

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

Corporate Liability Extension – 06/08A

It is hereby understood and agreed that the policy is amended to include the following:

Section 2 **INSURING CLAUSES** is extended to include the following:

2.3 The Insurer will pay on behalf of the **Company** the **Shareholders Derivative Costs**

Section 3, **DEFINITIONS** is amended as follows:

3.22 **“Wrongful Act”** means:

- (i) any actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by an **Insured** acting in his or her capacity as a director or officer of the **Company** or any allegation made against the **Insured** by reason of his or her capacity as a director or officer of the **Company**; or
- (ii) any actual or alleged act, error, omission, misstatement, misleading statement, negligent act, negligent error, negligent omission or negligent breach of duty committed or attempted by the **Company**
- (iii) with respect to shareholder derivative actions under the Companies Act 2006, any proposed act.

3.8 **“Insured”** shall include:

- (e) the **Company**

3.10 **“Investigation”**

For the purposes of this extension the Definition of **“Investigation”** shall include, but is not limited to, any legally required attendance by the **Company** at any official investigation into any affairs of the **Company**.

Section 3, **DEFINITIONS** is amended to include a new definition as follows:

3.23 **“Shareholders Derivative Costs”** means the reasonable fees, costs and expenses incurred by any shareholder of the **Company** in pursuing a **Claim** first made during the **Period of Insurance** against any **Insured** for a **Wrongful Act** by way of shareholder derivative action on behalf of the **Company** but only to the extent that the **Company** is legally liable to pay such fees, costs and expenses pursuant to an order of the Court.

6 EXTENSIONS

6.9 Additional Limit for Unindemnifiable Loss

In the event the total limit of indemnity becomes exhausted, **Insurers** shall pay on behalf of the **Insured** an additional limit of indemnity for **Loss** resulting from any **Claim** provided that:

- (a) the **Claim** is brought against one or more of the **Insured(s)** defined in section 3.8 (a), (b), (c) or (d) of the policy;
- (b) the **Claim** is payable under section 2.1 (a) of the policy;
- (c) the amount payable is in excess of all other applicable insurance, whether or not it actually responds;
- (d) the maximum aggregate limit of indemnity in respect of this extension shall not exceed £250,000 each **Insured** subject to an total aggregate limit of indemnity of 50% of the limit of indemnity shown in part 3 of the **Schedule**.

6.10 Defence Costs and Expenses for Breach of Contract

The **Insurer** shall pay on behalf of the **Insured**, **Defence Costs and Expenses** resulting from any **Claim** arising from alleged breach by the **Company** of a written contract or agreement, other than any **Employment** contract, up to an aggregate sub limit of £50,000 which shall be part of the aggregate limit of indemnity stated in part 3 of the **Schedule** and in excess of:

- (a) any other potentially applicable cover, whether or not it actually responds; and
- (b) a deductible which shall be double the deductible figure specified in part 4 of the **Schedule** as amended by this endorsement.

7 EXCLUSIONS

The following additional exclusions apply in respect of Definition 3.8 (e) only;

The **Insurer** shall not have any liability under this policy for, or directly or indirectly arising out of, or in any way connected with:-

7.15 Breach of Contract or Agreement

any actual or alleged breach of contract or agreement, either oral or written, except to the extent as provided by Extension 6.10 above.

7.16 Breach of Copyright

any actual or alleged plagiarism or breach of copyright or trademark, patents, database rights, registered design or design rights except as provided by Extension 6.10 above.

7.17 Price Fixing

any breach of regulatory, statutory or common law aimed at preventing monopolies, price discrimination, fixing of prices or other unfair trade practices.

7.18 Employment Practices

an **Employment Practices Wrongful Act**.

It is further understood and agreed that part 4 of the **Schedule** is amended to read as follows:

4) Deductible: Nil,

However a deductible of £2,500 shall apply to each **Loss** for a **Claim** made against the **Company**

Subject otherwise to all other terms, conditions, exclusions and limitations of this policy.

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