

Directors and Officers Liability Insurance Prospectus

Introduction

The Directors & Officers Liability Insurance covers directors, officers and employees of a company for personal liability and defence costs incurred in respect of claims alleging that they have committed a wrongful act in the performance of their duties on behalf of the company.

Scope of Cover

1. Directors & Officers Liability: We will pay 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 unless the Insured Person is entitled or able to be indemnified by the Company for such Loss.
2. Company Reimbursement: If the Company is legally required or permitted to indemnify the Insured Person for the Loss, then we will pay on behalf of the Company the amount of that indemnity.
3. Defence Costs: We will also pay for defence costs in respect to a Claim under the above

Important Extensions

The Policy can be extended to include:

- Inquiry Representation Costs: This extension under the Policy provides cover for costs and expenses that the Insured Person will incur in preparing for and attending an Inquiry i.e an administrative or regulatory proceeding, official investigation, examination or inquiry into the affairs of the Company. These costs however exclude the salaries, wages, and travel or accommodation expenses of the Insured Person.
This cover is extended for a sublimit which forms a part of the Limit of Indemnity.

- **Pollution Defence costs:** This extension under the Policy covers the defence costs which the Insured Person incurs while defending a claim related to actual or alleged discharge, dispersal, escape or release of any pollutants.

This cover is extended for a sublimit which forms a part of the Limit of Indemnity.

- **Shareholder Pollution claims:** This extension under the Policy covers 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, escape or release of any pollutants.
- **Spouses and Executors:** This extends the Policy coverage to the lawful spouse, heirs, executors, administrators or legal representatives of the Insured Person only in case of a claim arising out of a wrongful act of the Insured Person.
- **New Subsidiaries:** This extension under the Policy includes any company which becomes a subsidiary during the Policy Period subject to certain terms and conditions as mentioned in detail in the Policy.
- **Outside Directorship:** This extension covers the Insured Person acting in capacity of a director or officer of an Outside Entity at the specific request or with a written approval of the Company.
- **Extended Policy Period:** In case of a change in control occurs during the Policy Period, at the request of the Insured, an extended Policy Period of 84 months can be requested
- **Former Directors and Officers**
- **Company Securities Liability**

The above may cost additional premium on the basis of risk exposure. The Company can consider certain additional extensions based on the Insured's request.

Main Exclusions

The policy does not cover liability arising out of or in any way connected with

1. Fraud and Dishonesty: any fraudulent, criminal, willfully reckless, malicious or dishonest act, error or omission by any Insured. Or 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
2. Insured v/s Insured
3. Professional Services: this exclusion does not apply to services provided by an Insured Person in his or her capacity as a Director or Officer.
4. Personal Injury: this exclusion shall not apply to Claims alleging emotional distress or mental anguish resulting from an Employment Practice Breach.
5. 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.
6. Actual or alleged violation imposed under the Employee Retirement Income Security Act 1974 (USA) or any amendment thereto.
7. Pollution
8. War, Radiation and Nuclear
9. Penalties and Punitive Damages

Note: The above details are some of the important terms, conditions and exclusions and the Proposer is requested to contact our office and refer to the Policy document for knowing full Policy terms, conditions and exclusions and complete details of cover and understand the same before concluding the contract of sale.

Insurance is the subject matter of the solicitation.