

# **LIBERTY “EXECUTIVE PROTECT” – DIRECTORS & OFFICERS LIABILITY INSURANCE**

Liberty “Executive Protect” - Directors & Officers Liability Insurance – Policy Wordings

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## CONTENTS OF POLICY

### Section 1. Insuring Clause

- 1.1 Directors & Officers Liability
- 1.2 Company Reimbursement
- 1.3 Defence Costs

### Section 2. Extensions

- 2.1 Assets and Liberty Expenses
- 2.2 Civil Fines and Penalties Extension
- 2.3 Company Securities Liability
- 2.4 Continuous Cover
- 2.5 Counseling Services
- 2.6 Discovery Period
- 2.7 Emergency Costs
- 2.8 Employed Lawyer's Cover
- 2.9 Extended Policy Period
- 2.10 Extradition Costs
- 2.11 Former Directors & Officers
- 2.12 Inquiry Representation Costs
- 2.13 Kidnap Response Costs
- 2.14 Mitigation Costs
- 2.15 New Subsidiaries
- 2.16 Outside Directorships
- 2.17 Personal Injury and Property Damage  
Defence Cost
- 2.18 Pollution Defence Costs
- 2.19 Public Relations Expenses
- 2.20 Shareholder Pollution Claims
- 2.21 Special Excess protection for Non  
Executive Directors
- 2.22 Spouses & Executors
- 2.23 Tax Liability Endorsement
- 2.24 Witness Cover

### Section 3. Exclusions

- 3.1 ERISA
- 3.2 Fraud & Dishonesty
- 3.3 Insured versus Insured (USA)
- 3.4 Penalties & Punitive Damages
- 3.5 Personal Injury
- 3.6 Pollution
- 3.7 Prior Matters
- 3.8 Professional Services
- 3.9 Property Damage
- 3.10 Radiation & Nuclear
- 3.11 Sanctions Endorsement
- 3.12 War

### Section 4. Claims Conditions

- 4.1 Notification of Claims
- 4.2 Defence & Settlement
- 4.3 Requirement to Contest a Claim
- 4.4 Allocation Clause
- 4.5 Order of Payments
- 4.6 Subrogation
- 4.7 Other Insurance
- 4.8 Excess Insurance

### Section 5. General Conditions

- 5.1 Limit of Liability
- 5.2 Excess
- 5.3 Assignment
- 5.4 Valuation & Foreign Currency
- 5.5 Notices
- 5.6 Preservation of Right to Indemnity
- 5.7 Severability of Proposal
- 5.8 Non-Imputation
- 5.9 Non-Rescindability
- 5.10 Change in Control
- 5.11 Governing Law & Jurisdiction
- 5.12 Policy Interpretation & Construction
- 5.13 Policy Cancellation
- 5.14 Arbitration Clause
- 5.15 Duty of Disclosure
- 5.16 Claim Settlement
- 5.17 Entire Contract
- 5.18 Grievances

### Section 6. Definitions

- 6.1 Asset and Liberty Expenses
- 6.2 Asset and Liberty Proceeding
- 6.3 Bail Bond and Civil Bond Expenses
- 6.4 Change in Control
- 6.5 Circumstance
- 6.6 Claim
- 6.7 Company
- 6.8 Defence Costs
- 6.9 Director
- 6.10 Discovery Period
- 6.11 Employed Lawyer
- 6.12 Employee
- 6.13 Employment Practice Breach
- 6.14 Hijacking
- 6.15 Inquiry
- 6.16 Inquiry Costs
- 6.17 Insured
- 6.18 Insured Person

6.19	Kidnap consultants	6.31	Premium
6.20	Kidnap response costs	6.32	Proposal
6.21	Kidnapping means	6.33	Prosecution Costs
6.22	Liberty Videocon	6.34	Public Relations Expenses
6.23	Loss	6.35	Schedule
6.24	Non-executive director	6.36	Securities
6.25	Officer	6.37	Securities Claim
6.26	Official Body	6.38	Senior Counsel
6.27	Outside Entity	6.39	Subsidiary
6.28	Policy	6.40	Wrongful Act
6.29	Policy Period	6.41	Wrongful Detention
6.30	Pollutant		

## LIBERTY “EXECUTIVE PROTECT”

### DIRECTORS & OFFICERS LIABILITY INSURANCE

WHEREAS the **Company** named in the **Schedule** hereto by a **Proposal** and declaration, which shall be the basis of this contract and is deemed to be incorporated herein, has applied to the **Liberty General Insurance Limited** (hereafter referred to as the “**Insurer**”) for the insurance hereinafter contained and has paid the **Premium** as consideration for such Insurance.

In consideration of payment of the **Premium** by the **Insured** and subject to all the terms, conditions and exclusions, including all definitions, of this **Policy**, **Insurer** agrees as follows:

#### Section 1. Insuring Clause

##### 1.1 Directors & Officers Liability

**Insurer** will pay to or on behalf of any **Insured Person** the **Loss** which the **Insured Person** is legally liable to pay as a result of a **Claim** alleging a **Wrongful Act** except to the extent the **Insured Person** has been indemnified by the **Company** for such **Loss**.

##### 1.2 Company Reimbursement

**Insurer** will reimburse the **Company** for any **Loss** referred to in 1.1 for which it has indemnified an **Insured Person**.

##### 1.3 Defence Costs

**Insurer** will also pay for **Defence Costs** in respect of a **Claim** covered under **Insuring Clause 1.1** or **1.2** or under any applicable extension.

**Insurer** will pay for these **Defence Costs** as and when they are incurred prior to the final resolution of the **Claim**, provided the claim pertains to and has arisen during the policy period.

However, an **Insured** shall repay to **Insurer** all payments of **Defence Costs** incurred on that **Insured's** behalf if and to the extent it is established that such **Defence Costs** are not **Insured** under this **Policy**.

**Defence Costs** are subject to the applicable **Excess** and shall form part of the **Limit of Liability** specified in the **Schedule**.

#### Section 2. Extensions

Subject to the applicable **Excess** and all the terms, conditions and exclusions, including all definitions, of this **Policy**, **Insurer** further agrees to extend cover in accordance with the following extensions. The **Excess** which is applicable will depend on whether the **Company** is legally required or permitted to indemnify the **Insured Person**. If it is, the **Excess** is the one applicable to **Insuring Clause 1.2**. If it is not, the **Excess** is the one applicable to **Insuring Clause 1.1**.

##### 2.1 Assets and Liberty expenses

**Insurer** will pay, where permitted by law, the (i) **Prosecution Costs**, (ii) **Bail Bond and Civil Bond Expenses**, (iii) **Asset and Liberty Expenses**, of each **Insured Person**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

## 2.2 Civil Fines and Penalties Extension

**Insurer** will pay on behalf of an **Insured Person**, civil and administrative fines and penalties, awarded against **Insured Persons**, to the extent such are insurable by law.

**Insurer** will not pay taxes, remuneration or employment-related benefits, nor amounts which are uninsurable by law.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

## 2.3 Company Securities Liability

**Insurer** will pay on behalf of the **Company** the **Loss** and associated **Defence Costs** which the **Company** is legally liable to pay as a result of a **Securities Claim** alleging a **Wrongful Act**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**. The **Excess** which applies to this extension is specified in the **Schedule**.

## 2.4 Continuous Cover

Notwithstanding Exclusion 3.7(b) in respect of "Prior Matters", if an **Insured** was aware of any facts that might give rise to a **Claim**, prior to the **Policy Period** and had not notified **Insurer** of such facts prior to the commencement of the **Policy Period**, **Insurer** will indemnify the **Insured** in respect of a **Claim** arising from such prior known facts, provided that:

- (a) the **Insured** first became aware of such facts after the **Continuity Date** specified in the **Schedule**; and
- (b) the failure to notify such facts was not a result of any fraudulent misrepresentation or fraudulent non-disclosure by the **Insured**; but
- (c) the **Limit of Liability**, sub-limits of liability and **Excesses** of the **Policy** in force at the time when the **Insured** first became aware of such prior known facts shall apply; and
- (d) **Insurer** will reduce its liability to the extent of any prejudice suffered as a result of the **Insured's** failure to notify such facts giving rise to a **Claim**, prior to the **Policy Period**.

## 2.5 Counseling Services

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

The maximum amount payable by **Insurer** under this extension is as mentioned in the **Schedule**.

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

## 2.6 Discovery Period

The **Insured** shall be entitled to a **Discovery Period**:

- (i) automatically for 90 days if this policy is not renewed or replaced; or,
- (ii) as specified in **Item 9** of the **Schedule** for the period in excess of 90 days as per (i) above, subject to the **Parent Company** making a request for such **Discovery Period** in writing not later than 45 days after the expiry of the **Policy Period** and paying any additional premium required. A **Discovery Period** shall not apply if a **Change in Control** occurs.

## 2.7 Emergency Costs

If **Insurer's** prior written consent cannot reasonably be obtained before **Defence Costs** are incurred with respect to any **Claim**, **Insurer** will give retrospective approval for such **Defence Costs** of up to the limit specified in the **Schedule**. This sublimit will be a part of **Limit of Liability**.

## 2.8 Employed Lawyer's Cover

The definition of **Insured Person** is extended to include **Employed Lawyers**. **Insurer** will pay on behalf of the **Insured** the **Loss** which an **Insured Person** is legally liable to pay as a result of a **Claim** alleging a **Wrongful Act** in his or her capacity as an **Employed Lawyer**.

However, **Insurer** shall not be liable to make any payment under this extension arising out of, based upon, or attributable to legal or professional malpractice of any **Employed Lawyer**, including but not limited to the rendering, or failure to render legal or professional service or advice to others for a fee.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

## 2.9 Extended Policy Period

If a **Change in Control** occurs during the **Policy Period** then the **Insured** may request an extended **Policy Period** of up to 84 months commencing from the end of the **Policy Period** during which time the **Insured** may notify any **Claim** to **Insurer** provided it results from a **Wrongful Act** committed or allegedly committed prior to the effective date of the **Change in Control**. The **Insured** must request this extended **Policy Period** before the **Policy Period** expires. **Insurer** may, but is not obliged to, offer this extended **Policy Period** on such terms and conditions and for such additional **Premium** as **Insurer** may reasonably impose.

An extended **Policy Period** granted under this extension shall be non-cancellable by the **Insured** and any additional **Premium** paid shall be non-refundable.

This extension is subject to the **Limit of Liability** and does not apply if this **Policy** is cancelled or avoided by **Insurer**.

## 2.10 Extradition Costs

**Insurer** will pay for reasonable fees, costs and expenses incurred by the **Insured Person**, with **Insurer's** prior written consent:

- (i) in any extradition proceedings or related appeal, any judicial review applications challenging the designation of any territory for the purposes of any extradition law, any challenge or appeal of any extradition decision by the responsible governmental authority, or any applications to the European Court of Human Rights or similar court; and,
- (ii) (a) of any accredited crisis counsellor and/or tax advisor, retained by the **Insured Person** exclusively and directly in connection with; and  
(b) of public relations consultants retained by an **Insured Person** and incurred exclusively and directly connection with extradition proceedings brought against such **Insured Person**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.11 Former Directors & Officers**

If at the end of the **Policy Period** the **Parent Company** does not renew or replace this **Policy** or where such renewal or replacement does not provide cover for **Insured Persons** who have resigned or retired, then **Insurer** agrees to provide an unlimited extended **Policy Period** following the end of the **Policy Period** but only for the benefit of those **Insured Persons** who resigned or retired from the **Company**.

This extension will not apply in the event an **Insured Person** resigns or retires from their position with the **Company** arising out of **Change in Control**.

The **Insured Persons** referred above will be entitled to notify **Insurer** of any **Claim** during such extended **Policy Period** provided the **Claim** results from a **Wrongful Act** committed or allegedly committed whilst they were a **Director, Officer** or **Employee** of the **Company**.

#### **2.12 Inquiry Representation Costs**

**Insurer** will pay the **Inquiry Costs** of each **Insured Person** arising from an **Inquiry**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.13 Kidnap Response Costs**

In the event of a **Kidnapping, Hijacking** or **Wrongful detention** of an **Insured person** during the **Policy period**, **Insurer** will pay for **Kidnap Response Costs** incurred through the **Kidnap Consultants** after they have been appointed with prior consent of **Insurer**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.14 Mitigation Costs**

The **Insured** may request advice in relation to any **Circumstance** notified in accordance with this **Policy** as to their legal position in relation to the same and any steps that might be taken to avert or minimise the risk of a **Claim** arising from such **Circumstance**.

**Insurer** agrees to pay the cost of obtaining any such advice from a lawyer retained by the **Insured** up to the sub-limit as mentioned in the **Schedule**. Any such costs will be regarded as part of the **Defence Costs** of any subsequent **Claim**.

#### **2.15 New Subsidiaries**

The definition of **Subsidiary** in **Definition 6.39** is extended to include any entity which becomes a **Subsidiary** during the **Policy Period** provided that:

1. The total gross assets of the new **Subsidiary** do not exceed the **New Subsidiary Asset Size** specified in the **Schedule** and the new **Subsidiary** is neither incorporated in nor domiciled in nor has a subsidiary company in United States of America or Canada.
2. If the total gross assets of the new **Subsidiary** exceed the **New Subsidiary Asset Size** specified in the **Schedule** or the new **Subsidiary** is incorporated in or domiciled in or has a subsidiary company in United States of America or Canada, this extension shall automatically apply for a period of 60 days of the new **Subsidiary** being acquired or created. At the **Parent Company's** request, cover may be extended for a longer period of time provided that the **Parent Company** provides the **Insurer** with sufficient details during such 60 day automatic cover period to permit the **Insurer** to assess and evaluate its exposure with respect to such entity and the **Parent Company** accepts any consequent amendments to the policy terms and conditions, including payment of any reasonable additional premium required by the **Insurer**.

This extension 2.15 shall not apply to an entity:

1. that has, has had, or to the knowledge of any person insured under this **Policy** intends to have its securities traded in United States of America or Canada; or
2. that is a bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or any similar entity.

## 2.16 Outside Directorships

The definition of **Insured Person** in **Definition 6.18** is extended to include any **Insured Person** acting in the capacity of a director or officer, trustee (except a pension trustee), governor or equivalent of an **Outside Entity** at the specific written request or with the written approval of the **Company**. **Insurer** will pay on behalf of the **Insured** the **Loss** which an **Insured Person** is legally liable to pay as a result of a **Claim** alleging a **Wrongful Act** in his or her capacity as a director or officer of an **Outside Entity**.

The cover provided under this extension:

- (a) shall be specifically in **Excess** of any indemnity or insurance available from or provided by the **Outside Entity** including any policies of the **Outside Entity** specified in the **Proposal** and any renewal or replacement of those policies;
- (b) shall not apply to any **Claim** brought by the **Outside Entity** unless the **Claim** is a derivative action brought in the name of the **Outside Entity** by any legally authorized individual or entity including any regulatory authority where the individual or entity acts without any assistance, intervention, solicitation or active participation by the **Outside Entity** or by any **Insured**;
- (c) shall not apply to any **Claim** brought by any other director, officer or **Employee** of the **Outside Entity** unless the **Claim** alleges an **Employment Practice Breach**; and
- (d) shall not extend to the **Outside Entity** in which the outside directorship is held or to any other director, officer or **Employee** of such **Outside Entity**.

## 2.17 Personal Injury and Property Damage Defence Cost:

**Insurer** will pay the **Defence Cost** of each **Insured Person** for any **Claim** in respect of the following:

- (a) death, bodily injury, sickness, disease or emotional distress or mental anguish of any person.
- (b) loss of, damage to or destruction of any real or personal property or any consequential losses flowing from such loss, damage or destruction



This extension will be subject to a Sub limit as specified in the **Schedule** and subject to **Exclusions 3.5 and 3.9**.

#### **2.18 Pollution Defence Costs**

Notwithstanding **Exclusion 3.6** in respect of "Pollution", **Insurer** will pay on behalf of the **Insured** the **Defence Costs** which an **Insured Person** incurs in defending a **Claim** in connection with the actual or alleged discharge, dispersal, release or escape of any **Pollutant**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.19 Public Relations Expenses**

**Insurer** will pay the **Public Relations Expenses** of each **Insured Person**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.20 Shareholder Pollution Claims**

Notwithstanding **Exclusion 3.6** in respect of "Pollution", **Insurer** will pay on behalf of the **Insured** the **Loss** which an **Insured Person** is legally liable to pay as a result of a **Claim** made, either directly or derivatively, by any shareholder of the **Company** alleging **Loss** to the **Company** or its shareholders as a result of any actual or alleged discharge, dispersal, release or escape of any **Pollutant**.

This extension shall not apply if on or before the **Continuity Date** specified in the **Schedule**, the **Company**, an **Insured Person** or any **Employee** with managerial responsibilities over environmental affairs, control or compliance of the **Company**, knew or could reasonably have suspected that there existed any situation, circumstance or **Wrongful Act** that might give rise to a **Claim**.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

#### **2.21 Special Excess protection for Non-Executive Directors**

Notwithstanding **General Condition 5.1** in respect of "**Limit of Liability**", **Insurer** will pay under **Insuring Clause 1.1** an additional limit of liability in addition to the **Limit of Liability** for each non-executive **Director** if the **Limit of Liability** is exhausted due to the payment of **Loss, Defence Costs** or any other amounts insured under this **Policy**, but **Insurer** will only provide such additional limit of liability if the limits of liability available under any policy or policies in excess of this **Policy** have been exhausted.

The maximum amount payable by **Insurer** under this extension is as mentioned in the **Schedule**.

#### **2.22 Spouses & Executors**

**Insurer** will cover:

- (a) in the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** brought against his or her estate, heirs, executors, administrators or legal representatives; or
- (b) any **Claim** brought against the spouse or domestic partner (including same sex relationships, if applicable) of an **Insured Person**,

for a **Wrongful Act** by the **Insured Person** as if the **Claim** had been brought against that **Insured Person**.

No cover is provided under this extension for any conduct or **Wrongful Act** committed or allegedly committed by such estate, heirs, executors, administrators, legal representatives, spouse or domestic partner.

### 2.23 Tax Liability Endorsement

**Insurer** will pay for an **Insured Person's Loss** arising from their personal liability for unpaid corporate taxes where the **Company** has been liquidated except to the extent that such liability arises from the willful intent of the **Insured Person** to breach any statutory duty governing the payment of taxes, in his or her **Insured person** capacity as defined in **Definition** section.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

### 2.24 Witness Cover

**Insurer** will pay reasonable travel costs and living expenses incurred by the **Insured Person** when giving evidence to defend a claim first made against the **Insured Person** for a **Wrongful Act** during the **policy period**. This extension is applicable only if **Insurer** consented in writing before such costs are incurred.

The maximum amount payable by **Insurer** under this extension is the **Sub-Limit of Liability** specified in the **Schedule**.

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

## Section 3. Exclusions

**Insurer** will not pay for any **Loss, Defence Costs** or any other amounts **Insured** under this **Policy** for, arising out of or in any way connected with:

### 3.1 ERISA

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

### 3.2 Fraud & Dishonesty

- (a) any fraudulent, criminal, wilfully reckless, malicious or dishonest act, error or omission including any intentional violation or breach of any law or regulation committed or omitted by any **Insured**; or
- (b) any improper use of position or information by an **Insured Person** for the purpose of gaining any profit, benefit or advantage to which an **Insured** is not legally entitled or to cause detriment to the **Company**.

Provided that this exclusion shall apply only if it is established through: a final judgment; or any other final adjudication; or any admission by such **Insured**, that the relevant conduct occurred.

For the purposes of determining the applicability of this **Exclusion 3.1**, the conduct of any **Insured** shall not be imputed to any other **Insured Person**.

### 3.3 Insured versus Insured (USA)

arising out of, based upon or attributable to any **Claim** brought or maintained within the jurisdiction of, or based upon any laws of the United States of America, its territories or possessions, which is brought by or on behalf of any:

- (i) **Insured**; or
- (ii) **Outside Entity** in which an **Insured Person** serves or served as a director.

This **Exclusion 3.3** shall not apply to:

- (a) any **Claim** against any **Insured Person**:
  - (i) pursued by any **Security** holder or member of any **Company** or **Outside Entity**; whether directly or derivatively, or pursued as a class action; and that has not been solicited or brought with the voluntary (rather than legally required) intervention, assistance or active participation of any **Insured**;
  - (ii) for any **Employment Practice Breach** brought by any **Insured Person**;
  - (iii) pursued by an **Insured Person** for contribution or indemnity, if the **Claim** directly results from another **Claim** otherwise covered under this policy;
  - (iv) pursued by any past director, officer or employee of either a **Company** or **Outside Entity**; or
  - (v) pursued by an insolvency administrator, receiver, trustee or liquidator of any **Company** or **Outside Entity** either directly or derivatively on behalf of a **Company** or **Outside Entity**;
- (b) **Defence Costs** of any **Insured Person**; or
- (c) any **Insured Person** engaged in any protected activity specified in 18 U.S.C. 1514(A) ("whistleblower" protection pursuant to the Sarbanes-Oxley Act of 2002) or any protected activity specified in any other "whistleblower" protection pursuant to any similar legislation.

### 3.4 Penalties & Punitive Damages

- (a) any fines or penalties; or
- (b) any exemplary, aggravated, multiple or punitive damages.

### 3.5 Personal Injury

death, bodily injury, sickness, disease or emotional distress or mental anguish of any **Person**. This exclusion shall not apply to **Claims** alleging emotional distress resulting from an **Employment Practice Breach**. This exclusion shall not apply to **Extension 2.17 Personal Injury/ Property Damage defence costs** or any **Insured Person's Loss** in respect of any proceeding for a gross breach of duty causing the death of a person.

### 3.6 Pollution

the actual or alleged presence, discharge, dispersal, release or escape of any **Pollutant** or the cost of removing, nullifying or cleaning up any **Pollutant**.

However, this exclusion shall not apply if the incident giving rise to the Claim occurred entirely outside the United States of America or Canada and the Claim is brought or maintained entirely outside the United states of America or Canada.

### 3.7 Prior Matters

- (a) any **Claim** made, threatened or intimated against an **Insured** prior to the commencement of the **Policy Period**;
- (b) any facts that an **Insured** was aware of before the commencement of the **Policy Period** that might give rise to a **Claim**;
- (c) any facts that might give rise to a **Claim** which have been reported, or which can be or could have been reported, to an insurer under any insurance **Policy** entered into before the commencement of the **Policy Period**;
- (d) any facts that might give rise to a **Claim** which have been disclosed to any insurer in any **Proposal** for insurance made before the commencement of the **Policy Period**; or
- (e) any facts that might give rise to a **Claim** which have been disclosed to **Insurer** in the **Proposal**.

### 3.8 Professional Services

The provision of professional services or any actual or alleged act or omission, including but not limited to any error, misstatement, misleading statement, neglect, breach of trust or breach of duty owed in a professional capacity. This exclusion does not apply to the extent that such **Claim** or **Inquiry** alleges **Insured's** failure to manage or supervise such services.

### 3.9 Property Damage

Loss of, damage to or destruction of any real or Personal property or any consequential Losses flowing from such Loss, damage or destruction. This exclusion shall not apply to **Extension 2.17 Personal Injury/Property Damage defence costs**.

### 3.10 Radiation & Nuclear

- (a) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or
- (b) any weapon of war employing atomic (b) or nuclear fission or fusion or other like reaction or radioactive force or matter.

In addition, **Insurer** will not pay for any **Loss, Defence Costs** or any other amounts **Insured** under this **Policy** for.

### 3.11 Sanctions Endorsement

**Insurer** shall not be deemed to provide cover and **Insurer** shall not be liable 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, **Insurer** to any sanction, prohibition or restriction under United Nation resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

### 3.12 War

war or military action which includes, without limitation, the following:

- (a) war, including undeclared or civil war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), military or usurped power or confiscation, nationalisation, requisition, destruction of or damage to property by or under the order of any government or public or local authority;
- (b) warlike action by military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military Personnel or other agents; or
- (c) insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against the same.

## Section 4. Claims Conditions

### 4.1 Notification of Claims

It is a condition precedent to cover under this **Policy** that as soon as the **Insured** becomes aware of a **Claim** or **Inquiry** during the **Policy Period**, the **Insured** notify **Insurer** as soon as practicable in writing of the **Claim** or **Inquiry**.

Where the **Insured** becomes aware of facts that might give rise to a **Claim** against the **Insured** or **Inquiry** that might involve the **Insured** during the **Policy Period** then the **Insured** may elect to report those facts in writing to **Insurer** as soon as the **Insured** becomes aware of those facts but before the end of the **Policy Period** in which case any **Claim** or **Inquiry** that subsequently arises out of those reported facts shall be deemed to have been reported to **Insurer** at the time those facts were reported to **Insurer**.

If the **Insured** reports a **Claim** or **Inquiry**, or facts that might give rise to a **Claim** or **Inquiry**, to **Insurer** then the **Insured** must give **Insurer** such information and co- operation as it may reasonably require including but not limited to:

- (a) a description of the **Claim** or **Inquiry**;
- (b) the nature of the alleged act, error or omission;
- (c) the nature of the alleged or potential **Loss**;
- (d) the names of actual or potential Claimants; and
- (e) the manner in which the **Insured** first became aware of the **Claim** or **Inquiry**.

### 4.2 Defence & Settlement

In the event of a **Claim**, the **Insured** has the right to appoint lawyers to conduct the defence and settlement of the **Claim** or to have **Insurer** do so. The **Insured** may only appoint lawyers approved by **Insurer**, that approval to be obtained in writing prior to their appointment.

If the **Insured** appoints lawyers, **Insurer** has the right to associate effectively in the defence and settlement of the **Claim**.

It is a condition precedent to cover under this **Policy** that the **Insured** must:

- (a) take all reasonable steps to mitigate **Loss**;
- (b) not agree to any waiver or limitation of or delay as to their legal rights of recovery against any other party;
- (c) not admit liability, negotiate any settlement, enter into any settlement agreement or incur any **Defence Costs** without the prior written consent of **Insurer** which consent shall not be unreasonably withheld; and
- (d) give the **Insurer** all the information and assistance that the **Insurer** requires for the purpose of investigating:
  - (i) the cause and consequences of any **Claim**;
  - (ii) the **Insured's** liability to any party in respect of any **Claim**; and
  - (iii) whether **Insurer** has any liability to the **Insured** under this **Policy** and, if so, the extent of its liability;

and where applicable, conducting the defence of any **Claim**.

#### 4.3 Requirement to Contest a Claim

The **Insured** shall not be required to contest any **Claim** unless **Senior Counsel** advises that such **Claim** should be contested. In formulating such advice, **Senior Counsel** shall take into consideration the economics of the matter (including potential **Loss** and **Defence Costs**) and the prospects of the **Insured** successfully defending the **Claim**.

In the event that **Insurer** recommends settlement in respect of any **Claim** and the **Insured** does not agree that such **Claim** should be settled, then **Senior Counsel's** advice shall be obtained as to whether the **Claim** should be settled. In formulating such advice, **Senior Counsel** shall take into consideration the economics of the matter (including potential **Loss** and **Defence Costs**) and the prospects of the **Insured** successfully defending the **Claim**. If **Senior Counsel** advises that such **Claim** should be settled, the **Insured** may nevertheless elect to contest such **Claim** provided always that the liability of **Insurer** shall not exceed the amount for which the **Claim** could have been settled as recommended by **Insurer** plus **Defence Costs** incurred with **Insurer's** prior written consent up to the date of such election.

#### 4.4 Allocation Clause

In the event an **Insured** is a party to a demand, proceeding, **Inquiry**, investigation or examination which is covered only in part by this **Policy**, the **Insured** and **Insurer** will use their best efforts to agree upon a fair and proper allocation of **Loss**, **Defence Costs** or any other amounts **Insured** under this **Policy** which relates solely to what is covered under this **Policy**.

In the event that an agreement cannot be reached, **Senior Counsel** shall determine, as an independent expert but not as an arbitrator, a fair and proper allocation. Until the **Senior Counsel** has made his or her determination, **Insurer** may, in its absolute discretion, pay such **Loss**, **Defence Costs** or any other amount **insured** under this **Policy** as it considers appropriate.

#### 4.5 Order of Payments

**Insurer** will pay for **Losses**, **Defence Costs** and other amounts **Insured** under this **Policy** in the order that they are presented to **Insurer**.

If it becomes apparent to **Insurer** that the **Limit of Liability** will not be sufficient to cover all such **Losses, Defence Costs** and other amounts, then **Insurer** will first pay for **Losses, Defence Costs** and other amounts **Insured** under this **Policy** for which any **Insured Person** is legally liable. If after paying all such amounts there remains an unexhausted portion of the **Limit of Liability**, then **Insurer** will pay such **Losses, Defence Costs** and other amounts for which the **Company** is entitled to indemnity under this **Policy**.

#### 4.6 Subrogation

If **Insurer** grants indemnity under this **Policy** in respect of any **Claim**, then **Insurer** shall be subrogated to all the **Insured's** rights of recovery in respect of such **Claim** whether or not payment has in fact been made and whether or not the **Insured** has been compensated in full for their **Loss**. Each **Insured** must, at its own cost, provide all reasonable assistance to **Insurer** (including, but not limited to, giving information, signing documents and giving evidence) to help enforce those rights.

The **Insured** must not do anything that may prejudice **Insurer's** position or its potential or actual rights of recovery against any party. Any amounts recovered by **Insurer** in **Excess** of **Insurer's** total payment to the **Insured** (including **Defence Costs**) shall be restored to the **Insured** less the cost to **Insurer** of such recovery.

#### 4.7 Other Insurance

If **Loss, Defence Costs** or any other amounts **Insured** under this **Policy** are also potentially **Insured** under any other insurance **Policy** or policies, then the **Insured** must advise **Insurer** within a reasonable time of making a **Claim** under this **Policy** and provide **Insurer** with details of the other insurance.

#### 4.8 Excess Insurance

If at the time of making any **Claim** under this **Policy** there is, or would be but for the existence of this **Policy**, any other **Policy** of indemnity or insurance in favor of or effected by or on behalf of the **Insured** applicable to such **Claim**, **Insurer** shall not be liable under this **Policy** to indemnify the **Insured** for such **Claim** except insofar as it concerns any **Excess** beyond the amount which would be payable under such **Policy** of indemnity or insurance had this **Policy** not been effected.

### Section 5. General Conditions

#### 5.1 Limit of Liability

The maximum amount payable by **Insurer** under this **Policy** for all **Loss, Defence Costs** and other amounts **Insured** under this **Policy** is the **Limit of Liability** specified in the **Schedule**. The **Limit of Liability** is inclusive of any **Defence Costs, Inquiry** representation costs, **Sub-Limits** of Liability and other amount **Insured** under this **Policy** but does not include costs incurred by **Insurer** in determining whether the **Policy** provides insurance to the **Insured**.

#### 5.2 Excess

**Insurer** will only pay in respect of each **Loss** (or alleged **Loss**) and associated **Defence Costs** and each **Claim** under the **Policy** for other amounts **Insured**, the amount which is above the applicable **Excess** specified in the **Schedule**. The **Excess** shall be the first amount borne by the **Insured** and shall remain uninsured.

#### 5.3 Assignment

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

#### 5.4 Valuation & Foreign Currency

Liberty "Executive Protect" - Directors & Officers Liability Insurance – Policy Wordings

Liberty General Insurance Limited, 10th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 Phone: +91 22 6700 1313 Fax: +91 22

6700 1606, Email: care@libertyinsurance.in Call Toll Free No : 1800 266 5844, website : www.libertyinsurance.in

IRDA of India registration number: 150 | CIN: U66000MH2010PLC209656

UIN. No. : IRDAN150P0003V01201718

All amounts referred to in this **Policy** are expressed and payable in the currency specified in the **Schedule**. If judgment is rendered, settlement is negotiated or any element of **Loss, Defence Costs** or any other amount **Insured** under this **Policy** is stated in a currency other than the currency specified in the **Schedule**, then payment under this **Policy** shall be made in that currency at the rate of exchange for the purchase of the currency specified in the **Schedule** published in the currency conversion website, [www.rbi.org.in](http://www.rbi.org.in) or, if it has ceased to be current, a currency conversion website selected by **Insurer** on the date, or if not published on that date then immediately thereafter, the final judgment is reached or the settlement is agreed upon.

## 5.5 Notices

Any notice given to **Insurer** under this **Policy** must be in writing and sent to **Insurer** as detailed in **Claims Condition 5.1**. A notice served by post, if not received earlier, is taken to have been received on the next day after posting. A notice served by fax is taken to be served only if a complete and correct transmission report is received and it is taken to be received by the addressee (whether it is in fact received or not) on the day of transmission.

## 5.6 Preservation of Right to Indemnity

If the **Company** is legally required or permitted to indemnify any **Insured Person** for **Loss, Defence Costs** or other amounts **Insured** under this **Policy** but fails or refuses to do so, then **Insurer** will pay for the **Loss, Defence Costs** or other amounts **Insured** under this **Policy** on behalf of the **Insured Person**. In such event the **Company** will be required to pay to **Insurer** the **Excess** specified in the **Schedule** for **Insuring Clause 1.2**.

## 5.7 Severability of Proposal

This policy is a severable policy covering each **Insured** for their own individual interest.

No statements made by or on behalf of an **Insured** or any information or knowledge possessed by an **Insured**, shall be imputed to any **Insured Person** for the purpose of determining whether any individual **Insured Person** is covered under this policy. With respect to **Extension 2.3 – Company Securities Liability**, only the statements and knowledge of any Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Chief Legal Officer/General Counsel (or equivalent positions) of a **Company** will be imputed to that **Company**, and the knowledge of the same officeholders of the **Parent Company** will be imputed to all **Companies**.

## 5.8 Non-Imputation

For the purposes of determining the availability of cover provided under this **Policy**, the conduct of one **Insured** shall not be imputed to any other **Insured**, provided that cover is only provided to an **Insured** who is innocent of and has no prior knowledge of such conduct.

## 5.9 Non-Rescindability

This policy is not avoidable or rescindable in whole or in part and **Insurer** shall have no other remedy, with respect to any pre-inception misrepresentation or pre-inception nondisclosure by any **Insured** in connection with this policy, except with respect to Insurance **Extension 2.3 – Company Securities Liability**, or for any fraudulent misrepresentation or fraudulent nondisclosure where established by final adjudication of a judicial or arbitral tribunal, or any formal written admission by or on behalf of any **Insured**.

## 5.10 Change in Control

If a **Change in Control** occurs during the **Policy Period**, this **Policy** will continue to provide cover but only in respect of **Wrongful Acts** committed or allegedly committed prior to the effective date of the **Change in Control**.



### 5.11 Governing Law & Jurisdiction

This **Policy** shall be governed and interpreted in accordance with the laws of India, and all **Claims** for indemnity under this **Policy** shall be decided in accordance with those laws.

Any dispute arising out of or in connection with this **Policy** shall be dealt with as per the **Arbitration clause 5.14**.

### 5.12 Policy Interpretation & Construction

The headings in this **Policy** are for descriptive purposes only and do not form part of this **Policy** for the purpose of its construction or operation. Words used in the singular shall include the plural and vice versa. For the meaning of any words in bold refer to the **Schedule** or to **Section 6 - Definitions**. The **Schedule** hereto is a part of and forms an integral part of this **Policy**

### 5.13 Policy Cancellation

The **Parent Company** may cancel this **Policy** at any time by giving notice in writing to **Insurer**, in which case **Insurer** will retain the short period rate as per the following table for the time the **Policy** has been in force.

<b>For a period not exceeding</b>	<b>Short Period Rate</b>
15 days	10% of the Annual rate
1 month	15% of the Annual rate
2 months	30% of the Annual rate
3 months	40% of the Annual rate
4 months	50% of the Annual rate
5 months	60% of the Annual rate
6 months	70% of the Annual rate
7 months	75% of the Annual rate
8 months	80% of the Annual rate
9 months	85% of the Annual rate
Above 9 months	The full Annual rate

The above is applicable provided there is no reported **Claim** under the **Policy** during the period of Insurance. In case of any reported **Claims** under the **Policy**, no refund of **Premium** shall be allowed upon.

**Insurer** may cancel this **Policy** at any time due to non-payment of premium by the **Insured** by giving 30 days' notice in writing to the **Parent Company** by post to the **Parent Company's** last known address.

### 5.14 Arbitration Clause

Any and all disputes or differences which may arise under, out of, in connection with or in relation to this **Policy**, or to its existence, validity or termination, or to the determination of the amount or any amounts payable under this **Policy**, shall be referred to a sole arbitrator to be appointed by the parties to the dispute within 30 days of any party giving notice of arbitration to the other(s).

Liberty "Executive Protect" - Directors & Officers Liability Insurance – Policy Wordings

Liberty General Insurance Limited, 10th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 Phone: +91 22 6700 1313 Fax: +91 22

6700 1606, Email: care@libertyinsurance.in Call Toll Free No : 1800 266 5844, website : www.libertyinsurance.in

IRDA of India registration number: 150 | CIN: U66000MH2010PLC209656

UIN. No. : IRDAN150P0003V01201718

In the event that the parties are unable to agree upon the identity of a sole arbitrator, the disputes or differences shall be referred to the decision of 3 arbitrators of whom one shall be appointed in writing by each of the parties within a period of 30 days after the failure to appoint a sole arbitrator and the third (who shall serve as Chairman) shall be appointed by the nominated arbitrators. In case either party shall refuse or fail to appoint an arbitrator within the aforesaid 30 days after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator who shall thereafter be empowered to conduct the arbitration and determine the disputes or differences referred to him as if he had been appointed a sole arbitrator with the consent of both parties.

The parties shall share the expenses of the arbitrator or arbitral tribunal equally and such expenses, along with the reasonable costs of the parties in the arbitration, shall be awarded by the arbitrator or arbitral tribunal in favor of the successful party in the arbitration or, where no party can be said to have been wholly successful, to the party who has substantially succeeded. The place of arbitration shall be India, the language of the arbitration shall be English, the law applicable to and in the arbitration shall be Indian law and the arbitration process will be in accordance with the provisions of the Arbitration & Conciliation Act 1996, as amended from time to time.

It is a condition precedent to any right of action or suit upon this **Policy** that the award by such arbitrator or arbitrators shall be first obtained.

In the event that these arbitration provisions shall be held to be invalid then all such disputes shall be referred to the exclusive jurisdiction of the Indian courts.

#### **5.15 Duty of Disclosure:**

This **Policy** shall be void and all **Premiums** paid hereon shall be forfeited to **Insurer** in the event of misrepresentation, mis-description or non-disclosure of any material fact in the **Proposal** form, Personal statement, declaration and connected documents, or any material information having been withheld.

#### **5.16 Claim Settlement:**

**Insurer** will settle the **Claim** under this **Policy** within 30 days from the date of receipt of necessary documents required for assessing the **Claim**. In the event that **Insurer** decides to reject a **Claim** made under this **Policy**, **Insurer** shall do so within a period of thirty days of the survey report or the additional survey report, as the case may be, in accordance with the provisions of Protection of Policyholders' Interest Regulations 2002.

#### **5.17 Entire Contract**

The **Policy** constitutes the complete contract of insurance. No change or alteration in this **Policy** shall be valid or effective unless approved in writing by **Insurer**, which approval shall be evidenced by an endorsement on the **Policy**. No agent shall or has the authority to change in any respect whatsoever any term of this **Policy** or waive any of its provisions.

#### **5.18 Grievances:**

In case the **Insured** is aggrieved in any way, the **Insured** may contact **Insurer** at the specified address, during normal business hours. In case the **Insured/Insured Person** has not got his/her grievances redressed by **Insurer** within 15 days, then he/she may approach the Insurance Ombudsman for the redressal of the same. A list containing the addressees of Offices of Ombudsman is attached to this **Policy**. **Policy** holder may visit <http://www.policyholder.gov.in/> or [www.irdai.gov.in](http://www.irdai.gov.in) for latest circulars and updates regarding Protection of **Policy** holders' interests.

## Section 6. Definitions

**6.1 Asset and Liberty Expenses** means reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by any **Insured Person** to defend any **Asset and Liberty Proceeding**.

**6.2 Asset and Liberty Proceeding** means any proceeding brought against any **Insured Person** by any **Official Body** seeking:

- (i) to disqualify an **Insured Person** from holding office as a director or officer;
- (ii) confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of an **Insured Person**;
- (iii) a charge over real estate property or personal assets of an **Insured Person**;
- (iv) a temporary or permanent prohibition on an **Insured Person** from holding the office of or performing the function of a director or officer; or
- (v) a restriction of an **Insured Person's** liberty to a specified domestic residence or an official detention.

**6.3 Bail Bond and Civil Bond Expenses** means the reasonable premium (but not collateral) for any bond or other financial instrument to guarantee an **Insured Person's** contingent obligation for a specified amount required by a court hearing a **Claim**.

**6.4 Change in Control** means any one of the following events:

- (a) the **Parent Company** specified in the **Schedule** demerges, consolidates or merges with, or sells all or substantially all of its assets to a **Person**, entity or group of **Persons** or entities acting in concert;
- (b) the **Parent Company** becomes a **Subsidiary** of another entity or becomes controlled by another entity; or
- (c) an administrator, receiver or liquidator including provisional liquidator is appointed to the **Parent Company**.

**6.5 Circumstance** means a specific situation the details of which should be provided to **Insurer** where there is an intimation of a **Claim** against **Insured**.

**6.6 Claim** means any:

- (a) written demand for damages or other legal remedy;
- (b) civil proceeding including third party proceeding or counter **Claim**;
- (c) criminal proceeding; or
- (d) Any formal administrative or formal regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,

first made or brought against an **Insured Person** during the **Policy Period** (or the extended **Policy Period** under **Extension 2.9** in respect of "**Extended Policy Period**" or **Extension 2.11** in respect of "**Former Directors & Officers**", if applicable) and reported to **Insurer** during the **Policy Period** (or the extended **Policy Period** under **Extension 2.9** in respect of "**Extended Policy Period**" or **Extension 2.11** in respect of "**Former Directors & Officers**", if applicable) for a **Wrongful Act** which may result in **Loss, Defence Costs** or any other amounts **Insured** under this **Policy**.

**6.7 Company** means the **Parent Company** specified in the **Schedule** and its **Subsidiaries**.

**6.8 Defence Costs** means:

- (a) costs and expenses incurred by **Insurer**, or by an **Insured** but only with **Insurer's** prior written consent, solely for the benefit of the **Insured** in the investigation, settlement, defence or appeal of any **Claim** covered under this **Policy**; and
- (b) the costs of obtaining **Senior Counsel's** advice or determination under this **Policy**.

**Defence Cost** includes reasonable costs and expenses incurred by **Insured Persons** for counsel within their home jurisdiction to interpret and apply advice received from counsel in a foreign jurisdiction in response to any **Securities Claim** in such other jurisdiction.

**Defence Costs** does not include the **Insured's** salaries, wages, travel or accommodation expenses.

**6.9 Director** means a **Person** who:

- (a) is appointed to the position of director of the **Company**;
- (b) is appointed to the position of alternate director of the **Company** and is acting in that capacity; or
- (c) is not validly appointed as a director of the **Company** but acts in the position of a director of the **Company**.
- (d) is a shadow director of the **Company**
- (e) is a de facto director name din any prospectus.

**6.10 Discovery Period:**

a period immediately following the expiration of the **Policy Period** during which written notice may be given to the **Insurer** of a **Claim** first made during such period:

- (i) for a **Wrongful Act** occurring prior to the expiry of the **Policy Period**; or
- (ii) in the case of an **Investigation**, extradition proceedings or **Asset and Liberty Proceedings**, matters which occurred or arose prior to the expiry of the **Policy Period**.

**6.11 Employed Lawyer** means any person admitted to practice law in the relevant jurisdictions in which the **Company** operates, who was, is, or during the **Policy Period** becomes employed by the **Company** as a full-time and salaried lawyer, and while acting in a managerial or supervisory capacity in that **Company**.

**6.12 Employee** means a **Person** who is or was employed by the **Company** including any full time, part time or casual Employee. **Employee** does not include **Directors**, consultants, independent contractors, secondees to or agents of the **Company** or their respective Employees (including the Employees of labour-hire companies).

**6.13 Employment Practice Breach** means any:

- (a) unfair, harsh, unreasonable, unjust or unlawful dismissal or termination of employment for which a statutory remedy exists or allegedly exists;
- (b) harassment (including sexual harassment) of any kind in the workplace including the alleged creation or permission of an harassing workplace environment;
- (c) discrimination on any unlawful basis;

- (d) victimisation on any unlawful basis;
- (e) misleading or deceptive advertising or representation in respect of employment;
- (f) unfair failure to employ or promote, unfair deprivation of a career opportunity, unfair discipline, unfair failure to grant tenure or negligent performance evaluation;
- (g) unlawful interference with privacy;
- (h) denial of natural justice or denial of procedural fairness;
- (i) defamation; or invasion of privacy
- (j) wrongful infliction of emotional distress, anguish or humiliation,

committed or allegedly committed against an **Employee** or prospective **Employee** in respect of that **Person's** past, present or prospective employment with the **Company**.

**6.14 Hijacking** means illegal holding under duress, for a period in excess of six hours, of an insured person, during travel in the course of employment with a company, on or in any aircraft, motor vehicle or waterborne vessel.

**6.15 Inquiry** means

- i) a raid on, or on-site visit to any **Company** which first takes place during the **Policy Period** by an **Official Body** that involves the production, review, copying or confiscation of documents or interviews of any **Insured Person**;
- ii) a public announcement relating to (i) above;
- iii) any formal written notification to an **Official Body** of a suspected material breach of an **Insured Person's** legal or regulatory duty;
- iv) any hearing, examination, investigation or inquiry by an **Official Body** into the affairs of a **Company** or **Outside Entity**, or an **Insured Person** of such **Company**, once an **Insured Person**:
  - a) is required to attend or produce documents to, or answer questions by or attend interviews with that **Official Body**; or
  - b) is identified in writing by an investigating **Official Body** as a target of the hearing, examination or inquiry.

An "**Inquiry**" shall be deemed to be first made when the **Insured Person** is first so required or so identified.

**6.16 Inquiry Costs**

- (i) in respect to **Definition 6.15 ('Inquiry')** sub-section (i), (ii) and (iv), **Inquiry Costs** mean the reasonable fees, costs and expenses, incurred for the principal purpose of representing an **Insured Person** with the **Insurer's** prior written consent, by or on behalf of an **Insured Person** of any legal advisor retained in such events;
- (ii) in respect to **Definition 6.15 ('Inquiry')** sub-section (iii), **Inquiry Costs** mean the reasonable fees, costs and expenses, incurred for the principal purpose of representing an **Insured Person** with the **Insurer's** prior written consent, by or on behalf of an **Insured Person** in connection with preparing a report (and any supplementary reports as necessary) to any **Official Body**.

"**Inquiry Costs**" shall not include the remuneration of any **Insured Person**, cost of their time or overhead of or any other costs of any **Company**.

**6.17 Insured** means any **Insured Person** and the **Company**

**6.18 Insured Person** means any past, present or future **Director, Officer** or **Employee** of the **Company**.

In the case of a pension, retirement or provident benefit fund established for the benefit of **Employees**, **Insured Person** also includes a natural person, trustee or a director or officer of a corporate trustee or a **Policy** committee member.

**Insured Person** does not include any independent contractors, professional consultants, service providers, auditors, receivers, managers, liquidators, administrators, trustees, mortgagees in possession or the like, or any **Employees** of such persons or entities, who are not employed by the **Company**.

**6.19 Kidnap consultants** means any person or entity appointed with prior consent of **Insurer**.

**6.20 Kidnap response costs** means the reasonable fees and expenses of the kidnap consultants incurred in response to any kidnapping, hijacking or wrongful detention incident anywhere in the world (excluding Colombia, Iraq, Nigeria, and the Philippines). Such fees and expenses shall include related costs for travel; accommodation; qualified interpretation; communication and payments to informants.

**6.21 Kidnapping** means any event or connected series of events of seizing, detaining or carrying away by force or fraud an insured person, while acting outside his country of residence in the course of employment by a company, for the purpose of demanding ransom monies.

**6.22 Insurer** means "Liberty General Insurance Limited"

**6.23 Loss** means:

- (a) damages or **Claimant's** costs or both payable by the **Insured** pursuant to an award or judgment entered against the **Insured**;
- (b) settlements negotiated by **Insurer** and consented to by the **Insured**; or
- (c) settlements negotiated by the **Insured** but only with the prior written consent of **Insurer**.

**Loss** does not include:

- (i) amounts uninsurable at law;
- (ii) salaries, wages, travel or accommodation expenses of an **Insured** incurred in assessing, investigating, dealing with or assisting others to deal with the **Claim**; or
- (iii) any tax imposed or payable in respect of the **Premium** or any payment of **Insured** amounts made under this **Policy**.

All **Loss** attributable to one source or originating cause will be deemed one **Loss**.

**6.24 Non-executive director** is any natural person who serves as a **Director** of the **Company** at the inception of the **policy period** and:

- i) does not serve and has not served as an **Officer** or **Employee** of any **Company**; and
- ii) does not receive and has not received compensation, either directly or indirectly, from any **Company** for services rendered as a consultant or in any capacity, other than as a **Director**.

**Non-executive director** also means any natural person who begins serving as a **director** of the **Company** during the **policy period** and who satisfies (i) and (ii) above.

- 6.25 Officer** means an **Employee** (including any **Company** secretary) who:
- (a) makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of the **Company**; or
  - (b) is concerned in, or takes part in, the management of the **Company**.
- 6.26 Official Body** means any regulator, government body, government agency, official trade body, or any other body that is empowered by statute to investigate the affairs of a **Company** or an **Insured Person**.
- 6.27 Outside Entity** means:
- any entity other than an entity that: (i) is a **Subsidiary**; or (ii) is a bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or any similar entity; or (iii) has any of its securities listed on a securities exchange or market within the United States of America and is subject to any obligation to file reports with the United States Securities and Exchange Commission in accordance with Section 13 of the U.S. Securities and Exchange Act of 1934.
- 6.28 Policy** means this policy wording, any endorsements, riders to it, the **Schedule** and the **Proposal**.
- 6.29 Policy Period** means the period of time specified in the **Schedule** unless the **Policy** is cancelled in which event the **Policy Period** will end on the effective date of the cancellation.
- 6.30 Pollutant** means any solid, liquid, gaseous, biological or thermal irritant or contaminant including, but not limited to, smoke, vapour, soot, fumes, noise, acids, alkalis, compounds, chemicals, asbestos, mould or waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 6.31 Premium** means the amount payable by the **Insured** for this **Policy** including any applicable charges advised by **Insurer**.
- 6.32 Proposal** means the Proposal Form and any other information submitted by the **Insured** in applying for this insurance which shall be incorporated in and form the basis of this **Policy**.
- 6.33 Prosecution Costs** means reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by an **Insured Person**, to bring legal proceedings for a declaration and/or an injunction in connection with any **Asset and Liberty Proceedings**.
- 6.34 Public Relations Expenses** means reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, of public relations consultants retained by an **Insured Person** directly to mitigate the adverse effect or potential adverse effect on that **Insured Person's** reputation from a **Claim**, by disseminating findings made in a final judicial disposition of that **Claim** which exonerates the **Insured Person** from fault, liability or culpability.
- 6.35 Schedule** means the **Schedule** attached to this **Policy** and signed by an authorised representative of **Insurer**.
- 6.36 Securities** means any security representing an equity interest in or debt of the **Company**.
- 6.37 Securities Claim** means any:
- (a) written demand for damages or other legal remedy or civil proceeding including third party proceeding or counter **Claim** brought either directly or derivately by any holder of **Securities** (other than a **Director** or **Officer**) in the holder's capacity as an investor in the **Company**; or

- (b) Any formal administrative or formal regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,

first made or brought against the **Company** during the **Policy Period** (or the extended policy period under **Extension 2.9** in respect of "**Extended Policy Period**", if applicable) and reported to **the Insurer** during the **Policy Period** (or the extended policy period under **Extension 2.9** in respect of "**Extended Policy Period**", if applicable) for a **Wrongful Act** which may result in **Loss** or **Defence Costs Insured** under this **Policy**.

**6.38 Senior Counsel** shall mean a **Senior Counsel** so designated by any High Court in India and mutually agreed upon by the **Company** and the **Insured**.

**6.39 Subsidiary** means any **Company** which, according to the laws of India:

- (a) was or is a **Subsidiary** of the Parent **Company** prior to or at the commencement of the **Policy Period**; or
- (b) becomes a **Subsidiary** during the **Policy Period** but only in accordance with **Extension 2.15** in respect of "**New Subsidiaries**".

Cover in respect of any such **Company** applies only in respect of **Wrongful Acts** committed or allegedly committed whilst the **Company** was or is a **Subsidiary**.

**6.40 Wrongful Act** means any:

- (a) act, error or omission including breach of duty, breach of trust, neglect, misstatement, misleading statement, misrepresentation, breach of trust or breach of warranty of authority, including for the avoidance of doubt any actual or alleged, wrongful or unfair, committed or allegedly committed by an **Insured Person** in his or her capacity as a Director or Officer; or
- (b) matter Claimed against an **Insured Person** solely because of his or her status as a **Director** or **Officer**.

**Wrongful Act** includes any **Employment Practice Breach** but it does not include any other act, error or omission committed or allegedly committed against an **Employee**.

For the purposes of any **Securities Claim** against the **Company**, **Wrongful Act** means any act, error or omission including breach of duty, breach of trust, neglect, misstatement, misleading statement, misrepresentation or breach of warranty of authority committed or allegedly committed by the **Company** in connection with the purchase or sale of, or the offer to purchase or sell, **Securities** whether such purchase, sale or offer involves a transaction with the **Company** or occurs in the open market.

**6.41 Wrongful detention** means the arbitrary or capricious confinement of an insured person, while acting in the course of his employment by a company, by person(s) acting as agent(s) of, or with the tacit approval of, any government or governmental entity, or acting or purporting to act on behalf of any insurgent party, organisation or group. A connected series of wrongful detentions will be considered one wrongful detention.

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