify any property used by the **Insured** in order to make the same more accommodating or accessible for disabled persons.

3.10 United States of America

The **Insurer** shall not be liable to make payment for **Loss** for any **Claim**:

- (a) made or brought in the United States of America its territories or possessions

whether for the enforcement of a judgment or finding of the court tribunal, or arbitration of another jurisdiction or otherwise where it is contended that the laws of the United States of America, its territories or possessions apply which involves the enforcement or attempted enforcement of a judgment or finding of the court or tribunal or arbitration of the United States of America its territories or possessions; or

- (b) arising from, based upon, attributable to any of loss or damage sustained alleged to have been sustained in the United States of America its territories or possessions.

Section 4 - Excess

4.1 Excess

The **Insurer** shall be liable, under Insuring Clause 1.1 of this policy only for that part of any **Loss** arising from each and every **Claim** which exceeds the excess specified in the Schedule. The **Limit of Indemnity** applies over and above any excess specified in the Schedule.

4.2 Excess Waiver

Any **Defence Costs** within the excess specified in the Schedule which are funded by an **Insured** on account of a **Claim** shall be reimbursed by the **Insurer** if a final adjudication or a complete and final settlement exonerates all **Insureds** in such a **Claim** from any liability and such **Defence Costs** are not recovered from any other party.

Section 5 - Claims Conditions

The following Claim Conditions apply to all Cover clauses under this policy:

5.1 Advance Payment on Behalf of Insured Persons

In the event the **Insured Organisation** is permitted or required to indemnify any **Insured Person** but fails to do so in connection with a **Claim** within 30 days of being requested to indemnify, the **Insurer** shall advance **Defence Costs** to the **Insured Person** on behalf of the **Insured Organisation**. In this case, however, the excess amount specified in the Schedule shall be repaid by the **Insured Organisation** to the **Insurer** unless the **Insured Organisation** is insolvent.

5.2 Allocation

With respect to the **Defence Costs** and any joint settlement of any **Claim** made against the **Insured** or any **Claim** that involves covered matters and matters not covered or covered parties and parties not covered under this policy, the **Insured** and the **Insurer** agree to use their best efforts to determine a fair and proper allocation of the **Defence Costs**

and joint settlement amounts as between the **Insured Organisation** and any **Insured Person** based on the relative legal and financial exposures and based upon established judicial principles.

5.3 Claim or Circumstance Notification

If, during the **Period of Insurance**, the **Insured** becomes aware of any **Claim**, the **Insured** shall give notice to the **Insurer** as soon as practicable after the in-house general counsel, risk manager, or any functional equivalent position of the **Insured** first becomes aware of such **Claim**, and in any event within 30 days following the expiry date.

If, during the **Period of Insurance**, the **Insured** becomes aware of any **Circumstance**, the **Insured** shall give notice of such **Circumstance** to the **Insurer** as soon as practicable after the in-house general counsel, risk manager, or any functional equivalent position of the **Insured** first becomes aware of such **Circumstance**, and in any event within 30 days following the expiry date.

The **Insurer** agrees that any such **Circumstance** notified to them during the **Period of Insurance** (or within 30 days following the expiry date) which subsequently gives rise to a **Claim** after the expiry date is deemed a **Claim** first made during the **Period of Insurance**.

Notification is deemed to have been made to the **Insurer** if made to the Professional Risks Claims Department of Travelers Insurance Company Limited at the address on page 12 of this policy.

5.4 Claims Deemed to be a Single Claim

Where two or more **Claims** or **Circumstances**, whether made against or involving one or more persons or entities comprising the **Insured**, and whether made by the same or different claimants, whether instituted or pursued in the same or different jurisdictions, whether falling under one or more Insuring Clauses or Additional Benefits of this policy, and whether notified separately or in a consolidated notification to the **Insurer**) arise directly or indirectly from or are in connection with or are directly or indirectly attributable to:

- (a) the same originating cause source or event;
- (b) one act or omission;
- (c) the same or similar acts or omissions; or
- (d) acts or omissions in or in respect of one matter or transaction or in or in respect of a series of matters or transactions,

they will be considered a single **Claim** or **Circumstance**, whichever is applicable, and such **Claim** or **Circumstance** is deemed to have been

made at the time the first of such **Claims** or **Circumstances** was made, whether prior to or during the **Period of Insurance**.

5.5 Conduct of Claims

It is the duty of the **Insured** against whom a **Claim** is made to take all reasonable steps to defend such **Claim**, and not to do anything to prejudice the position of the **Insurer**.

The **Insurer** shall have no duty to defend any **Claim** made against any **Insured**, but with respect to any such **Claim** that may potentially be covered by this policy, shall have the right to be provided with all information concerning such **Claim** as the **Insurer** shall reasonably require, and kept fully informed of all matters relating to or concerning the investigation, defence, or settlement of any such **Claim**, and shall have the right to receive copies of all relevant documentation relating thereto.

Following notification of a **Claim**, or **Circumstance** where applicable, the **Insured** shall give to the **Insurer** all information and assistance as the **Insurer** may reasonably require, and shall cooperate with the **Insurer**, and any representative appointed by the **Insurer**, by:

- (a) providing information signed statements or depositions as may be required in the defence or investigation of any **Claim**, **Circumstance**, or issue relating to policy response;
- (b) ensuring payment on demand of the excess in conjunction with the terms of any settlement (including any payment into court) agreed to by the **Insurer**;
- (c) promptly and fully informing the **Insurer** of all developments of which the **Insured** becomes aware concerning any reported **Claim** or **Circumstance**;
- (d) continuing to provide information, assistance and signed statements as may reasonably be required to permit the **Insurer** to exercise rights of subrogation; and
- (e) agreeing to the appointment of legal representation chosen by the **Insurer**.

5.6 Defence Costs

Any payments of **Defence Costs** to or on behalf of an **Insured** which have been made by the **Insurer** shall be repaid to the **Insurer** by the **Insured** to whom such payments related in the event it is established such **Insured** had no entitlement to payment of **Loss** under the terms and conditions of this policy.

5.7 Discharge of Liability

The **Insurer** may at any time pay the **Insured** in connection with any **Claim** under this policy the **Limit of Indemnity** less any sums already paid or any lesser sum (after deduction of the excess) for which such **Claim** can be settled, and upon such payment the **Insurer** shall not be under any further liability in respect of such **Claim** except for **Defence Costs** incurred prior to such payment, but only up to the **Limit of Indemnity**.

The **Insurer** shall not be liable for any loss which the **Insured** may claim to have sustained in consequence of the **Insurer** taking the action described in this clause.

5.8 Extended Reporting Period

In the event that this policy is not renewed, or in the event of a **Change of Control**, then the **Insured** shall have the right to:

- (a) an extension of the Period of Insurance in respect of any **Claim** made against any **Insured** during the 60 days after the expiry date; and
- (b) elect an Extended Reporting Period in respect of any **Claim** made against any **Insured** during the 60 days after the expiry date, upon payment of:
 - (i) 100% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 12 months after the expiry date;
 - (ii) 135% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 36 months after the expiry date; or
 - (ii) 175% of the annual premium stated in the Schedule, in respect of any **Claim** made against any **Insured** during the 72 months after the expiry date,

but only in respect of an **Employment Practice Violation** committed prior to the **Expiry Date**.

These rights shall terminate unless the **Insured** provides written notice of such election, the written notice is received by the **Insurer** during the 60 days after the expiry date, and any required premium is paid within 30 days of the date of the written notice. The **Limit of Indemnity** for the Extended Reporting Period is part of, and not in addition to, the **Limit of Indemnity** as stated in the Schedule.

The **Insurer's** offer of renewal terms, conditions, limits of indemnity, or premium different from those of the expiring policy shall not constitute a refusal to renew.

At the expiry of the Extended Reporting Period, no further Extended Reporting Period is available under this policy. Any Extended Reporting Period available or elected under this policy shall not apply to any other policy unless specifically confirmed in writing by the **Insurer**.

This Claim Condition is only operative if no other similar insurance for the benefit of the **Insureds** is effected elsewhere.

5.9 Financial Interest Coverage

(a) This policy shall not provide coverage for **Loss**:

- (i) sustained by any **Insured Organisation** domiciled;
- (ii) sustained by any **Insured Person** residing; or
- (iii) to any property located,

in a foreign jurisdiction to the extent that providing such coverage would violate the laws or regulations of such foreign jurisdiction.

(b) In the event of **Loss** described in (a)(i) above, for which this policy would otherwise have provided coverage, the **Insurer** shall reimburse the first named **Insured Organisation** stated in the Schedule that is domiciled in an authorised jurisdiction for its **Loss** on account of its **Financial Interest** in the insured entity domiciled in the foreign jurisdiction.

(c) In the event of **Loss** described in (a)(ii) above, for which this policy would otherwise have provided coverage, the **Insurer** shall reimburse an:

- (i) **Insured Organisation** for its insurable loss as measured by the amount of such **Loss** described in (a)(ii) as it pays to or on behalf an **Insured Person**; or
- (ii) **Insured Person** for its non-indemnified **Loss** by payment of **Loss** in a country or jurisdiction mutually acceptable to such **Insured Person** and the **Insurer**,

to the extent that doing so would not violate any applicable laws or regulations.

(d) In the event of **Loss** described in (a)(iii) above, for which this policy would otherwise have provided coverage, the **Insurer** shall

reimburse the first named **Insured Organisation** stated in the Schedule that is domiciled in an authorised jurisdiction for its **Loss** on account of its **Financial Interest** in another **Insured Organisation** which has an insurable interest in the property.

5.10 Insurer's Consent

The **Insured** must obtain the **Insurer's** written consent, which shall not be unreasonably withheld or delayed, before any:

- (a) admission of liability is made;
- (b) consent to judgment is given;
- (c) **Defence Costs** are incurred;
- (d) legal representative is retained to defend any **Insured** or any steps taken in connection with any **Claim** or other legal proceedings that may potentially be covered by this policy, unless required to do so pursuant to the law applicable to such **Claim** or other legal proceedings;
- (e) **Claim** is settled; or
- (f) benefits are incurred under section 2. Additional Benefits.

If the **Insurer's** written consent cannot reasonably be obtained before **Defence Costs** are incurred in respect of a **Claim**, the **Insurer** shall give retrospective approval for such **Defence Costs** provided always that they do not exceed the sub-limit specified in the Schedule.

5.11 Queen's Counsel Clause

If the **Insured** and the **Insurer** cannot agree on a common course of action with regard to the contesting of any legal proceedings, the dispute shall be resolved by reference to a Queen's Counsel of the English Bar whose decision shall be binding. In the event of disagreement regarding the appointment of Queen's Counsel, the Queen's Counsel shall be appointed by the Chairman for the time being of the Bar Council.

The **Insurer** or the **Insured** shall only be required to contest legal proceedings where the Queen's Counsel shall advise that there are reasonable prospects of successfully defending the proceedings or limiting the exposure of the **Insured** to legal liability.

The costs of appointing the Queen's Counsel shall be equally split between and paid for by the **Insurer** and the **Insured**.

Section 6 - General Conditions

6.1 Applicable Law

This policy and any dispute, claim, or difference concerning the policy (including its validity and application) is governed exclusively by and construed in accordance with the laws of England and Wales, whose courts shall have exclusive jurisdiction save where there is a reference to arbitration as provided for in General Condition 6.2, Arbitration.

6.2 Arbitration

Any dispute, claim, or difference between the **Insurer** and the **Insured** as to the correct interpretation of this policy shall be referred by either party to a single arbitrator in accordance with the Arbitration Act 1996, to be chosen by agreement or, in default, to be appointed by the President of the Chartered Institute of Arbitrators, whose decision shall be binding on both parties.

6.3 Assignment

This policy may not be assigned or transferred, and any attempted assignment or transfer is void and without effect unless the **Insurer** has provided its prior written consent to such assignment or transfer.

6.4 Cancellation

This policy may not be cancelled by any party, except by the **Insurer** for failure to pay the premium, in which case 30 days written notice shall be given to the **Insured** or the representative responsible for placing this coverage with the **Insurer**. Unless payment in full is received before the expiration of the 30 days written notice period, cancellation shall be effective from the inception date. This policy shall terminate at the expiry of the **Period of Insurance** as stated in the Schedule.

6.5 Changes and Authority

The **Insureds** agree that the first named **Insured Organisation** stated in the Schedule is their agent for all purposes in connection with this policy. This policy may be varied or rescinded by the agreement between the **Insurer** and the first named **Insured Organisation** stated in the Schedule, without the consent of any other **Insured**.

6.6 Continuing Duty

The **Insured** is under a continuing duty throughout the **Period of Insurance** to disclose as soon as practicable all material changes in information supplied to the **Insurer** as part of the **Proposal** and to use reasonable endeavours to maintain and keep safe all business records (including after liquidation or any **Change of Control**).

6.7 Contracts (Rights of Third Parties) Act 1999

Any natural person or entity who was not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy; provided, this General Condition does not

affect any right or remedy of a third party which exists or is available apart from such Act.

6.8 Currency

All amounts under this policy are expressed and payable in the currency in which the premium has been paid. If judgment is rendered, settlement is denominated, or any other element of **Loss** under this policy is stated in any other currency, payment shall be made at the spot exchange rate published by the Bank of England on the date the payment of **Loss** is due.

6.9 Innocent Misrepresentation and Non-Disclosure

With respect to any misrepresentation or non-disclosure by any **Insured**, the **Insurer** waives its right to avoid or rescind this policy in whole or in part; provided:

- (a) such non-disclosure or misrepresentation was innocent and free from any fraudulent conduct or intent to deceive;
- (b) the **Insurer** shall be entitled to amend the terms, conditions, and premium for this policy upon review of any information previously misrepresented or not disclosed to the **Insurer**; and
- (c) the **Insurer** is entitled to determine the effective date of any amendments in consequence of the exercising of their rights under this General Condition.

6.10 Joint Insureds

Where the **Insurer** is liable to indemnify more than one **Insured** in respect of any **Claim**, the total amount of indemnity payable under this policy shall not exceed the **Limit of Indemnity**.

Furthermore, in accordance with Section 4. Excess, the excess shall apply to all **Insureds** jointly.

6.11 Liquidation and Change of Control

If during the **Period of Insurance**:

- (a) the **Insured** is placed into liquidation or administration; or
- (b) a **Change of Control** occurs,

cover shall continue in full force and effect with respect to **Claims** for **Employment Practice Violation** committed before such event, but cover shall cease with respect to **Claims** for **Employment Practice Violation** committed after such event. No cover shall be available hereunder for **Loss**, including **Defence Costs**, for any **Claim** or **Circumstance** arising from, based upon, attributable to or, as a consequence of any **Employment Practice Violation** committed after such event.

For the purposes of this General Condition, voluntary liquidation or administration shall be treated as having occurred on the date upon which that entity passes a resolution for voluntary liquidation or administration. Compulsory liquidation or administration shall be treated as having occurred on the date upon a petition for the compulsory liquidation or administration of that entity is presented to the relevant authorities.

6.12 No Warranties or Conditions Precedent

No term in this policy including where expressed as a warranty or condition precedent is deemed a warranty or condition precedent such as to automatically discharge the **Insurer** from any liability upon its breach. The **Insurer** shall enforce any term that would otherwise be deemed a warranty or condition precedent as a policy condition only.

6.13 Outside Entity Indemnification

With respect to **Outside Entities**, this policy applies specifically excess over:

- (a) any indemnification provided by an **Outside Entity**; and
- (b) any other valid and collectable policy of insurance and any indemnification payable by an **Outside Entity** and, if such other policy of insurance is issued by a member of the Travelers group of companies, the **Limit of Indemnity** if applicable under this policy is reduced by the limit of liability under the other policy.

6.14 Proposal and Severability

The **Proposal** shall be construed as a separate **Proposal** by each **Insured**.

With respect to statements and particulars in the **Proposal**, no statements made or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** to determine whether cover is available for any **Claim** made against such other **Insured Person**.

6.15 Sanctions

This policy shall not be deemed to provide cover, nor shall the **Insurer** have any liability to pay, any **Claim**, or provide any benefit hereunder to the extent that the provision of such cover, payment of such **Claim**, or provision of such benefit would expose the **Insurer** to any sanction, prohibition, or restriction under United Nations resolutions, or the trade or economic sanctions laws or regulations of the European Union, United Kingdom, or United States of America.

6.16 Subrogation and Recoveries

The **Insurer** shall be subrogated to all the **Insured's** rights of recovery, contribution, or indemnity against any natural person or entity before or after any payments under this policy. The

Insured shall do whatever is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights.

All recoveries from third parties shall be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

- (a) first, to the **Insured** to reimburse the amount it has paid which would have been paid hereunder but for the fact that it is in excess of the applicable **Limit of Indemnity**;
- (b) second, to the **Insurer** to reimburse the amount paid hereunder; and
- (c) third, to the **Insured** in satisfaction of any applicable excess.

Provided, recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for the **Insured's** benefit.

6.17 Subsidiaries

If during the **Period of Insurance** the **Insured Organisation** acquires or creates a **Subsidiary** then automatic cover shall apply to the newly acquired or created **Subsidiary** and to all persons that would fall within the policy definition of an **Insured Person** of the newly acquired or created **Subsidiary** for any **Employment Practice Violation** committed on or after the effective date of such acquisition or creation provided that such **Subsidiary**:

- (a) does not increase the **Insured's** total consolidated assets as stated in its last published annual report and accounts by more than 50%;
- (b) does not have any **Securities** listed on any stock exchange; and
- (c) is not a **Financial Institution**.

If any acquisition or creation breaches one or more of the criteria listed in (a), (b), or (c), then the **Insurer** shall automatically provide coverage for a period of 60 days after the effective date of such acquired or created **Subsidiary**. Coverage for such newly acquired or created **Subsidiary** shall expire at the end of 60 days or the end of the **Period of Insurance** whichever is the sooner, unless the **Insured** gives written notice of such acquisition or creation as soon as practicable together with such information as the **Insurer** may require and the **Insurer** agrees in writing to insure it. The **Insured** also agrees to pay any additional premium and agrees to any amendments to the policy's terms and conditions that may be required.

In the event of an entity ceasing to be a **Subsidiary** as a result of a buy-out by existing management, the **Insurer** agrees to maintain this policy in respect of such entity for a period of 30 days from the date of the buy-out for **Employment Practice Violation** committed subsequent to the buy-out. This additional cover shall not apply in circumstances where there is other insurance in force which provides cover in respect of such **Employment Practice Violations**.

Section 7 - Definitions

7.1 Bodily Injury

means death, injury, illness or disease whether bodily or mental.

7.2 Change of Control

means the:

- (a) acquisition of the **Insured** (or more than 50% of its total consolidated assets as stated in its last published annual report and accounts) by another entity, or the merger or consolidation of the **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
- (b) obtaining by any person, entity, or affiliated group of persons or entities the right to elect, appoint, or designate more than fifty percent (50%) of the board of directors, board of trustees, board of managers, or functional equivalent thereof, or to exercise a majority control of the board of directors, board of trustees, board of managers, or a functional equivalent thereof, of the **Insured**.

7.3 Circumstance

means an incident, occurrence, fact, matter, act, or omission which, regardless of section 4. Excess of this policy, is reasonably likely to give rise to a **Claim** (or any other entitlement to indemnity under the policy), including any:

- (a) intimation to make a **Claim**; or
- (b) known direct or indirect criticism or dispute (whether expressed or implied) which is likely to give rise to a **Claim** (whether justified or not).

7.4 Claim

means:

- (a) a written demand for monetary damages or non-monetary relief;
- (b) a civil mediation or arbitration proceeding (including any counter-claim seeking compensation, or other legal remedy)

commenced by service of a complaint or similar proceeding;

- (c) receipt of a formal notice of a criminal proceeding or the filing of charges;
- (d) an investigation by an **Official Body**,

made or brought by any past, present, current or prospective **Employee** against any **Insured** arising out of an **Employment Practice Violation**.

7.5 Defence Costs

means any reasonable legal or investigative costs, fees or, expenses, incurred by the **Insured** with the prior written and continuing consent of the **Insurer**, not to be unreasonably withheld or delayed, resulting from:

- (a) defending any proceedings relating to a **Claim**;
- (b) conducting any proceedings for indemnity, contribution, or recovery relating to a **Claim**; or
- (c) investigating, assessing, negotiating, adjusting, mediating, arbitrating, compromising, responding to, or otherwise settling any **Claim**.

Defence Costs does not include the remuneration of any **Insured Person**, any internal or overhead expenses of the **Insured** or the **Insurer**, or the cost of any **Insured's** time.

7.6 Employee

means any natural person who is:

- (a) acting under a contract of service or apprenticeship with the **Insured Organisation**; or
- (b) supplied to or seconded to, or hired by or borrowed by, the **Insured Organisation**, including students, trainees, locums, or other natural persons undertaking study or work experience, whilst employed or engaged by the **Insured Organisation** in connection with its business.

7.7 Employment Practice Violation

means:

- (a) unfair, wrongful or constructive dismissal, discharge or termination of employment;
- (b) wrongful failure to employ;
- (c) breach of any oral or written employment contract or quasi employment contract;
- (d) employment related misrepresentation;

- (e) violation of employment discrimination laws;
- (f) workplace harassment;
- (g) sexual harassment;
- (h) violation or non-compliance with working hours legislation;
- (i) wrongful failure to promote or progress, train create or enforce adequate workplace or employment policies or procedures, grant tenure;
- (j) wrongful demotion, evaluation, deprivation of a career opportunity, or discipline;
- (k) invasion of employment related privacy;
- (l) employment related defamation;
- (m) failure to furnish accurate job references
- (n) employment related infliction of emotional distress;
- (o) **Retaliation**;
- (p) employment related breach of data privacy; or
- (q) breach of any obligation which has been transferred to the **Insured Organisation** by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer,

within the **Territorial Limits**.

7.8 Employment Related Benefits

mean any:

- (a) perquisites and fringe benefits;
- (b) payments due under any employee benefit or pension scheme;
- (c) stock or share options or any other right to purchase, acquire, or sell stock or shares of any **Insured Organisation**; or
- (d) incentive or deferred compensation or any other type of compensation other than salary, wages, or bonus compensation (such compensation not to include any payments which would otherwise be due in the normal course of employment).

7.9 Financial Institution

means any entity whose principal business activity is as a clearing bank, deposit/lending bank, building society, foreign exchange broker or trader, merchant bank, stockbroker, securities broker, commodity trader or broker, derivative trader or broker, hedge fund, venture capital fund, private equity fund, insurance broker, insurance company (general or life), financial advisor (including Independent Financial Advisors), asset management company, regulated investment trust, individual savings account, unit trust or other financial investment provider, credit provider, or currency exchange operation or any other similar entity.

7.10 Financial Interest

means the insurable interest of the first named **Insured Organisation** stated in the Schedule in an **Insured Organisation** that is domiciled in foreign jurisdiction in which the **Insurer** is not licensed to provide this insurance, as a result of such first named **Insured Organisation's**:

- (a) ownership of the majority of the outstanding securities or voting rights of such **Insured Organisation** representing the present right to elect, appoint, or exercise a majority control over such **Insured Organisation's** board of directors, board of trustees, board of managers, natural person general partner, or functional foreign equivalent;
- (b) indemnification of, or representation that it has an obligation to indemnify, such **Insured Organisation** for **Loss** incurred by such **Insured Organisation**; or
- (c) election or obligation to obtain insurance for such **Insured Organisation**.

7.11 Insured

means the **Insured Organisation** and any **Insured Person**.

7.12 Insured Organisation

means the first named entity stated in the Schedule which is the policyholder or a **Subsidiary**.

7.13 Insured Person

means any natural person who was, is or becomes:

- (a) a director or officer of the **Insured Organisation**;
- (b) a de facto director or officer of the **Insured Organisation**;
- (c) employed in a managerial or supervisory capacity on behalf of the **Insured Organisation**;

(d) an **Employee** of the **Insured Organisation**;

(e) a prospective director detailed in any listing particulars; or

(f) **Outside Entity Director**,

but only whilst acting in such capacity on behalf of the **Insured Organisation**.

Insured Person shall not include any auditor, compulsory liquidator, administrator or receiver appointed to the **Insured Organisation**.

Insured Person also includes the:

- (i) lawful spouse, civil partner (as defined by Civil Partnership Act 2004), or domestic partner of any natural person in (a) – (f) of this definition, to the extent that, and in respect of, any **Claim** first made against such lawful spouse, civil partner, or domestic partner is solely because of his or her capacity as such, or by reason of them having an interest in property that is sought to be recovered in a **Claim**; or
- (ii) estate, heirs, executors, or legal representatives of any natural person in a, c, d, e, f, or g of this definition, to the extent that, and in respect of, any **Claim** first made against such estate, heir, or legal representative for a **Employment Practice Violation** committed or attempted by such natural person in a, c, d, e, f, or g, prior to the death or incapacity of such natural person in (a) – (f).

The cover afforded under (i) or (ii) of this definition will not apply to the extent that, and in respect of, any **Claim** that alleges any act, error, omission, breach of duty, breach of trust, neglect, default, misstatement, misleading statement, or breach of warranty of authority by such estate, heir, executor, legal representative, spouse, or civil partner of the natural person in (a) – (f) of this definition.

7.14 Insurer

means Travelers Insurance Company Limited.

7.16 Limit of Indemnity

means in respect of:

- (a) all Insuring Clauses, the amount stated in the Schedule being the maximum amount (including all **Defence Costs**) that the **Insurer** shall pay in respect of any single **Claim** or other request for indemnity;
- (b) all Additional Benefits the sub-limits amounts stated in the Schedule being the maximum amount (including all **Defence Costs**) that the

Insurer shall pay in respect of any and all **Claims** or other requests for indemnity regardless of the number of **Insured Persons** covered and regardless of the number of **Claims** or other requests for indemnity made under this policy.

The **Limit of Indemnity** applies over and above any **Excess** payable.

7.17 Loss

means the amount an **Insured** is legally liable to pay as a result of a **Claim**, as damages (including punitive and exemplary damages) as a result of a judgment or award made by a competent court or tribunal, or a settlement, and **Defence Costs** for any **Employment Practice Violation**.

Loss does not include:

- (i) civil or criminal fines or penalties imposed by law;
- (ii) taxes;
- (iii) **Employment Related Benefits**, or;
- (iv) any amount for which any **Insured** is not legally liable or matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.

7.18 Official Body

means any regulator, criminal authority, government body, government agency, official trade body, or any other body empowered by statute to investigate the affairs of an **Insured** or **Outside Entity**.

7.19 Official Inquiry

means the formal administrative or investigative inquiry by an **Official Body** or other institution or professional body that is legally empowered by statute to investigate the affairs of an **Insured**.

7.20 Outside Entity

means any entity:

- (a) other than an entity that:
 - (i) is an **Insured Organisation**;
 - (ii) has **Securities** traded on primary, secondary, or other market; or
 - (iii) is a **Financial Institution**; or
- (b) specifically endorsed as an **Outside Entity** by the **Insurer** hereto.

7.21 Outside Entity Director

means a natural person who did, does or during the **Period of Insurance** begins to serve as a director, officer, or trustee or in an equivalent executive position, including as a de facto or shadow director, for an **Outside Entity** at the **Insured Organisation's** specific request or as part of the duties regularly assigned to the **Insured Person** by the **Insured Organisation**.

7.22 Period of Insurance

means the period stated in the Schedule.

7.23 Prior and Pending Date

means

- (a) the inception date of the policy; or
- (b) the date from which the **Insured** has continuously maintained similar insurance,

whichever is the earlier.

In the event of a **Claim** or notification of a **Circumstance**, if requested by the **Insurer**, the **Insured** shall provide full details and copies of document verifying the continuity of such similar insurance.

7.24 Property Damage

means physical destruction of, damage to, or loss of tangible or intangible property, or loss of use of, any property.

7.25 Proposal

means any signed proposal form or declaration and any other information in addition thereto or in substitution thereof supplied to the **Insurer** by or on behalf of the **Insured**.

7.26 Retaliation

means a **Claim** relating to, or alleged to be in respect of, less favourable treatment of an **Employee** as a result of, or in response to, any action taken by an **Employee** exercising or attempting to exercise their rights under law including with reference to legislation relating to discrimination or whistleblowing.

7.27 Securities

means any bond, debenture, evidence of indebtedness, note, share, stock, or other equity or security for the debt of, and issued by, the **Insured Organisation**.

7.28 Subsidiary

means any entity in which the **Insured Organisation** directly or indirectly holds:

- (a) more than 50% of the issued share capital;

- (b) a majority of the voting rights; or
- (c) the right to appoint or remove a majority of the board of directors.

7.29 Territorial Limits

means worldwide excluding the United States of America or its territories or possessions.

Section 8 Important Information

Please read this Policy carefully to ensure that it is in accordance with your requirements and that you understand its terms, exclusions and conditions. Please contact us immediately if any corrections are necessary.

Any enquiries you may have regarding your Policy may be addressed either to the insurance broker who arranged the Policy for you or directly to us.

Contact Details for Notification of Claims, Circumstances and Requests for Indemnity

If you wish to make a claim, please contact the insurance broker who arranged the policy or contact us quoting your policy number. Please also refer to our on-line guidance on how to make a claim which can be found at travelers.co.uk.

Travelers Insurance Company Limited
Bond and Specialty Claims
23-27 Alie Street, London, E1 8DS.

Email: reportclaim@travelers.com

Tel 0800 587 8388
Fax 020 3116 2139

COMPLAINTS PROCEDURE

Our Promise To You

We will acknowledge complaints promptly

We will investigate quickly and thoroughly

We will keep you informed of progress

We will do everything to resolve your complaint fairly

We will learn from our mistakes and use your feedback to continually improve our service

What To Do If You Have A Complaint

If you have a complaint, please contact us on 0203 207 6000, or email us at CustomerRelations@travelers.com.

For full information on your rights and how we will handle your complaint, please see our website <https://www.travelers.co.uk/documents/ComplaintsProcedure.pdf>.

USING PERSONAL INFORMATION

How we treat information about you and your rights under data protection legislation

In order to provide our insurance services, we (Travelers Insurance Company Limited acting as a Data Controller) will collect certain personal information about you. The type of information that we collect will depend on our relationship with you. For example, you may be a Travelers policyholder, prospective policyholder or a third party making a claim under a Travelers insurance policy.

If you provide us with personal information about a third party, you should share this notice with them.

We will also collect different types of information depending upon the kind of insurance cover we are being asked to provide or the kind of claim we are being asked to assess or pay.

Some of the information we collect may be classified as 'special category data', which is data that may contain information about physical or mental health, religious beliefs and criminal and disciplinary offences (including convictions).

Your personal information may be used in a number of ways including:

- considering an application for insurance,
- providing and administering an insurance policy,
- handling claims including claims validation,
- preventing and detecting fraud, including providing information to the relevant authorities.

Where relevant, we will share your information with other companies in the Travelers group, third parties such as claims handlers, loss adjusters, other insurers and reinsurers, fraud prevention agencies, service companies associated with our products, or as required by law (including providing the information to government or regulatory authorities). This may involve the transfer of your information to countries inside and outside the European Economic Area.

If your policy includes motor cover, your policy details will be added to the Motor Insurance Database (MID), run by the Motor Insurers Information Centre (MIIC).

We may also use your personal information for marketing purposes, but only in accordance with your marketing preferences.

For more information about how we process your data and the rights you have, please click

<http://www.travelers.co.uk/main/privacy-policy.aspx>.

MLP HELPLINE

All Travelers MLP customer are entitled to 1 hour of free legal advice from RPC, a leading UK law firm

As our client, you have access to expert legal advice on any subject matter relating to your MLP policy.

Our helpline is available Monday-Friday from 9.30am until 5.30pm excluding public holidays.

If you are in need of assistance, please contact the helpline on:

Tel: 020 3060 6626

Email: travml@rpc.co.uk



Travelers Insurance Company Limited
23 - 27 Alie Street, London, E1 8DS. Registered in England 1034343

Travelers Insurance Company Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
Registered office: 23 - 27 Alie Street, London, E1 8DS. Registered in England 1034343

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