



UNITED INDIA INSURANCE COMPANY LIMITED

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UNI EXECUTIVE PROTECT – DIRECTORS AND OFFICERS

In consideration of the premium received and in reliance upon the statements made and the information contained in the Proposal Form and provided otherwise (all of which are part of and form the basis of this **Policy**), the **Insurer** and the **Policyholder** agree to the following, subject to the terms, conditions and exclusions of this **Policy**.

The **Limit of Liability** is the maximum, total and cumulative liability of the **Insurer** in respect of any and all **Claims** under the **Policy** during the **Policy Period** (or the **Discovery Period**, if applicable).

Sub-limits specified in the Schedule are part of and not in addition to the **Limit of Liability**, unless expressly specified to the contrary in the **Policy**.

The **Insurer** shall only pay in excess of the **Retention**, which amount shall apply to each and every **Claim**. The **Company** will be liable for the **Retention** which will remain uninsured. A single **Retention** shall apply to all **Loss** arising out of, based upon or attributable to continuous, repeated or related **Wrongful Acts**. If the **Insurer** advances any **Loss** for which a **Retention** applies under the **Policy**, the **Company** agrees to reimburse the **Insurer** immediately to the full extent of the **Retention** upon the **Insurer** notifying the **Company** of the **Loss** so advanced. The **Retention** shall not be applicable to any **Non-Indemnifiable Loss**.

1 Insurance Cover:

- 1.1 **Insured Person:** The **Insurer** will pay the **Loss** due to a **Wrongful Act** of an **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

It is agreed that this insuring clause shall not be applicable and available to the extent the **Company** has indemnified the **Insured Person**.

- 1.2 **Company Reimbursement:** The **Insurer** will reimburse the **Company** if the **Company** pays the **Loss** due to a **Wrongful Act** of an **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

1.3 **Company Securities Cover:** The **Insurer** will pay the **Loss** due to a **Wrongful Act** of the **Company** arising from a **Securities Claim** first made against the **Company** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

2 **Optional Extensions to the Insurance Cover:**

It is agreed that no cover shall be available under any of the following Extensions unless the Extension is specified to be applicable in the Schedule.

2.1 **Non-Executive Director – Additional Protection:** If all the following amounts have already been exhausted then the **Insurer** will pay, up to the sub-limit specified in the Schedule for this Extension, the **Loss** of the **Non-Executive Director** due to a **Wrongful Act** arising from a **Claim** first made against the **Non-Executive Director** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**:

- (a) the **Limit of Liability**; and
- (b) all other applicable insurance; and
- (c) all other indemnification for **Loss** available to any **Non-Executive Director**.

2.2 **Discovery Period:** If this **Policy** is not renewed or replaced with insurance covering the same/similar risk, then the **Policyholder** will be granted automatically a **Discovery Period** of [x] days without payment of any additional premium, and the **Insurer** may extend the **Discovery Period** by a further period of up to [x] days provided that the **Insurer** receives a written request for extension along with the additional premium specified in the **Schedule**.

2.3 **Run Off Cover:** In the event that a **Subsidiary** ceases to be a **Subsidiary** at any time during the **Policy Period**, then this **Policy** shall continue to cover any **Claim** first made against such **Subsidiary** and any **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, but only with respect to **Wrongful Acts** committed prior to the date such entity ceased to be a **Subsidiary**, and otherwise covered under the terms, conditions, exclusions and limitations of this **Policy**.

2.4 **Discovery Period for Retired Insured Person:** If this **Policy** is not renewed or replaced with insurance covering the same/similar risk, then a retired **Insured Person** will automatically be granted a **Discovery Period** of [x] days without additional premium being required to be paid provided that the retirement of that **Insured Person** was in accordance with the **Company's** procedures and that **Insured Person's** retirement was not due to reasons such as disqualification.

2.5 **Emergency Costs:** The **Insurer** will pay the **Emergency Costs** up to the sub-limit specified in the Schedule.

2.6 **New Subsidiaries:** If, during the **Policy Period**, the **Policyholder** either directly or indirectly through one or

more of its **Subsidiaries** obtains control of any other entity through one or more of the following, then this entity would automatically be considered as a **Subsidiary**:

- (a) control of the composition of the Board of Directors; or
- (b) control of more than half of the voting power; or
- (c) holds more than half of the issued share capital.

Notwithstanding the foregoing, this entity would not be considered to be a **Subsidiary** if the entity:

- (a) has gross assets which are more than the percentage specified in the Schedule of the total consolidated assets of the **Policyholder** on the Inception Date of the **Policy**; or
- (b) is incorporated, domiciled, or has its securities publicly traded in the United States of America, its territories or possessions.

In the above circumstances and all other circumstances, the **Policyholder** may request an extension of the **Policy** to provide coverage for a new subsidiary by:

- (a) providing the **Insurer** with additional information about the subsidiary as the **Insurer** may reasonably require; and
- (b) accepting in writing any notified alteration in the terms of this **Policy**; and
- (c) paying any additional premium specified by the **Insurer**, before the end of the specified period.

Under this Extension, the cover will only be available for any **Wrongful Act** committed after the **Company** acquired the **Subsidiary**.

2.7 **Crisis Mitigation Cover:**

In the event that the **Insured** reasonably considers that the services of a public relations consultancy and/or a crisis mitigation consultancy are required urgently in order to prevent or minimise the risk of a **Claim** which would be covered under the **Policy** then the **Insurer** will reimburse the reasonable fees and costs of a public relations consultancy and/or the crisis mitigation consultancy instructed for this purpose up to the sub-limit specified in the Schedule.

This Extension will only be available if and when full written details of the risk or expected **Claim** and the steps taken by the **Insured** are provided to the **Insurer** within 30 days of the **Insured's** knowledge of the incident which requires the appointment of the public relations consultancy and/or the crisis mitigation consultancy.

2.8 **Public Relations Cover:**

In the event that the **Insured** reasonably considers that the services of a public relations consultancy are required urgently in order to prevent or minimise the risk of a **Claim** which would be covered under the **Policy** then the **Insurer** will reimburse the reasonable fees and

costs of a public relations consultancy instructed for this purpose up to the sub-limit specified in the Schedule.

This Extension will only be available if and when full written details of the risk or expected **Claim** and the steps taken by the **Insured** are provided to the **Insurer** within 30 days of the **Insured's** knowledge of the incident which requires the appointment of the public relations consultancy.

2.9 **Corporate Manslaughter:** The **Insurer** will pay the **Loss**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of an **Insured Person** arising from a **Corporate Manslaughter Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension, a **Corporate Manslaughter Claim** shall mean a **Claim** against an **Insured Person** arising out of an incident giving rise to one or more fatalities in which the **Company** is implicated or alleged to have played some part.

It is hereby agreed that the terms of Exclusion 3.1 – Bodily Injury & Property Damage shall continue to apply to the extent applicable to matters other than an **Corporate Manslaughter Claim**, notwithstanding the terms of this Extension.

2.10 **Insured vs Insured Cover:** The **Insurer** will pay the **Defence Costs**, up to the sub-limit specified in the Schedule for this Extension, incurred due to a **Wrongful Act** of an **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, which is based upon, arising out of, or in any manner involving, or is made by or on behalf of or with the involvement, intercession, support or solicitation of an **Insured**.

It is hereby agreed that Exclusion 3.6 of the **Policy** shall be deemed to be deleted if this Extension is specified to be in force in the Schedule.

2.11 **Intellectual Property Cover:** The **Insurer** will pay the **Defence Costs**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of an **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, relating to any actual or alleged infringement of a copyright, trademark, patent and/or other form of intellectual property, passing off or plagiarism.

It is hereby agreed that Exclusion 3.16 of the **Policy** shall be deemed to be deleted if this Extension is specified to be in force in the Schedule.

2.12 **Pollution Cover:** The **Insurer** will pay the **Defence Costs**, up to the sub-limit specified in the Schedule for this Extension, due to a **Wrongful Act** of an **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as

required under the **Policy**, relating to any actual or alleged seepage, pollution or contamination of any kind, or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

It is hereby agreed that Exclusion 3.2 of the **Policy** shall be deemed to be deleted if this Extension is specified to be in force in the Schedule.

2.13 **Public Offering of Securities Cover:**

The **Insurer** will pay the **Loss**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of the **Insured** arising from an **Offerings Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension,

1. **Offerings Claim** shall mean:
 - (a) any written demand, civil, criminal, administrative or regulatory proceeding, arbitration, mediation or other similar dispute resolution proceeding seeking monetary or non-monetary relief from or other legal remedy against any **Insured Person**; or
 - (b) any **Investigation** against an **Insured Person**;

for any actual or alleged act, error, omission, misstatement, misleading statement, neglect, breach of trust, breach of warranty, breach of authority or breach of duty by an **Insured Person** in connection with any document, including any prospectus or information memorandum, issued by the **Company** in connection with a **Securities Offering**.

2. **Securities Offering** shall mean the actual or proposed offering of **Securities** of the **Company** that is the specific subject of any document, including any prospectus or information memorandum including, but not limited to, any negotiations, discussions, decisions or presentations in connection with such actual or proposed offering of such **Securities** of the **Company**.

2.14 **Extradition Costs Cover:**

The **Insurer** will pay the **Extradition Costs**, up to the sub-limit specified in the Schedule for this Extension, due to a **Wrongful Act** of an **Insured Person** arising from an **Extradition Proceeding** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension,

1. **Extradition Costs** shall mean reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent in defending an **Extradition Proceedings**

brought against such **Insured Person** including costs of any accredited crisis counsellor and/or tax advisor, retained by the **Insured Person**; and of a public relations consultancy retained by the **Insured Person**.

2. **Extradition Proceeding** shall mean a formal request, warrant for arrest or other proceedings pursuant to the provisions of any extradition act or similar legislation in any jurisdiction.

2.15 **Outside Entity Cover:**

The **Insurer** will pay the **Loss** due to a **Wrongful Act** of an **Outside Director** arising from a **Claim** first made against the **Outside Director** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, provided that:

- (a) The cover provided under this Extension shall be excess of any indemnification provided by the **Outside Entity** or any valid and collectible insurance in respect of the **Loss** that becomes covered as a result of this Extension;
- (b) The **Insurer** will pay the **Loss** which is covered as a result of this Extension only upto to the sub-limit specified in the Schedule.

For the purpose of this Extension,

1. **Outside Director** shall mean an **Insured Person** who at the specific written request of the **Company** is a director, officer, trustee, governor or equivalent of any **Outside Entity** in their capacity as such;
2. **Outside Entity** shall mean any entity other than an entity that:
 - (a) is the **Company**;
 - (b) is a **Subsidiary**; or
 - (c) 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
 - (d) 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.

2.16 **Kidnap Response Cover:**

In the event of an **Kidnap, Hijacking** or **Wrongful Detention** of an **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, the **Insurer** will pay the **Kidnap Response Costs**, up to the sub-limits specified in the Schedule, incurred through kidnap consultants.

For the purpose of this Extension,

1. **Hijacking** shall mean illegally holding under duress of an **Insured Person**, during travel in the course of employment with the **Company**, on or in any aircraft, rail carriage, motor vehicle or waterborne vessel.
2. **Kidnap** shall mean 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.
3. **Kidnap Response Costs** shall mean the reasonable fees, costs and expenses of the kidnap consultants hired by the **Insured**, incurred in response to any **Kidnap, Hiacking or Wrongful Detention** incident anywhere in the world (excluding Colombia, Iraq, Nigeria, and the Philippines). Such fees, costs and expenses shall include related costs for travel; accommodation; qualified interpretation; communication and payments to informants.
4. **Wrongful Detention** shall mean the arbitrary confinement of an **Insured Person**, acting in the course of his employment with the **Company**, by persons acting as agents 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.

The **Insurer** shall not be liable to make any payment under this Extension, resulting directly or indirectly from **Wrongful Detention** in connection with or as a result of:

- (a) any actual or alleged violation by the detained **Insured Person** of the laws of the country in which he is detained, or failure to maintain and possess duly authorised and issued required documents and visas, unless the **Insurer** reasonably determines such allegations to be intentionally false, fraudulent or malicious;
- (b) failure of the **Insured Person** to evacuate from the country in which he/she is detained within 10 days after issuance of advice by the government of the **Insured Person's** domicile or residence, or travel to that country contrary to advice from that government; or
- (c) arising out of the **Insured Person's** membership in any governmental organisation, law enforcement, or armed forces.

As a condition precedent to the **Insurer's** liability under this Extension, the **Company** shall make every reasonable effort to determine that the **Kidnap, Hijacking, or Wrongful Detention** has actually occurred, give immediate oral and written notice to the **Insurer** and maintain confidentiality of the existence of Extension.

- 2.17 **Libel and Slander Cover:** The **Policy** shall extend to include libel or slander by reason of words written or spoken by an **Insured Person** as a **Wrongful Act** under the **Policy**, provided that:
- (a) the **Insurer** will pay the **Loss** which is covered as a result of this Extension only upto to the sub-limit specified in the Schedule;
 - (b) the **Insurer** will not pay any **Loss** arising out of a **Claim** involving criminal proceedings against the **Insured Person** under any jurisdiction.

- 2.18 **Employee Practices Liability Cover (EPLI):** The **Insurer** will pay the **Loss**, up to the sub-limit specified in the Schedule, due to an **Employee Practices Violation** by an **Insured** arising from a **Claim** first made against the **Company** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**, provided that such **Claim** is also made and continuously maintained against at least one **Insured Person** of the **Company**.

For the purpose of this Extension,

1. **Insured Person** shall mean any natural person who was, is, or shall become a Director or officer of the **Company** or any employee of the **Company**, but only for a **Claim** alleging **Wrongful Act(s)** committed by the employee in a managerial or supervisory capacity. The cover under this Extension will automatically apply to any natural person who becomes a Director or officer or employee of the **Company** after the inception of the **Policy**.
2. **Loss** shall not include:
 - (a) any obligation pursuant to any law or any regulation in any jurisdiction in respect of workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits or any similar law or regulation whatsoever; or
 - (b) (i) front pay, future loss, future damages or future economic relief, or(ii) any employment-related benefits (other than back pay) to which the claimant would have been entitled as an employee had the **Insured** provided the claimant with continuance, reinstatement or commencement of employment;
 - (c) any liability or costs incurred by any **Insured** to modify any building or property in order to make such building or property more accessible or accommodating to any disabled person.

The **Insurer** shall not be liable to make any payment under this Extension, resulting directly or indirectly from an **Employee Practices Violation** alleging, arising out of, based

upon or attributable to:

- (a) any written demand made, or any suit or other pending proceeding, order, decree or judgment entered, against any **Insured Person** on or prior to the Retroactive Date specified in the Schedule, or alleging the same or essentially the same facts, circumstances or situation underlying or alleged therein;
- (b) any actual or alleged liability of an **Insured Person** under any express employment contract or agreement; provided, however, that this exclusion shall not apply if the **Insured Person** would have had such liability even in the absence of such contract or agreement;
- (c) a criminal, administrative or other disciplinary proceeding against the **Company**; provided, however, that this exclusion shall not apply to any claim made before an industrial tribunal.

3. **Employee Practices Violation** shall mean the commission by an **Insured Person** while acting in his or her respective capacity on behalf of the **Company** of any of the following: actual or alleged wrongful or unfair dismissal, discharge or termination of employment; breach of any oral or implied employment contract; defamation in relation to wrongful or unfair dismissal; workplace harassment including sexual harassment; wrongful failure to promote; wrongful deprivation of a career opportunity or wrongful demotion; negligent evaluation; negligent retention; failure to adopt workplace practices, policies and procedures; retaliatory treatment or victimization; discrimination; erosion of status protected under applicable law; denial of natural justice; misleading representations or misleading advertising involving employment with the **Company**.

Employee Practices Violation does not include actual or alleged breach or neglect solely based upon the responsibilities, obligations or duties imposed by an employee/labour statute of a jurisdiction.

It is hereby agreed that the terms of Exclusion 3.14 – Employers’ Liability shall continue to apply to the extent applicable to matters other than an **Employee Practices Violation**, notwithstanding the terms of this Extension.

2.19 **Derivative Action:**

The **Insurer** will pay the **Loss**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of an **Insured Person** arising from a **Derivative Action** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension, **Derivative Action** shall mean a suit by a shareholder to enforce a corporate cause of action against the **Insured Person** where a corporation is a

necessary party, and the relief which is granted is a judgment against a third person in favor of the corporation. An action shall be a **Derivative Action** when it is based upon a primary right of the corporation, but is asserted on its behalf by the stockholder because of the corporation's failure, deliberate or otherwise, to act upon the primary right.

2.20 **Environmental Actions
Cover:**

The **Insurer** will pay the **Defence Costs**, up to the sub-limit specified in the Schedule for this Extension, due to a **Wrongful Act** of an **Insured Person** arising from a **Environmental Violation Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension,

1. **Environmental Violation Claim** shall mean any **Claim** against an **Insured Person** relating to an **Environmental Condition** or is against an **Insured Person** for **Wrongful Acts** in connection with misrepresenting or failing to disclose information as required by any statute, regulation, rule, or common law regulating or creating liability for an **Environmental Condition**.
2. **Environmental Condition** shall mean,
 - (a) the actual, alleged or threatened discharge, dispersal, release or escape of, pollutants or harm to the environmental condition as addressed by the Indian Air (Prevention and Control of Pollution) Act, 1981, the Indian Biological Diversity Act, 2002, the Indian Environment (Protection) Act, 1986, the Indian Forest Conservation Act, 1980, the Indian Public Liability Insurance Act, 1991, the Indian Water (Prevention and Control of Pollution) Act, 1974, the Indian Wildlife Protection Act, 1972, or other statutory enactment, regulations and treaties applicable thereto, including greenhouse gases; or
 - (b) any regulator direction or request to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize pollutants (as defined by applicable aforesaid legislation), including greenhouse gases that may result in a **Loss** to an **Insured Person**.

2.21 **Prosecution Costs Cover:**

The **Insurer** will pay the **Prosecution Costs**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of the **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy Period** and notified to the **Insurer** as required under the **Policy**.

For the purpose of this Extension, **Prosecution Costs** shall mean the legal and other professional fees, costs and expenses, incurred by an **Insured** with the prior written consent of the **Insurer** to bring legal proceedings to obtain the discharge or revocation of:

- (a) an order disqualifying an **Insured Person** from holding office as a Director; or

- (b) an interim or interlocutory order:
 - 1) confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of such **Insured Person**; or
 - 2) (b) a charge over real property or personal assets of the **Insured Person**; or
- (c) an order of a court imposing a restriction of the **Insured Person's** liberty; or
- (d) the deportation of an **Insured Person** following revocation of otherwise proper, current and valid immigration status for any reason other than the **Insured Person's** conviction for a crime.

2.22 **Joint Venture Liability Cover:**

The **Insurer** will pay the **Loss**, up to the sub-limit specified in the Schedule, due to a **Wrongful Act** of the **Insured Person** arising from a **Claim** first made against the **Insured Person** during the **Policy** and notified to the **Insurer** as required under the **Policy** arising from a **Joint Venture**, provided that this Extension shall not apply to:

- (a) any **Claim** brought by or on behalf of any individual or entity which participates with the **Company** in a **Joint Venture** and/or any entity established to conduct, control or manage a **Joint Venture**;
- (b) The proportion of the **Loss** arising from a **Joint Venture** in respect of which an **Insured Person** becomes severally liable and which, by reference to the total amount of any damages, judgment, expenses or settlement awarded against an **Insured Person** and any other individual or entity arising from such **Joint Venture**, constitutes a greater proportion of such award than the ratio governing the **Company's** entitlement to a share of profits arising from such **Joint Venture**.

For the purpose of this Extension, **Joint Venture** shall mean any enterprise undertaken jointly by the **Company** with one or more third parties.

3 **Exclusions**

The **Insurer** shall have no liability under this **Policy** for any **Claim**:

3.1 **Bodily Injury & Property Damage:**

Based upon, arising out of, directly resulting from or in consequence of, or in any way involving any actual or alleged bodily injury, sickness, disease, death, emotional distress, or invasion of privacy of any person or disturbance; or damage to, destruction, impairment or loss of use of any property.

- 3.2 **Pollution:** Based upon, arising out of, directly or indirectly, resulting from or in consequence of, or in any way involving any actual or alleged seepage, pollution or contamination of any kind, or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- 3.3 **Unlawful Advantage:** Brought about by or contributed to, by or consequent upon any **Insured Person** gaining any profit or advantage or receiving any remuneration or other payment to which he/she was not legally entitled.
- 3.4 **Crime, Fraud and Personal Conduct:** Brought about by or contributed to by or consequent upon any dishonesty, fraud or malicious conduct of the **Insured Person** provided, however, that the **Insurer** shall pay on behalf of the **Insured Person**:
- (a) **Defence Costs** incurred in successfully defending proceedings brought in respect of such **Wrongful Act**; and
 - (b) **Loss** where the final judgment or other final adjudication of the court hearing proceedings against any **Insured Person** determines that he/she is legally liable in respect of a **Wrongful Act** on some cause of action which is not dependent on the existence of a dishonest, fraudulent or malicious purpose or intent and makes no finding that he/she was guilty of dishonesty, fraud or malicious conduct in relation to the **Wrongful Act** in question.
- 3.5 **Professional Services:** Based upon, arising out of, or in any manner involving actual or alleged breach of any professional duty and/or services owed to any third party.
- 3.6 **Insured vs Insured :** Based upon, arising out of, or in any manner involving a **Claim** which is made by or on behalf of or with the involvement, intercession, support or solicitation of an **Insured Person**.
- 3.7 **Prior Acts:** Based upon, arising out of, or in any manner involving a **Wrongful Act** occurring before the Retroactive Date specified in the Schedule.
- 3.8 **Prior Circumstances:** Brought about by or contributed to by, or consequent upon any circumstance existing prior to or at the Inception Date of this **Policy** and which the **Insured** knew or ought reasonably to have known could give rise to a **Claim**.
- 3.9 **Prior and Pending Litigation:** Based upon, arising out of, or in any manner involving any pending or prior civil, criminal, administrative or regulatory proceeding, investigation as on the Retroactive Date specified in the Schedule, or derived from the same or essentially the same facts or circumstances as alleged in such pending or prior litigation.

- 3.10 **Change of Control:** Based upon, arising out of, or in any manner involving any **Wrongful Act** committed after the effective date of a **Change of Control**.
- 3.11 **Major Shareholders:** Brought by any individual or entity that owns or controls (whether beneficially, directly or indirectly) more than [x] percentage of the **Company's** issued share capital or is incorporated under the law of the United States of America or Canada or is a subsidiary of an entity(ies) (on a cumulative basis) incorporated under such law.
- 3.12 **Jurisdictional Limits:** Any legal liability under or pursuant to any form of legal (including arbitration) or regulatory proceedings brought in the United States of America or Canada or outside of the United States of America or Canada by a country applying the law of the United States of America or Canada, or to seek enforcement or upholding of a judgment, award or order made in the United States of America or Canada or pursuant to the law of the United States of America or Canada, unless an Optional Extension is in force as specified in the Schedule in which case this exclusion shall not apply.
- 3.13 **Radioactivity/Nuclear Energy:** Based upon, arising out of, or in any manner involving:
- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
 - (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 3.14 **Employers' Liability (E.C.):** Based upon, arising out of, or in any manner involving **Employee Practices Violation** unless covered by an Optional Extension to the **Policy** or the responsibilities, obligations or duties relating to pension schemes or imposed by the Indian Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Indian Employees State Insurance Act, 1948, the Indian Payment of Bonus Act, 1965, the Indian Payment of Gratuity Act, 1972, the Indian Maternity Benefits Act, 1961, the Indian Factories Act, 1948, the Indian Industrial Disputes Act, 1947, the Indian Employees' Compensation Act, 1923, the American Employee Retirement Income Security Act, 1974 and amendments thereto or similar applicable law in other jurisdictions.
- 3.15 **Product Liability:** Based upon, arising out of, attributable to or in any manner involving the manufacture, supply, sale of goods or other products by the **Company**.
- 3.16 **Intellectual Property:** Based upon, arising out of, attributable to or in any manner involving any actual or alleged infringement of a copyright, trademark, patent and/or other form of intellectual property, passing off or plagiarism.
- 3.17 **Libel & Slander:** Based upon, arising out of, attributable to or in any manner involving any libel or slander intentionally or unintentionally committed by an **Insured**.

- 3.18 **Maintenance of Insurance:** Based upon, arising out of, attributable to or in any manner involving any failure or omission on the part of an **Insured** to effect and maintain insurance.
- 3.19 **Terrorism:** For loss, damage, death, injury, illness, cost or expense of whatsoever nature directly or indirectly based upon, resulting from, arising out of, or as a consequence of or in connection with an:
- (a) act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; or
 - (b) action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.
- 3.20 **War:** Directly or indirectly based upon, arising out of, attributable to, or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition of or damage to property by or under the order of any government or public local authority.
- 3.21 **Whistleblower:** Based upon, arising out of, or in any manner involving a **Claim** which is made by or on behalf of or with the involvement, intercession, support or solicitation of an **Insured Person** or any Director or officer of the **Company** acting as a whistleblower, in terms of applicable central, state, local or foreign law, alleging a **Wrongful Act** by an **Insured Person** in connection with a protected activity and categorised by any central, governmental, federal, state, local or foreign law as a whistleblower activity.

4 **General Conditions**

It is agreed that General Conditions 4.1, 4.4, 4.5, 4.7 and 4.8, are condition precedent to the **Insurer's** liability under the **Policy**. Each of these General Conditions shall be strictly complied with and any breach of a condition precedent would automatically discharge the **Insurer** from liability for the **Claim** to which the condition relates.

- 4.1 **Notification of Claim:** The **Insured** shall give the **Insurer** immediate notice in writing of any **Claim**, and the date of such notice should be within the **Policy Period** (or the **Discovery Period**, if applicable). The notice should be sent to the **Insurer's** address specified in the Schedule along with the duly completed claim form and all other relevant documentation/information in respect of the **Claim** including (but not limited to) a background note, with supporting correspondence exchanged with the claimant, internal liability and quantum analysis and names of law firms/counsels being considered for the defence.
- 4.2 **Notification of a Circumstance:** The **Insured** shall give to the **Insurer** written notice at the **Insurer's** address specified in the Schedule as soon as practicable of any circumstance of which the **Insured** shall become aware

and which might reasonably be expected to give rise to a **Claim**. The **Insured** shall provide to the **Insurer** reasons for the anticipation of such **Claim** in writing, with full particulars as to dates and persons involved. Any subsequent **Claim** relating to, arising out of or in any manner involving such circumstance shall be deemed to have been made during the **Policy Period**.

- 4.3 **Claims Series:** All **Claims** and/or circumstances or series of **Claims** and/or circumstances based upon, arising out of, or in any manner involving the same **Wrongful Act**, whether committed by one or more **Insureds**, shall be deemed to be one **Claim** for the purposes of this **Policy**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made against an **Insured**. It is agreed and understood that notwithstanding the provisions of this Clause, each such **Claim**/circumstance shall be notified to the **Insurer** in accordance with General Conditions 4.1 and 4.2 above.
- 4.4 **Defence:** The **Insured** shall have the right and duty to defend and contest any **Claim**, provided that it is agreed and understood that:
- (a) the **Insurer** shall be entitled to participate in the defence and in the settlement of any **Claim** at the **Insurer's** sole option and to the extent that the **Insurer** wishes to participate; and
 - (b) the **Insurer** shall be entitled to take over the defence of a **Claim**, if the **Insurer** deems fit and to the extent the **Insurer** deems fit, in the **Insurer's** sole discretion.
 - (c) If a **Claim** is made against an **Insured Person** by the **Company**, the **Insurer** (and not the **Insured**) shall have the right, but not the duty, to defend the **Claim** if the **Insurer** deems fit and to the extent the **Insurer** deems fit, in the **Insurer's** sole discretion.
 - (d) All the **Insureds** shall jointly retain only one law firm and/or counsel to defend and contest any **Claim** unless the prior written approval of the **Insurer** is obtained to retain more than one law firm and/or counsel. The **Insurer** will accept separate legal representation only when there exists material conflict of interest between the **Insureds**.
- 4.5 **Co-operation & Assistance:** The **Insured** shall, at its own cost and expense, provide the **Insurer** with all documents, information, assistance and cooperation that the **Insurer** may request in relation to a **Claim** or circumstance.
- 4.6 **Hammer Clause:** The **Insured** shall not admit or assume any liability or settle or promise to settle or attempt to settle any **Claim** or incur any **Defence Costs** without the written consent of the **Insurer**. Only those settlements, judgments and **Defence Costs** (other than **Emergency Costs** or **Crisis Mitigation & Public Relations Costs**) which have been consented to by the **Insurer** in writing and incurred in accordance with the terms and conditions of this **Policy** shall be considered to be **Loss** within the meaning given to the term under this **Policy**. It is agreed that the **Insurer's** consent shall not be unreasonably withheld.

If the **Insured** refuses to consent to a settlement or compromise recommended by the **Insurer** and elects to contest or continue to contest a **Claim**, the **Insurer's** liability under the **Policy** shall be limited to the amount for which the **Claim** could have been settled and the **Defense Costs** incurred till the date that the **Insurer** had recommended settlement.

4.7 **Fraudulent Claims:** If any request for payment in respect of any **Loss** is made under the **Policy** knowing the same to be false, dishonest or fraudulent, in terms of the amount claimed or otherwise, this **Policy** shall be void and all claims for payment in respect of any **Loss** hereunder and all premium received hereunder shall be forfeited.

4.8 **Allocation:** Except for a **Securities Claim**, if **Costs** are incurred jointly on behalf of both the **Company** and the **Insured Person** or there has been any joint settlement of a **Claim** which involves both the **Company** and an **Insured Person**, the **Insurer** and the **Insured** agree to use their best efforts to determine a fair and proper allocation of such **Costs** and the joint settlement amount as between the **Company** and the **Insured Person(s)**.

On the same basis, if a **Claim** involves both covered and uncovered matters or persons under this **Policy**, then the **Insurer** and the **Insured** shall use their best efforts to determine a fair and proper allocation to determine the amounts covered under this **Policy**, taking into account legal and financial exposures, and in the event of a settlement, also based on the relative benefit to the parties from settlement.

4.9 **Payment of Costs:** The **Insured** shall submit to the **Insurer** detailed invoices/bills of the **Costs** incurred, which shall be paid by the **Insurer** if the **Insurer** assesses these **Costs** to be covered under the **Policy** and incurred in accordance with the terms and conditions of the **Policy** subject to the **Retention** applicable (if any).

In the event that the **Insurer** advances **Costs** but it is finally determined that such **Costs** or a part thereof are not covered under the **Policy**, then all such amounts shall be reimbursed by the **Insured** to the **Insurer** immediately.

4.10 **Order of Payments:** The **Insurers** shall pay **Loss** in the order in which such **Loss** is presented to the **Insurer** for payment. However if there is a possibility that the **Loss** could exceed the **Limit of Liability**, then the **Insurer** shall first pay the **Loss** payable under Clause 1.1 of the **Policy**.

It is agreed that the payment made pursuant to this General Condition 4.10 fully discharges the **Insurer** from its obligations under this **Policy**.

4.11 **Other Insurance:** If, at the time a **Claim** is made, there is any other insurance covering the same risk in force or there is indemnification available from any other source to the **Insured**, then the **Insurer** shall pay only in excess of such indemnity or payment available under such other insurance.

- 4.12 **Severability:** The Proposal Form for this insurance shall be construed as a separate proposal by each **Insured Person** insured under this **Policy**. No declaration or statement in the Proposal Form or knowledge possessed by an **Insured Person** shall be imputed to any other person insured under this **Policy**.
- For the purposes of determining the application of the exclusions under the **Policy**, no fact pertaining to or knowledge possessed by an **Insured Person** shall be imputed to any other person insured under this **Policy**.
- With respect to the declarations and statements in the Proposal Form and exclusions under the **Policy**, only the statements and knowledge of any past, present, or future chief executive officer (CEO) and/or chief financial officer (CFO) (or equivalent executive or management position) of a **Company** shall be imputed to the **Company**; and the knowledge of the same officeholders of the **Policyholder** shall be imputed to all **Companies**.
- 4.13 **Prudent Uninsured** The **Insured**, upon becoming aware of a **Claim** or any circumstance which might reasonably be expected to give rise to a **Claim**, shall act as a prudent uninsured and at all times take all appropriate and reasonable measures to avoid a **Claim** from arising and minimizing the impact of a **Claim**.
- 4.14 **Subrogation:** If any payments are made or likely to be made under this **Policy**, the **Insurer** shall be subrogated to all rights of recovery in respect of such payments. In addition, the **Insured** shall, upon the **Insurer's** request, execute all documentation that may be necessary to enable the **Insurer** to make demands, initiate such recovery or bring an action or suit in the **Insured's** name.
- The **Insured** shall not do or cause to be done anything that may prejudice the **Insurer's** rights of subrogation hereunder. Each **Insured** shall also take reasonable steps to mitigate the **Loss**.
- Any recovery received hereunder shall be applied first against any **Loss** insofar as it exceeds the **Limit of Liability**, then against any payment made by the **Insurer**, and finally against the **Retention**. The **Insurer** will not subrogate against any **Insured** unless that **Insured** is found to have committed a criminal act by final determination or by final adjudication.
- 4.15 **Bankruptcy:** The bankruptcy, winding-up, receivership or insolvency of any **Company** shall not relieve the **Insurer** of its obligations nor deprive any **Insured** of their rights under this **Policy**.
- 4.16 **Authorisation:** The **Policyholder** is authorised to act on behalf of all the **Insureds** with respect to all matters relating to this **Policy**.
- 4.17 **Assignment:** Neither this **Policy** nor any right hereunder may be assigned without written consent of the **Insurer**.

4.18 **Cancellation:** The **Policyholder** may cancel the **Policy** by giving 30 days' prior notice in writing to the **Insurer** upon which the **Insurer** shall refund premium for the unexpired **Policy Period** at the short period scales specified below unless a **Claim**/circumstance has been notified under the **Policy**, in which case the **Insurer** shall not be liable to refund any premium.

The **Insurer** may cancel the **Policy** by giving 30 days' notice in writing to the **Policyholder** and the **Insurer** shall refund a pro-rata premium for the unexpired **Policy Period**.

Policy in force (in days)	Percent of the annual premium retained by the Insurer
1 to 90	35%
91-180	65%
181-270	80%
Above 270	100%

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

It is clearly agreed and understood that no dispute or difference shall be referable to arbitration as herein before provided, if the **Insurers** have disputed or not accepted liability under or in respect of this **Policy**.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this **Policy** that the award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

4.20 **Governing Law & Jurisdiction:** Any interpretation of this policy or dispute or difference relating to its construction, validity or operation shall be determined under and in accordance with Indian law and the courts in India will have exclusive jurisdiction over such matters, subject to General Condition 4.18.

4.21 **No Tacit Renewal:** The **Insurer** shall not be bound to renew or deemed to renew or to accept any renewal premium or give notice that renewal premium is due.

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

- (a) headings are for the purposes of reference only, not an aid to interpretation of the

Policy wording;

- (b) singular includes the plural, and vice versa;
- (c) the male includes the female and neuter;
- (d) words in bold typeface have special meaning and are defined at Clause 5;
- (e) all references to specific legislation include amendments to and re-enactments of such legislation and similar legislation in any jurisdiction in which a **Claim** is made; and
- (f) references to positions, offices or titles shall include their equivalents in any jurisdiction in which a **Claim** is made.

No amendment to this **Policy** will be effective unless it is in writing and issued by the **Insurer**.

4.23 **Declaration:** It is agreed that all statements and declarations made to the **Insurer** by way of the Proposal Form or otherwise, have been relied upon by the **Insurer** and are the basis of this **Policy** and shall be deemed to be incorporated into and form part of this **Policy**.

4.24 **Grievance Redressal:** In the Event of the policyholder having any grievance relating to the Insurance, the Insured person may submit in writing to the Policy Issuing Office or Grievance Cells at Regional Office of the Company for redressal. If the grievance remains unaddressed, the Insured person may contact the Officer, Uni-Customer Care Department, Head Office, Chennai.

5 **Definitions:**

5.1 **Kidnap Response Costs:** Reasonable fees, costs and expenses of the kidnapconsultant appointed by the **Insured** with the **Insurer's** prior written consent including the fees of an interpreter and any payments made to informants.

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

5.3 **Asset and Liberty Proceeding:** any proceeding brought against any **Insured Person** by any official body seeking:

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

5.4 **Bail Bond and Civil Bond Expenses:** Reasonable costs or expenses (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**.

- 5.5 **Change of Control:** The **Policyholder** consolidates with, merges into or sells all or substantially all of its assets such that another entity obtains ownership or control of 50% or more of the share capital or securities of the **Policyholder** including the right to vote for the election of Board members.
- 5.6 **Claim:** shall mean:
- (a) any written communication in respect of the **Insured's Wrongful Act** demanding monetary or non-monetary relief; or
 - (b) a civil, criminal, administrative or regulatory proceeding or an arbitration, mediation or other similar dispute resolution proceeding; or
 - (c) **Securities Claim**; or
 - (d) **Investigation** against or requiring the attendance of an **Insured Person**.
- Claim** does not include the following unless expressly covered under an Optional Extension:
- (a) **Corporate Manslaughter Claim**;
 - (b) **Extradition Proceeding**;
 - (c) **Derivative Action**;
 - (d) **Environmental Violation Claim**.
- 5.7 **Company:** The **Policyholder** and/or any **Subsidiary**.
- 5.8 **Costs:** shall mean **Defence Costs, Emergency Costs and Investigation Costs** and excludes **Prosecution Costs**.
- Costs** shall also mean the following if expressly covered under an Optional Extension:
- (a) **Kidnap Response Costs**;
 - (b) **Crisis Mitigation & Public Relations Costs**;
 - (c) **Extradition Costs**.
- 5.9 **Co-Insurers:** The insurance companies specified in the **Schedule**.
- 5.10 **Crisis Mitigation & Public** Reasonable fees, costs and expenses incurred in respect of the crisis mitigation consultancy or

	Relations Costs:	public relations consultancy appointed.
5.11	Defence Costs:	Reasonable fees, costs and expenses incurred with the prior written consent of the Insurer (including court fees, Asset and Liberty Expenses and Bail Bond and Civil Bond Expenses), resulting solely and exclusively from the investigation, adjustment, defence or appeal of a Claim against any Insured prior to final determination or final adjudication or up until the time that a Claim is withdrawn.
5.12	Discovery Period:	The period specified in the Schedule commencing immediately after the expiry of the Policy Period during which the Insurer may be given written notice of a Claim first made during such period or the Policy Period .
5.13	Emergency Costs:	Defence Costs incurred during the Policy Period for which Insurer's written consent cannot be reasonably obtained with respect to any Claim provided that the Insurer subsequently consents in writing to such Defence Costs .
5.14	Insured:	Any Company and/or any Insured Person .
5.15	Insured Person:	Any natural person who was, is, or during the Policy Period becomes: <ul style="list-style-type: none"> (a) Director or Officer of the Company excluding Non-executive Directors while acting in such capacity; (b) de facto director; (c) an employee while acting in a managerial or supervisory capacity or named as a co-defendant with a Director or Officer of any Company. (d) supplied to, hired or borrowed by the Company including persons undertaking study or work experience whilst employed or engaged by the Company in connection with its business; (e) a trustee of any fund or trust established or maintained for the purpose of providing pensions, annuities, employee benefit plan or trust, provident fund, pension, profit sharing, health and welfare or employee benefit plan; (f) the spouse of an Insured Person for Loss arising from a Claim due to a Wrongful Act of such Insured Person; or (g) the administrator, heirs, legal representatives, or executor of a deceased, incompetent, insolvent or bankrupt Insured Person's estate for Loss arising from a Claim due to a Wrongful Act of such Insured Person.
5.16	Insurer:	United India Insurance Co Ltd
5.17	Investigation:	Formal hearing, enquiry, or examination (or a public announcement about the same) by a government body, liquidator, receiver, professional, statutory or regulatory body into the affairs of any Insured and directed against any Insured Person .

- 5.18 **Investigation Costs:** Reasonable fees, costs and expenses incurred by an **Insured Person** in relation to an **Investigation**.
- 5.19 **Limit of Liability:** The amount specified in the Schedule.
- 5.20 **Loss:** The amount the **Insured** becomes legally liable to pay on account of any **Claim** covered under the **Policy** and includes:
- (a) Damages (including punitive or exemplary damages);
 - (b) Multiplied portion of multiple damages;
 - (c) Pre-judgment and post-judgment interest;
 - (d) Awards of costs or settlements (including claimant's legal costs and expenses);
 - (e) Amounts payable upon an offence being compounded provided that the prior written consent of the **Insurer** is obtained before such compounding;
 - (f) **Costs**.
- Loss** does not include:
- (a) criminal fines and penalties;
 - (b) taxes;
 - (c) salaries, wages, personal expenses, benefits or overhead expenses;
 - (d) payments which the **Insurer** is legally prohibited from making;
 - (e) payments which are uninsurable in the jurisdiction where a **Claim** is made.
- In the event of a **Claim** alleging that the price or consideration paid or proposed to be paid for the acquisition or completion of the acquisition of all or substantially all of the ownership interest in or assets of any entity is inadequate, **Loss** with respect to such **Claim** shall not include any amount of any judgment or settlement representing the amount by which such price or consideration is effectively increased; provided, however, that this paragraph shall not apply to **Defence Costs** nor to any **Non-Indemnifiable Loss** in connection with such **Claim**.
- 5.21 **Non-Executive Director:** Any natural person who serves as a non-executive Director or Independent Director of the **Policyholder** on the first day of the **Policy Period** or begins serving during the **Policy Period**.
- 5.22 **Non-Indemnifiable Loss:** **Loss** incurred by the **Insured Person** for which the **Company** is unable to indemnify or advance by reason of:
- (a) the **Company** being neither permitted nor required under law to indemnify or advance such **Loss**; or
 - (b) the **Company** becoming financially impaired because of a Debtor-In-Possession, the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Company**.

- 5.23 **Policy:** The Policy terms and conditions, endorsements, Schedule and the Proposal Form.
- 5.24 **Policy Period:** The period specified in the Schedule.
- 5.25 **Policyholder:** The entity named as the policyholder in the Schedule.
- 5.26 **Retention:** The deductible amount specified in the Schedule
- 5.27 **Securities:** Any of the following instruments issued or to be issued, or created or to be created, by or for benefit of a **Company**, namely:
- (a) shares, stocks or bonds;
 - (b) debentures;
 - (c) mortgage deeds, instruments of pawn, pledge or hypothecations or other instrument, created, creating or evidencing a charge or lien on the assets of the **Company**; and
 - (d) instruments acknowledging a loan to or indebtedness of the **Company** and guaranteed by a third party or entered into jointly with a third party.
- 5.28 **Securities Claim:** Any **Claim** arising from the **Insured's** breach of any laws, rules or regulations:
- (a) regulating **Securities**; or
 - (b) relating to the purchase or sale of any **Securities**; or
 - (c) relating to the offer/solicitation to purchase or sell any **Securities**; or
 - (d) relating to the registration or ownership of any **Securities**.
- A **Securities Claim** shall not include
- (a) **Offerings Claim**; or
 - (b) **Claims** by an **Insured Person** based upon or arising out of, or attributable to the actual or alleged loss of, or the failure to receive or obtain the benefit of any **Securities** (including any warrants or options).
- A **Securities Claim** shall also not include **Claims** made by one **Company** against another **Company**.
- 5.29 **Subsidiary:** Any entity in which the **Policyholder** either directly or indirectly through one or more other entities:
- (a) controls the composition of the Board of Directors; or
 - (b) holds more than half of the issued share capital; or
 - (c) controls more than half of the voting power

on or before the commencement of this **Policy** (or during the **Policy Period** for the purpose of Extension 2.6). For the purpose of this **Policy** the term **Subsidiary** shall also include any incorporated entity or partnership, but only to the extent of the **Company's** financial interest in that entity.

If during the **Policy Period**, any **Subsidiary** is sold or dissolved or the **Company's** control in the **Subsidiary** as described above ceases, coverage under the **Policy** for such **Subsidiary** shall automatically cease from the date of sale, dissolution or cessation of control.

5.30 **Wrongful Act:**

- (a) With respect to any **Insured Person**:
 - (i) any actual or alleged act, error or omission while performing his regular functions, breach of duty, breach of trust, misstatement or misleading statement, breach of warranty of authority; or
 - (ii) any matter claimed against an **Insured Person** solely by reason of their status as **Insured Person**;
- (b) With respect to any **Company**:
 - (i) any actual or alleged act, error or omission alleged in a **Securities Claim**.