DIRECTORS & OFFICERS LIABILITY INSURANCE
(Extension to Properties Policy for Residents’ Associations)
## Contents

<table>
<thead>
<tr>
<th></th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>About Your Directors &amp; Officers Liability Insurance</td>
<td>3</td>
</tr>
<tr>
<td>The insurance contract</td>
<td>3</td>
</tr>
<tr>
<td>Customer Care Services &amp; Helplines</td>
<td>4</td>
</tr>
<tr>
<td>Directors &amp; Officers Insurance</td>
<td>5</td>
</tr>
<tr>
<td>What is covered/What is not covered</td>
<td>10</td>
</tr>
<tr>
<td>Claims Conditions</td>
<td>10</td>
</tr>
<tr>
<td>General Conditions</td>
<td>12</td>
</tr>
<tr>
<td>Definitions – Words with special meanings</td>
<td>14</td>
</tr>
<tr>
<td>Complaints Procedure</td>
<td>17</td>
</tr>
<tr>
<td>How We Use Your Information</td>
<td>18</td>
</tr>
</tbody>
</table>
Introduction
Welcome to RSA. Thank you for choosing Us as Your insurer.

About Your Directors & Officers Insurance
Your insurance Policy is made up of this Directors & Officers Insurance and Your Properties Policy wording, Statement of Fact, and Schedule. Your Properties Schedule shows the Limits of Liability that apply to this Insurance, the premium You will pay, and any other terms which apply to Your Policy.

You should read this Directors & Officers Insurance and Your Properties Statement of Fact and Schedule together, to tell You what is covered and what is not covered, how We settle claims and other important information.

Some words in this Insurance have a special meaning. They start with a capital letter and are in bold type whenever they appear in the Insurance, and are listed under “Definitions” at the end of the Insurance wording.

We have set out “What is covered” to the left of each page, and “What is not covered” to the right.

The Insurance Contract
This Insurance Policy is a legal contract between You and Us. Our acceptance of this risk is based on the information presented to Us prior to the commencement of the Policy, and at subsequent stages in respect of mid-term changes and renewal. Provided the on-line questions have been completed accurately and in good faith, and assumptions generated on the Statement of Fact checked, We will accept this as being a fair presentation of the risk.

We will provide the insurance described in this Policy (subject to all the terms, conditions and exclusion of this Policy) for the Period of Insurance shown in the Schedule and any subsequent period for which You shall pay and We shall agree to accept the premium.

This Policy has been issued by Royal & Sun Alliance Insurance plc.
Customer Care Services

As part of Our commitment to customer care, We have provided additional services to help You when you need it most.

Our Claims Service

The Claims Conditions of this Insurance provide full details of when, and how, Claims or Circumstances should be reported to Us.

To assist Us in being able to provide You with the highest possible standard of claims service such Claims or Circumstances should be forwarded in writing to the following address:

Professional & Financial Risks Claims Department
P.O. Box 509
Horsham
West Sussex
RH12 1WS

email: profin.claims@uk.rsagroup.com
Fax: 01403 232557

Claims Helpline

We recognise that there may be occasions when You need to contact Us urgently and that the ultimate test of any insurance policy is providing a fast, effective claims service. We also realise that running a business means that it might not be convenient for You to report a claim to Us during normal office hours. That’s why You can contact Us when it suits You - any time of the day or night. All You have to do is call!

24 hour Claims Helpline

0345 300 4006
(Please quote Your Policy Number)

Advice Lines

Where do You turn to for answers to questions that affect Your Business? Our advice lines will put You in touch with highly qualified experts who can offer information and assistance on a wide range of issues:

• Legal Assistance (available 24 hours)
• Health and Safety issues (available 24 hours)
• Tax advice (available Monday to Friday, 9am to 5pm)
• Stress Counselling (available 24 hours)

Advice Line

01455 251500
(Please quote reference number 70108)
# Directors & Officers Insurance

**THIS INSURANCE COVERS ONLY CLAIMS FIRST MADE AGAINST YOU OR AN INSURED PERSON AND CIRCUMSTANCES FIRST NOTIFIED TO US DURING THE PERIOD OF INSURANCE OR ANY APPLICABLE DISCOVERY PERIOD.**

**THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS WILL BE REDUCED BY DEFENCE COSTS.**

<table>
<thead>
<tr>
<th>What is covered</th>
<th>What is not covered</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Insuring Clauses</strong></td>
<td></td>
</tr>
<tr>
<td>1 Directors and Officers Liability Cover</td>
<td>1 Your Contribution as shown in the Schedule.</td>
</tr>
<tr>
<td>We will pay, on behalf of the Insured Persons, <strong>Loss</strong> arising from <strong>Claims</strong> first made during the Period of Insurance for which You have not provided indemnity.</td>
<td></td>
</tr>
<tr>
<td>2 Policyholder Reimbursement Cover</td>
<td>1 Your Contribution as shown in the Schedule.</td>
</tr>
<tr>
<td>We will pay, on <strong>Your</strong> behalf, <strong>Loss</strong> arising from <strong>Claims</strong> first made during the Period of Insurance if, and to the extent that, <strong>You</strong> are required or permitted to indemnify the Insured Persons for such <strong>Loss</strong>.</td>
<td></td>
</tr>
<tr>
<td>3 Employment Wrongful Acts</td>
<td>1 Your Contribution as shown in the Schedule.</td>
</tr>
<tr>
<td>We will pay, on behalf of the Insured Persons, <strong>Loss</strong> arising from <strong>Claims</strong> first made during the Period of Insurance for Employment Wrongful Acts against the Insured Persons.</td>
<td></td>
</tr>
<tr>
<td>4 Pollution</td>
<td>1 Your Contribution as shown in the Schedule.</td>
</tr>
<tr>
<td>We will pay that part of the <strong>Loss</strong> which relates to <strong>Defence Costs</strong> only on behalf of the Insured Persons incurred by them in defending themselves against criminal or regulatory proceedings in respect of Pollution of any kind which results from a <strong>Wrongful Act</strong>.</td>
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</tr>
</tbody>
</table>
Extensions to Cover

THIS INSURANCE ALSO COVERS

What is covered

1 Contribution Reimbursement

We will reimburse any Contribution borne by You or the Insured Persons in respect of any Claim if final judgement or adjudication is given in Your favour or in the favour of the Insured Persons by a court or tribunal of competent jurisdiction.

2 Discovery Period

If We decline to offer any terms for renewal of this Insurance either You or the Insured Persons will be entitled to apply within 15 days of the expiry of the Period of Insurance to elect a Discovery Period on the terms set out below. The offer of renewal terms and conditions or premiums different from those in effect prior to renewal will not constitute Our declining to renew.

The terms of the Discovery Period will be

A) 180 days at no additional premium

B) 12 months at 50% of the annual premium applicable to this Insurance.

During the 15 day application period referred to above and during any Discovery Period and without prejudice to Claims Condition 1 B), You and the Insured Persons may continue to notify Claims to Us but only in respect of Wrongful Acts committed prior to the expiry of the Period of Insurance.

For the avoidance of doubt, any time delay between the expiry of the Period of Insurance and the election of any Discovery Period will be part of and not in addition to the Discovery Period elected.

3 Retired and Former Directors

Any Insured Person who ceases to be a Director or Officer during the Period of Insurance will be entitled to a free Discovery Period.

A) for a period of 72 months after the expiry of the Period of Insurance if the Insured Person has retired from such a position

or

B) for a period of 180 days after the expiry of the Period of Insurance where the Insured Person has ceased to be a Director or Officer for reasons other than retirement.

4 Legal Representatives

We will provide cover in respect of Claims made against any You or any Insured Person which are pursued against

A) the estates, heirs, executors or other legal representatives of Insured Persons who are deceased

or

B) the legal representatives or trustees in bankruptcy of such Insured Persons who are incompetent, incapacitated or bankrupt.

What is not covered

1 Any reimbursement unless rights of appeal to higher courts or tribunals have been foregone or exhausted.

2 Any application to elect a Discovery Period that is received by Us later than 15 days following the expiry of the Period of Insurance.

2 Any elected Discovery Period where payment of any required additional premium is not made within 30 days of the date of application (such premium being non-refundable).

1 Any entitlement to a free Discovery Period

A) if You renew or replace this Insurance (whether with Us or otherwise)

B) where a Discovery Period has been activated as a result of Extension to Cover 2 of this Insurance.

2 Any entitlement to a free Discovery Period where the Insured Person

A) was disqualified from holding the office of Director

B) was dismissed from their position

C) ceased to be a Director of Officer due to the acquisition, merger or winding up of Your Business as per General Condition 10.

1 Cover beyond the extent to which such Claim would have been covered by this Insurance in the absence of the death, incompetence, incapacity or bankruptcy of the Insured Person.
**What is covered**

5 Spouses

If a Claim against an Insured Person includes a claim against the Insured Person’s Spouse solely by reason of

A) such Spouse’s legal status as a spouse of the Insured Person

or

B) such Spouse’s ownership interest in property which the claimant seeks as recovery for Claims made against the Insured Person

all loss which such Spouse becomes legally obliged to pay by reason of such Claim will be treated for the purposes of this Insurance as Loss which the Insured Person becomes legally obliged to pay on account of the Claims made against the Insured Person. All terms and conditions of this Insurance, including without limitation the Contribution applicable to Loss incurred by such Insured Person in the Claim will also apply to such spousal loss.

6 Automatic Cover for New Subsidiaries

A) If You create or acquire a new Subsidiary (either directly or indirectly) during the Period of Insurance the new Subsidiary will be automatically covered under this Insurance in relation to Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by You.

You will not have to provide Us with any particulars of the new Subsidiary until the next Renewal Date following creation or acquisition of the Subsidiary.

B) If You acquire or create a Subsidiary that is not covered by Extension 6 A) above due to exclusion 1 of “What is not covered”, then cover will be extended to such new Subsidiary in relation to Wrongful Acts committed or alleged to have been committed after the date the new Subsidiary was created or acquired by You, provided that, and as a requirement of such cover being provided, You

i) give Us written notice of any such creation or acquisition as soon as reasonably practicable, together with such additional information as We may require

ii) accept any notified alteration in the terms of this Insurance

iii) pay any additional premium required by Us.

Subject to the above requirements having been met, We will include the new Subsidiary within the scope of this Insurance by way of endorsement.

In addition, We will consider the provision of retroactive cover for any new Subsidiary in respect of Wrongful Acts committed, or alleged to have been committed, prior to the date of any such acquisition or creation at Your specific request. If We, at Our absolute discretion, agree to provide such cover it will be recorded by way of endorsement.

**What is not covered**

I This extension does not apply to the extent the Claim alleges any wrongful act or omission by the Insured Person’s Spouse.

I Cover in respect of Extension 6 A) does not apply where a new Subsidiary created or acquired by You has gross consolidated assets that increase Your gross consolidated assets by more than fifty per cent (50%) (by reference to Your most recent consolidated annual accounts).
## What is covered

<table>
<thead>
<tr>
<th>What is not covered</th>
</tr>
</thead>
</table>

**THIS INSURANCE ALSO DOES NOT COVER**

1. **Asbestos**

   *Loss* directly or indirectly based on, arising out of, or in any way involving *Asbestos, Asbestos Dust* or *Asbestos Containing Materials*.

2. **Bodily Injury**

   *Loss* for bodily injury, mental anguish or emotional distress, illness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof except that

   - **A) Mental Anguish or Emotional Distress**
     
     This exclusion will not apply in relation to any actual or alleged mental anguish or emotional distress caused by an *Insured Person* in their capacity as a *Director* or *Officer* against a past, present or prospective employee or non-executive *Director* of *Yours* for any *Employment Wrongful Act*.

   - **B) Corporate Killing or Manslaughter**
     
     We will provide cover in respect of that part of *Loss* which relates to *Defence Costs* only incurred in respect of any criminal proceedings, including those for corporate killing or manslaughter (or other similar criminal offence in any jurisdiction in which You operate) resulting from a *Wrongful Act* or *Investigation*.

3. **Parent Company**

   *Loss* directly or indirectly based on arising out of or in any way involving any *Claim* made (whether in *Your* name or not) or instigated by or on behalf of, or for the benefit of, any *Parent Company*.

4. **Pension Trustee Liability**

   *Loss* directly or indirectly based on, arising out of, or in any way involving the trusteeship or administration by *You* or any *Insured Person* of any pension plan, programme or scheme or other employee benefit programme including any obligation incurred under the Pensions Act 1995, Pensions Act 2004 or of any similar law or regulation.

   This exclusion does not apply to *Loss* arising from a *Claim* for *Retaliation*.

5. **Pollution**

   *Loss* directly or indirectly based on, arising out of, or in any way involving

   - **A) Pollution**
     
     any direction or request that *You* or any *Insured Person* test for, monitor, clean up, remove, contain, treat, detoxify or neutralise *Pollutants*, or any voluntary decision to do so, including without limitation any claim for financial loss to *You*, *Your* shareholders, bondholders or creditors based on, arising out of, or in any way involving the matters described in paragraphs A) or B) of this exclusion.

   This exclusion does not apply insofar as such *Loss* is covered by Insuring Clause 4.
**What is covered**

6 **Professional Services**

Loss directly or indirectly based on, arising out of or in any way involving any breach of professional duty to a client, customer or other third party who relies on advice, design, specification or other professional services provided by or on behalf of You or any Insured Person.

7 **Prior Knowledge of Fact, Circumstance or Situation**

Loss directly or indirectly based on, arising out of, or in any way involving any fact, circumstance or situation

A) which has been or should have been the subject of any written notice given under any policy of which this Insurance is a direct or indirect renewal or replacement or

B) alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) pending on or prior to the Original Inception Date.

8 **Territorial Limits**

Loss directly or indirectly based on, arising out of, or in any way involving any Claim made against You or any Insured Person which are based on or arise from or in any way involve the business or activities of You or any Insured Person outside the Territorial Limits or which are instituted or pursued before an arbitrator or tribunal or courts outside the Territorial Limits (whether for the enforcement of judgments or otherwise) or in which it is contended that the laws of any jurisdiction other than those within the Territorial Limits should apply.

9 **War and Terrorism**

A) Loss directly or indirectly based on, arising out of, or in any way involving Terrorism and or War

B) Any action taken in controlling preventing or suppressing Terrorism and or War

C) Pollution due to Terrorism and or War.

10 **Fraud, Dishonesty, Illegal Profit or Advantage (other than Defence Costs)**

Loss, other than Defence Costs, directly or indirectly based on, arising out of, or in any way involving

A) any dishonesty or fraud found by way of any judgement or other final adjudication to have been committed by an Insured Person

B) an Insured Person found by way of judgement or other final adjudication to have gained any profit or advantage or to have received any remuneration to which they are not legally entitled.

11 **Application of Exclusions**

No fact relating to or knowledge possessed by any Insured Person will be attributed to any other Insured Person for the purposes of applying exclusions 1-10 above under ‘What is not covered’.

**What is not covered**

6 **Professional Services**

Loss directly or indirectly based on, arising out of or in any way involving any breach of professional duty to a client, customer or other third party who relies on advice, design, specification or other professional services provided by or on behalf of You or any Insured Person.

7 **Prior Knowledge of Fact, Circumstance or Situation**

Loss directly or indirectly based on, arising out of, or in any way involving any fact, circumstance or situation

A) which has been or should have been the subject of any written notice given under any policy of which this Insurance is a direct or indirect renewal or replacement or

B) alleged in, relating to or underlying any written demand for monetary damages or other relief or any civil, criminal or administrative or regulatory proceeding (including arbitration) pending on or prior to the Original Inception Date.

8 **Territorial Limits**

Loss directly or indirectly based on, arising out of, or in any way involving any Claim made against You or any Insured Person which are based on or arise from or in any way involve the business or activities of You or any Insured Person outside the Territorial Limits or which are instituted or pursued before an arbitrator or tribunal or courts outside the Territorial Limits (whether for the enforcement of judgments or otherwise) or in which it is contended that the laws of any jurisdiction other than those within the Territorial Limits should apply.

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Loss, other than Defence Costs, directly or indirectly based on, arising out of, or in any way involving

A) any dishonesty or fraud found by way of any judgement or other final adjudication to have been committed by an Insured Person

B) an Insured Person found by way of judgement or other final adjudication to have gained any profit or advantage or to have received any remuneration to which they are not legally entitled.
Cl **##ards Conditions##

1 **##Claims Notification##

A) **##It is a requirement of this Insurance that You must notify Us in writing as soon as reasonably practicable after You have received notice of any Claim or after You become aware of any Circumstances.##

Such notification must, in any event, be given to Us:

i) during the Period of Insurance or any applicable Discovery Period

or, in respect of any Claim:

ii) within 60 days after the end of the Period of Insurance or any applicable Discovery Period.

B) **##Notification of any Claim or Circumstance must be sent to Us at the address shown in the Customer Care Services section of this document.##

Each notification will so far as reasonably practicable provide full details of the Claim or Circumstance including, but not limited to:

i) the identity of the claimant or potential claimant

ii) the nature of the Claim

iii) the likely amount of the Claim

iv) Your preliminary views (if any) on the merits of such Claim

and You will provide Us with such further information and documentation as We may reasonably require.

C) Any Claim arising from any notification of Circumstances will be regarded as having been made in the Period of Insurance (including any applicable Discovery Period) in which the Circumstances were first notified to Us.

D) Subject to the provisions of General Condition 7 C) We will not avoid any Claim on the grounds of the breach of this Claims Condition but where in Our opinion You have prejudiced the handling or settlement of any Claim the amount payable in respect of such Claim (including costs and expenses) will be reduced to such sum as in Our opinion would have been payable in the absence of such prejudice.

2 **##Allocation##

If You or any Insured Person incurs both Loss covered by this Insurance and loss not covered by this Insurance (either because a Claim is made against both You and an Insured Person or because a Claim includes both Loss which is covered and that which is not) We will negotiate in good faith with You or the Insured Person to determine a fair and reasonable allocation of the Loss taking into account the relative legal exposures of the parties with respect to covered and uncovered matters.

If We cannot agree an allocation of Loss with You or the Insured Person, We, You or the Insured Person agree to remit the issue of allocation to a Queen’s Counsel, (whose identity will be agreed between the parties and in default of agreement within 30 days of one party receiving written notice of a nomination being made by the other party, will be chosen by the Chairman for the time being of the Bar Council) whose decision will be binding. The Queen’s Counsel will be directed to apportion all costs of the determination, and will act as an expert and not as an arbitrator.

All references to Queen’s Counsel in this Claims Condition include, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status.

Reference to the Chairman for the time being of the Bar Council or his nominee include, where proceedings have been commenced in jurisdictions outside England and Wales, a similar appointee.

3 **##Defence and Co-operation##

A) **##We will have the right but will not be obliged to conduct in Your name or the name of an Insured Person the defence and settlement of any Claim covered by this Insurance, and to appoint lawyers or other representatives for this purpose even if any of the allegations are groundless, false or fraudulent. Our right to defend will cease upon exhaustion of the Limit of Liability applicable to this Insurance.##

B) **##With respect to any Claim or Circumstance notified##

i) You or the Insured Person will execute all papers required and will do everything necessary to defend such Claim and provide Us with all information, documentation, assistance and co-operation as We reasonably request.

ii) We will advance Defence Costs in excess of any applicable Contribution, provided that if and to the extent it is finally established that any such Defence Costs are not covered under this Insurance, You or the Insured Person, severally according to Your or their interests, agree to repay to Us such non-covered Defence Costs.

C) Neither You nor the Insured Person will settle or offer to settle any Claim, incur any Defence Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim, without Our prior written consent. We will not be liable for, and any applicable Contribution will not be depleted or exhausted by, any settlement, Loss or Defence Costs, assumed obligation or admission to which We have not consented.

D) We will not unreasonably withhold any consent referred to in this Claims Condition.

E) You and the Insured Persons agree that in the event of a Claim neither You nor the Insured Person will do anything that prejudices Our position or Our potential or actual rights of recovery. You and the Insured Person will at all times use reasonable endeavours to do, and concur in doing, all such things as are reasonably practicable to avoid or diminish any Loss and to assist with the defence or settlement of any Claim. We may make any investigation We reasonably consider necessary.
4 Disputes as to Contesting Legal Proceedings

A) Subject to the provisions of paragraph B) below, in the event of a disagreement arising between You or the Insured Person and Us as to whether or not to contest or settle legal proceedings or proceed with appeals, the issue will be remitted to a Queen’s Counsel whose decision on the probability of successfully defending the Claim or the acceptability of the proposed terms of settlement or the probability of succeeding on appeal will be final. The identity of such Queen’s Counsel will be agreed by the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party, by the Chairman for the time being of the Bar Council.

B) In the event that Queen’s Counsel or Junior Counsel is instructed in connection with the defence of a Claim, the parties will remit any issue between them to the said Counsel as to whether or not to contest or settle legal proceedings or proceed with appeals.

C) Any appointment under the provisions of this Claims Condition will be as expert and not as arbitrator.

D) The costs of the said expert determination will be regarded as forming part of the Defence Costs.

E) All references to Queen’s Counsel in this Claims Condition includes, where proceedings have been commenced in jurisdictions outside England and Wales, a lawyer of similar status.

F) Reference to the Chairman for the time being of the Bar Council in this Claims Condition includes, where proceedings have been commenced in jurisdictions outside England and Wales, a similar appointee.

5 Other Insurance

This Insurance will specifically apply in excess of any other valid and collectible insurance (including but not limited to any insurance which is stated to be primary, contributory, excess, contingent or otherwise), unless such other insurance specifically applies in excess of this Insurance.

For the avoidance of doubt, a Loss which is covered partly by this Insurance and partly by another insurance (including policies of which this is a renewal) issued by Us to You and to the Insured Person for which any previous applicable discovery period has not expired, will be limited to the larger amount of cover under the previous policy or this Insurance and will on no account be cumulative.

6 Related Claims

All Related Claims will be regarded as one Claim, and such Claim will be regarded as first made on the date the earliest of such Claims is first made, regardless of whether such date is before or during the Period of Insurance or the Discovery Period.

7 Recoveries

A) In the event of any payment under this Insurance, We will be entitled to the extent of such payment to all Your and the Insured Person’s rights of recovery. You and the Insured Person will do everything necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable Us to effectively bring proceedings in Your name or the name of the Insured Person.

B) We will not exercise Our rights of recovery against You or the Insured Person except where You or the Insured Person have been fraudulent, committed a criminal act or obtained any profit or advantage to which You or they are not legally entitled.

C) All recoveries obtained by You or the Insured Person from other parties will be allocated, after the settlement of any claim under this Insurance as follows

i) firstly, to the benefit of You or the Insured Person to reduce or extinguish the amount of the Your or their Loss to the extent that it would have been paid under this Insurance but for the fact that such Loss exceeds the Limit of Liability together with any Contribution where applicable

ii) secondly, to Our benefit for all sums paid in settlement of Loss arising under this Insurance

iii) thirdly, to the benefit of You or the Insured Person for the amount of the Contribution under this Insurance.

Such recoveries will be applied only after deduction of the reasonable cost of obtaining such recovery. All recoveries made prior to settlement of any Claim under this Insurance will be held for Our benefit and applied as stated above after settlement if any is made.
General Conditions

1 Alteration and Assignment
No change in, modification of, or assignment of interest under this Insurance will be effective except when made by written endorsement to this Insurance and issued by Us.

2 Arbitration
Any dispute arising out of or in connection with this Insurance will be referred to a sole arbitrator, who will be a Queen’s Counsel specialising in insurance law. The sole arbitrator will be appointed by agreement between the parties or, failing such agreement within 30 days of one party receiving written notice of a nomination being made by the other party by the Chairman for the time being of the Bar Council. The arbitration will be held in London and in the English language.

3 Authorisation Clause
It is a condition of this Insurance that You will act on behalf of all Insured Persons with respect to the giving and receiving of notice of any Claim or Circumstance, the payment of premiums and the receiving of any return premiums that may become due in respect of this Insurance, the negotiation, agreement to and acceptance of endorsements; and the giving or receiving of any notice provided for in this Insurance (except the giving of notice to apply for the Discovery Period), and You and the Insured Persons agree that You will so act on their behalf.

4 Cancellation of Your Fixed Sum Loan Agreement
Where We have agreed to You paying your premium by monthly instalments, then in the event that there is a default in the instalments due under the payment schedule, We reserve the right to terminate Your Policy and You will no longer be insured by Us. If Your monthly premium payment has a Fixed Sum Loan Agreement regulated by The Consumer Credit Act 1974, then this shall be deemed to be a linked loan agreement. In the event that there is a default in the instalments due under the payment schedule, We reserve the right to also terminate that linked loan agreement.

5 Law Applicable
Under the laws of the United Kingdom (England, Scotland, Wales and Northern Ireland) both You and We may choose the law which applies to this contract, to the extent permitted by those laws. Unless You and We agree otherwise in writing, We have agreed with You that the law which applies to this contract is the law which applies to the part of the United Kingdom in which You are based, or, if You are based in the Channel Islands or the Isle of Man, the law of whichever of those two places in which You are based.

We and You have agreed that any legal proceedings between You and Us in connection with this contract will only take place in the courts of the part of the United Kingdom in which You are based, or if You are based in either the Channel Islands or the Isle of Man, the courts of whichever of those two places in which You are based.

6 Limits of Liability and Contributions

A) Limit of Liability
Our maximum liability for all Loss resulting from all Claims first made during the Period of Insurance will be the Limit of Liability shown in the Schedule regardless of the number of Insured Persons. We are liable to indemnify.

B) Discovery Period
The purchase of any Discovery Period will not increase or reinstate the applicable Limit of Liability, which will be Our maximum liability for the Period of Insurance and Discovery Period, combined.

C) Your Contribution
i) Our liability under this Insurance for Loss arising from any single Claim will apply only to that part of such Loss which is in excess of Your Contribution as shown in the Schedule. Such Contribution will be payable by You or the Insured Person as applicable in respect of each and every Claim.

ii) If We are permitted or required to indemnify the Insured Persons in respect of any Loss suffered by them but fail to do so, We will pay such Loss directly to the Insured Persons on Your behalf, provided that You will be liable to pay any applicable Contribution.

D) Defence Costs
Defence Costs incurred by Us, or by You or any Insured Person with Our written consent, are part of and not in addition to the Limit of Liability and Our payment of Defence Costs reduces the Limit of Liability.

7 Partial Invalidity
Should any provision of this Insurance be, or become, invalid or unenforceable as a result of the law to which this Insurance is subject, such provision will be regarded as deleted and all other terms and conditions of this Insurance will remain in full force and effect.

8 Third Party Rights
A person who is not a party to this Insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Insurance but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

9 Post-Winding Up Protection & Changes of Control

A) If, during the Period of Insurance,

i) Your Business is wound-up

ii) Your entire issued share capital or all or substantially all of Your assets is acquired by another entity, or You merge or consolidate into or with another entity such that You are not the surviving entity

or,
iii) any person, entity or affiliated group of persons or entities obtains the right to elect, appoint or designate at least fifty per cent (50%) of Your directors

We will continue to provide cover until expiry of the Period of Insurance but only in respect of Loss where the events causing Loss occurred prior to the date of the above event.

B) If during the Period of Insurance an organisation ceases to be a Subsidiary We will continue to provide cover in respect of that Subsidiary until the expiry of the Period of Insurance but only with regard to Loss where the events causing Loss occurred prior to the date such organisation ceased to be a Subsidiary.

Any Claim arising in respect of A) or B) above may be notified during the Period of Insurance or any applicable Discovery Period.

10 Subsidiaries

If You have acquired a Subsidiary company prior to the Period of Insurance, such Subsidiary shall be covered under this Insurance in relation only to Wrongful Acts committed or alleged to have been committed after the date on which You acquired such Subsidiary.

11 Financial or Trade Sanctions

We shall not provide coverage or be liable to provide any indemnity or payment or other benefit under this Insurance if and to the extent that doing so would breach any prohibition or restriction imposed by law or regulation.

If any such prohibition or restriction takes effect during the Period of Insurance We or You may cancel this Insurance with immediate effect by giving written notice to the other at their last known address.

If the Insurance is cancelled We will give You a full refund of premium for any unexpired period of cover. We will do this only if

A) no circumstances that could reasonably be considered as likely to give rise to a claim under this Insurance have been notified to Us

and

B) no claims have been paid by Us or been notified to Us and are outstanding

prior to the date on which the prohibition or restriction took effect.
Definitions – Words with special meanings

Asbestos

Asbestos, crocidolite, amosite, chrysotile, fibrous actinolite, fibrous anthophyllite, or fibrous tremolite or any mixture containing any of those minerals.

Asbestos Containing Materials

Any material containing Asbestos or Asbestos Dust.

Asbestos Dust

Fibres or particles of Asbestos.

Business

The Business of Residents’ Association as shown in Your Schedule.

Circumstance

An incident, occurrence, fact, matter, act or omission which is likely to give rise to a Claim under this Insurance.

Claim

1 Service of a Claim Form, Counterclaim, Other Additional Claim, Application Notice, Notice of Appeal, Witness Summons or similar legal document (including an application for any related injunction) served upon You or any Insured Person in respect of a Wrongful Act

2 any arbitration proceeding or request to nominate an arbitrator served upon You or any Insured Person in respect of a Wrongful Act

3 any written communication (including electronic communications), whether or not containing a demand for compensation or damages, received by You or any Insured Person threatening commencement of proceedings in respect of a Wrongful Act, and any written demand against any Insured Person for monetary damages, reinstatement or other non-monetary relief

4 any criminal prosecution of an Insured Person resulting from a Wrongful Act

5 any notice of an Investigation commenced by the filing of a notice of charge, formal investigative order, questionnaire or similar document involving a Wrongful Act alleged to have been committed by an Insured Person or in respect of which an Insured Person is required to attend or give evidence by reason of his acting in the capacity of a Director or Officer

provided that it is first made against, or received by any Insured Person during the Period of Insurance.

Contribution

The first part of each and every Claim as shown in the Schedule which You and We have agreed will be paid by You.

This amount does not form part of the Limit of Liability and will be payable by You before the application of the Limit of Liability.

Defence Costs

Defence Costs includes that part of Loss consisting of reasonable and necessary costs, charges, fees (including but not limited to lawyers’ and agents’ fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of Your Directors, Officers or employees) incurred by Us or (with Our prior written consent) You or any Insured Person in respect of any Investigation involving a Wrongful Act alleged to have been committed by an Insured Person or in respect of which an Insured Person is required to attend or give evidence by reason of his acting in the capacity of a Director or Officer.

Director

Any person who was, is, or becomes during the Period of Insurance a director of Your Business.

Discovery Period

The period following the expiry of the Period of Insurance during which You and the Insured Persons may continue to notify Claims or Circumstances but only in relation to Wrongful Acts committed prior to the expiry of the Period of Insurance. Any Claim made during the Discovery Period will be deemed to have been made during the immediately preceding Period of Insurance.

Employment Wrongful Act

Any error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by any one or more Insured Persons in their capacities as such against any of Your past, present or prospective employees, Directors, or committee members, in connection with any actual or alleged

1 wrongful, unlawful or unfair dismissal, discharge or termination of employment

2 breach of any written or oral employment contract or quasi-employment contract

3 employment-related misrepresentation

4 violation of employment discrimination laws (including sexual or other workplace harassment and discrimination on the grounds of racial or national origin, sex, sexual orientation, religion, maternity, pregnancy, age and disability)

5 violation or non-compliance with legislation regulating working hours

6 wrongful failure to employ or promote

7 wrongful discrimination

8 wrongful discipline

9 wrongful deprivation of a career opportunity

10 failure to grant tenure

11 failure to adopt adequate workplace or employment policies and procedures

12 Retaliatory treatment of whistleblowers and others

13 negligent evaluation

14 employment-related invasion of privacy

15 employment-related breach of data protection legislation
16 employment-related libel, slander, humiliation and defamation
17 failure to furnish accurate job references
18 employment-related wrongful infliction of mental anguish or emotional distress
19 breach of any obligation which has been transferred to You virtue of the Transfer of Undertakings (Protection of Employment) Regulations 1981 or the EC Acquired Rights Directive, save for any obligation which existed at or prior to the date of transfer.

Insurance
This Directors & Officers Insurance which forms part of Your Properties Policy.

Insured Persons
Any person who was, is, or becomes during the Period of Insurance, a Director or Officer.

Investigation
An formal or official investigation (other than Your own internal investigation), examination or other proceedings made or commenced during the Period of Insurance by a governmental body, professional body or other institution duly authorised to carry out such investigation, including, without limitation, any such proceedings initiated by the Department of Trade and Industry, London Stock Exchange Limited, the Bank of England, The Panel on Takeovers and Mergers, the Financial Services Authority, the Health and Safety Executive, and the Commission for Racial Equality.

Limit of Liability
The maximum amount payable by Us in respect of the cover provided as shown in the Schedule.

Any reference to Limit of Liability means an aggregate limit for all Claims or Loss, as applicable, in any one Period of Insurance.

Loss
1 Damages, compensation, contributions, judgements or (if concluded with Our prior written consent) settlements
2 claimant’s legal costs and expenses
3 punitive, exemplary and aggravated damages, save for damages awarded in respect of an Employment Wrongful Act
4 all other costs and expenses ordered by a court or other legally authorised tribunal incurred with Our prior written consent
5 Defence Costs

in respect of a Claim made against, or received by, any Insured Person, jointly or severally.

Loss does not include taxes, fines, penalties or any other form of loss which is uninsurable under the law of the state or country to which the Claim is subject or the multiple portion of any multiplied damage award.

We will advance Defence Costs in accordance with Claims Condition 3 B) ii).

Original Inception Date
The date from which You have maintained uninterrupted Directors and Officers Liability insurance with Us.

Parent Company
Any holding, intermediate holding or ultimate holding company of Yours or any company with a controlling interest in Your Business or any subsidiary of the Parent Company (other than You).

Policy
Your Properties Policy wording (along with the Schedule and Statement of Fact) and this Insurance wording which forms part of the legal contract between You and Us.

Period of Insurance
The period beginning with the “From” date and ending with the “To” date shown in the Schedule and any other period for which We accept Your Premium.

Pollutants
Any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a country, state, county, municipality or locality counterpart thereof.

Such substances include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials.

Pollutants also means any other air emission, odour, waste water, oil or oil products, infectious or medical waste, biological contaminants, electric or magnetic or electromagnetic fields and noise, and any ionising radiations or contamination by radioactivity.

Pollution
The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of Pollutants into or on real or personal property, water or the atmosphere.

Related Claims
All Claims based on, arising out of, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.
**Retaliation, Retaliatory**

A Wrongful Act of You or any Insured Person relating to, or alleged to be in response to, the treatment of any employee less favourably than others, or the victimisation of that person, because that person threatens to bring proceedings, give evidence or information, take any action or make any allegation concerning his employer with reference to legislation relating to sex, race, or disability discrimination, whistleblowing and, subject to the provisions of this Insurance, any employment protection law generally; or where You or the Insured Person has already done any of the foregoing; and Retaliatory shall be construed accordingly.

**Schedule**

The document providing details of the various Insurances which are included in Your Properties Policy together with the levels of cover applying under each.

**Statement of Fact**

The document setting out information provided by You or Your representative as being relevant to the cover that has been applied for. It also includes assumptions We have made about factual circumstances relevant to the cover and which are confirmed by You as true and correct.

**Spouse**

A lawful spouse or any person deriving similar status by reason of the common law.

**Subsidiary**

Any company in which You hold directly or indirectly more than fifty per cent (50%) of the voting rights, have the right to appoint or remove a majority of the board of directors, hold more than half of the issued share capital, and where Your Business is a partnership, a company will be a Subsidiary of the partnership where such holding or right is held for the benefit of the partnership.

**Territorial Limits**

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

**Terrorism**

Any act including but not limited to the use of force for violence or the threat thereof of any person or group of persons whether acting alone or on behalf of or in connection with any organisation or government committed for political religious ideological or similar purposes including the intention to influence any government or to put the public or any section of the public in fear.

**We/Us/Our**

Royal & Sun Alliance Insurance plc
St Mark’s Court
Chart Way
Horsham
West Sussex
RH12 1XL
Complaints Procedure

Our Commitment To Customer Service

At RSA we are committed to going the extra mile for our customers. If you believe that we have not delivered the service you expected, we want to hear from you so that we can try to put things right. We take all complaints seriously and following the steps below will help us understand your concerns and give you a fair response.

Step 1

If your complaint relates to your insurance then please raise this with your insurance adviser. If your complaint relates to a claim then please call the claims helpline number shown in the customer care services page of this wording.

We aim to resolve your concerns by close of the next business day. Experience tells us that most difficulties can be sorted out within this time.

Step 2

In the unlikely event that your concerns have not been resolved within this time, your complaint will be referred to our customer relations team who will arrange for an investigation on behalf of our chief executive. Their contact details are as follows:

Post: RSA Customer Relations Team P O Box 255 Wymondham NR18 8DP

Email: crt.halifax@uk.rsagroup.com

Our promise to you

We will:
• Acknowledge all complaints promptly
• Investigate quickly and thoroughly
• Keep you informed of progress
• Do everything possible to resolve your complaint
• Use the information from your complaint to proactively improve our service in the future.

Once we have reviewed your complaint we will issue our final decision in writing within 8 weeks of the date we received your complaint.

If you are still unhappy

If you are still unhappy after our review, or you have not received a written offer of resolution within 8 weeks of the date we received your complaint, you may be eligible to refer your case to the financial ombudsman service. The financial ombudsman service is an independent body that arbitrates on complaints. They can be contacted at:

Post: Financial Ombudsman Service Exchange Tower Harbour Exchange Square London E14 9SR

Telephone: 0800 0234567 (free from standard landline, mobiles may be charged) 0300 1239123 (same rate as 01 or 02 numbers, on mobile phone tariffs)

Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

You have six months from the date of our final response to refer your complaints to the financial ombudsman service. This does not affect your right to take legal action, however, the financial ombudsman service will not adjudicate on any case where litigation has commenced.

Thank you for your feedback

We value your feedback and at the heart of our brand we remain dedicated to treating our customers as individuals and giving them the best possible service at all times. If we have fallen short of this promise, we apologise and aim to do everything possible to put things right.
How We Use Your Information

Please read the following carefully as it contains important information relating to the details that You have given Us. You should show this notice to any other party related to this Insurance.

Who We are

Directors & Officers Liability Insurance is underwritten by Royal & Sun Alliance Insurance plc.

You are giving Your information to Royal & Sun Alliance Insurance plc, which is a member of the RSA Group of companies (the Group). In this information statement 'We' 'Us' and 'Our' refers to the Group unless otherwise stated.

How Your information will be used and who We share it with

Your information comprises of all the details We hold about You and Your transactions and includes information obtained from third parties.

If You contact Us electronically, We may collect Your electronic information identifier e.g. Internet Protocol (IP) address or telephone number supplied by Your service provider.

We may use and share Your information with other members of the Group to help Us and them

- Assess financial and insurance risks
- Recover debt
- Prevent and detect crime
- Develop Our services, systems and relationships with You
- Understand Our customers' requirements
- Develop and test products and services.

We do not disclose Your information to anyone outside the Group except

- Where We have Your permission, or
- Where We are required or permitted to do so by law, or
- To credit reference and fraud prevention agencies and other companies that provide a service to Us, Our partners or You, or
- Where We may transfer rights and obligations under this agreement.

We may transfer Your information to other countries on the basis that anyone We pass it to provides an adequate level of protection. In such cases the Group will ensure it is kept securely and used only for the purpose for which You provided it. Details of the companies and countries involved can be provided on request.

From time to time We may change the way We use Your information. Where We believe You may not reasonably expect such a change We shall write to You. If You do not object, You will consent to that change.

We will not keep Your information for longer than is necessary.

Sensitive Information

Some of the information We ask You for may be sensitive personal data, as defined by the Data Protection Act 1998 (such as information about health or criminal convictions). We will not use such sensitive personal data about You or others except for the specific purpose for which You provide it and to carry out the services described in Your policy documents. Please ensure that You only provide Us with sensitive information about other people with their agreement.

How to contact Us

On payment of a small fee You are entitled to receive a copy of the information We hold about You. If You have any questions or You would like to find out more about this notice You can write to

Data Protection Liaison Officer
Customer Relations Office
RSA
Bowling Mill
Dean Clough Industrial Estate
Halifax
HX3 5WA