

Tata AIG General Insurance Company Ltd.

# **Corporate Guard - Directors & Officers Liability Insurance**

POLICYHOLDER:

POLICY NUMBER:

# **CorporateGuard - Directors & Officers Liability Insurance (SEC)**

In consideration of the payment of the premium the *insurer* and the *policyholder* agree as follows.

## **1. Insurance Cover**

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The following insurance covers are afforded solely for *claims* first made against an *insured* during the *policy period* and reported to the *insurer* as required by this policy.

### **1.1 Management Liability**

(i) **Individuals**

The *insurer* shall pay the *loss* of each *insured person*.

(ii) **Outside entity directors**

The *insurer* shall pay the *loss* of each *outside entity director*.

(iii) **Company reimbursement**

If a *company* pays the *loss* of an *insured person*, the *insurer* will reimburse the *company* for such *loss*.



**1.2 Special excess protection for *non-executive directors***

The *insurer* will pay the *non-indemnifiable loss* of each and every *non-executive director*, up to the *per non-executive director special excess limit*, when: (i) the *limit of liability*; (ii) all other applicable management liability insurance whether specifically written as excess over the *limit of liability* of this policy or otherwise; and (iii) all other indemnification for *loss* available to any *non-executive director*, have all been exhausted.

**1.3 Company *securities* liability**

The *insurer* shall pay the *loss* of each *company* arising from a *securities claim* for any *wrongful act* of that *company*.

## 2. Extensions

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### 2.1 Discovery

#### (i) **Bilateral discovery period**

If this policy is neither renewed nor replaced with management liability cover, the *policyholder* shall be entitled to a *discovery period*, automatically of 60 days, or, upon payment of the applicable additional premium, of the period specified in Item 10 of the schedule.

#### (ii) **Discovery period for retired insured persons**

If this policy is neither renewed nor replaced with management liability cover, *retired insured persons* shall automatically be entitled for an unlimited *discovery period* at no additional premium.

### 2.2 Emergency costs

If the *insurer's* written consent cannot reasonably be obtained before *defence costs* are incurred with respect to any *claim*, the *insurer* will give retrospective approval for such *defence costs* of up to USD 500,000 in the aggregate.

### 2.3 Interpretive counsel - US securities laws

The term *defence costs* expressly includes reasonable costs and expenses incurred by *insured persons* residing outside the United States of America for counsel within their home jurisdiction to interpret and apply advice received from United States' counsel in response to any *claim* alleging a violation of *Sarbanes-Oxley* or of any securities laws of the United States of America.

### 2.4 Additional regulatory crisis response

In addition to *investigation costs*, the insurer will pay, as part of the *limit of liability*, up to USD 100,000 for *regulatory crisis response costs* incurred through the *regulatory response team* only in response to a *critical regulatory event* that does not fall within the definition of *claim* or *investigation*.

### 2.5 Mitigation and avoidance services

The *insurer* has arranged for the *regulatory response team* to make available during the *policy period*, upon election by the *policyholder*, the loss avoidance and mitigation services package specified in Item 12 of the schedule. These services are detailed in Appendix 1 to this policy.

### 2.6 Assets and liberty costs

#### (i) **Prosecution costs**

The *insurer* will pay, where permitted by law, the *prosecution costs* of each *insured person* to obtain the discharge or revocation of a *judicial order* entered during the *policy period* imposing:

- (a) confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of such *insured person*;
  - (b) a charge over real property or personal assets of such *insured person*;
  - (c) a temporary or permanent prohibition on such *insured person* from holding the office of or performing the function of a *director* or *officer*;
  - (d) restriction of such *insured person's* liberty to a specified domestic residence or an *official detention*;
  - (e) deportation of an *insured person* following revocation of otherwise proper, current and valid immigration status for any reason other than such *insured person's* conviction of a crime; or
  - (f) extradition of such *insured person*.
- (ii) **Bail bond and civil bond expenses**  
The *insurer* will pay *bail bond and civil bond expenses* of each *insured person* incurred directly in connection with a *claim* covered under any insurance cover of this policy during the *policy period*.
- (iii) **Damage to reputation**  
The *insurer* will pay the *public relations expenses* of each *insured person*.

The *insurer's* total aggregate liability for cover under this extension 2.6 shall not exceed USD 25,000,000 forming part of the *limit of liability*.

## 2.7 Kidnap response

In the event of a *kidnapping, hijacking or wrongful detention* of an *insured person* during the *policy period*, the *insurer* will pay for *kidnap response costs* of up to USD 15,000 incurred through the *kidnap consultants* after they have been contacted as specified at Item 13 of the schedule.

## 2.8 New subsidiaries

If the *policyholder* obtains, during the *policy period*, either directly or indirectly through one or more of its *subsidiaries*:

- (i) control of the composition of the board of directors;
- (ii) control of more than half of the shareholder voting power; or
- (iii) a holding of more than half of the issued share capital;

of any entity then the term *subsidiary* will be extended to include that entity unless, at the time of obtaining such control or holding, the entity has total gross assets which are more than 10% of the total consolidated assets of the *policyholder* at inception or is incorporated, domiciled or has its *securities* publicly traded in the United States of America, its territories or possessions. In all other circumstances, the *policyholder* may request an extension of this policy for such entity; provided that the *policyholder* gives the *insurer* sufficient details to permit the *insurer* to assess and evaluate the *insurer's* potential increase in exposure. The *insurer* shall be entitled to

amend the policy terms and conditions, during the *policy period*, including by the charging of a reasonable additional premium.

### 3. Definitions

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In this policy the following words in italics shall have the definitions that follow:

#### 3.1 **Approved person**

any natural person employed by any *company* to whom the Financial Services Authority has given its approval to perform one or more of controlled functions 1-20 for a *company* pursuant to Section 59 of the Financial Services and Markets Act 2000.

#### 3.2 **Bail bond and civil bond expenses**

the reasonable premium (but not collateral) for a bond or other financial instrument to guarantee for up to 12 months an *insured person's* contingent obligation for a specified amount required by a court hearing a *claim* for any *wrongful act*.

#### 3.3 **Claim**

- (i) a written demand or civil, regulatory or arbitration proceeding seeking compensation or other legal remedy for a specified *wrongful act*;
- (ii) a criminal proceeding for a specified *wrongful act*;
- (iii) with respect to insured persons, an investigation.

The term "*claim*" shall include any *securities claim*.

#### 3.4 **Company**

the *policyholder* or any *subsidiary*.

#### 3.5 **Continuity date**

the applicable date specified as such in Item 8 of the schedule.

#### 3.6 **Critical regulatory event**

- (i) a raid on, or on-site visit to, any *company* which first takes place during the *policy period* by any official regulator (such as the Financial Services Authority) that involves the production, review, copying or confiscation of files or interviews of any *insured persons*;
- (ii) a public announcement relating to the foregoing; or
- (iii) the receipt by any *insured* during the *policy period* from any official regulator of a formal notice which legally compels the *insured* to produce documents to, or answer questions by or attend interviews with that regulator.

#### 3.7 **Defence costs**

reasonable costs and expenses incurred either as *emergency costs* or with the *insurer's* prior written consent (which shall not be unreasonably delayed or withheld), by or on behalf of an *insured* after a *claim* is made, directly in connection with its investigation, defence, settlement or appeal, but shall not include remuneration of any *insured*, cost of their time or costs or overheads of any *company*. *Defence costs* include the reasonable fees, costs and expenses of an accredited expert retained through defence

counsel approved by the *insurer* on behalf of an *insured* to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the defence of a covered *claim*.

3.8 **Director or officer**

any natural person, director or officer of a *company*.

3.9 **Discovery period**

a period immediately following expiry of the *policy period* during which written notice may be given to the *insurer* of a *claim* first made during such period or the *policy period*, for a *wrongful act* occurring prior to the expiry of the *policy period*, provided any applicable additional premium required by the *insurer* is paid within 30 days of expiry of the *policy period*.

3.10 **Emergency costs**

*defence costs* incurred in accordance with extension 2.2, *Emergency Costs*.

3.11 **Employment practice violation**

(i) any actual or alleged unfair or wrongful dismissal, discharge or termination, either actual or constructive, of employment, including breach of an implied contract; employment-related misrepresentation; wrongful failure to employ or promote, wrongful deprivation of career opportunities, or wrongful discipline; failure to furnish accurate job references; failure to grant tenure; negligent employee evaluation; sexual or workplace or racial or disability harassment of any kind (including the alleged creation of a harassing workplace environment); unlawful discrimination, whether direct, indirect, intentional or unintentional; failure to provide adequate employee policies and procedures; retaliation (including lockouts); or (ii) any other basis for a *claim* pursuant to the Indian Labour Laws and any amendments made thereto from time to time or any similar legislation in any jurisdiction; provided that the foregoing act, error, omissions or basis relates to the employment or prospective employment of any past, present, future or prospective employee of any *company*.

3.12 **Hijacking**

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

3.13 **Insured**

any *company* and any *insured person*.

3.14 **Insured person**

any natural person who was, is or during the *policy period* becomes:

- (i) a *director* or *officer*, but not an external auditor or insolvency officeholder of a *company*;
- (ii) an *approved person*;
- (iii) an employee of a *company*.
  - (a) while acting in a managerial or supervisory capacity in that *company*;

- (b) with respect to a *claim* alleging an *employment practice violation*; or
- (c) named as a co-defendant with a *director* or *officer* of a *company* in a *claim* in which such employee is alleged to have participated or assisted in the commission of a *wrongful act*;
- (iv) a *shadow director*;
- (v) an *outside entity director*;
- (vi) the spouse or domestic partner of an *insured person* for loss arising from a *claim* for a *wrongful act* of such *insured person*; and
- (vii) the administrator, heirs, legal representatives, or executor of a deceased, incompetent, insolvent or bankrupt *insured person's* estate for loss arising from a *claim* for a *wrongful act* of such *insured person*.

With respect to any *securities claim*, *insured person* also means any employee attorney who must comply with *Sarbanes-Oxley*.

### 3.15 **Insurer**

the *insurer* shall be Tata AIG General Insurance Company Ltd.

### 3.16 **Investigation**

any formal or official hearing, investigation or inquiry into the affairs of a *company*, or an *insured person* in his capacity as an *insured person* of such *company*:

- (i) by any *official body* (except the SEC), once an *insured person*:
  - (a) is required to attend;
  - (b) is identified in writing by an investigating authority as a target of the hearing, investigation or inquiry; or
- (ii) by the SEC after the service of a subpoena upon such *insured person*.

An *investigation* shall be deemed to be first made when the *insured person* is first so identified or so served or so required.

### 3.17 **Investigation costs**

reasonable fees, costs and expenses (except remuneration of any *insured*, cost of their time or costs or overheads of any *company*) incurred with the *insurer's* prior written consent by or on behalf of an *insured person* directly in connection with preparing for and attending an *investigation*.

### 3.18 **Judicial order**

- (i) an interim or interlocutory judicial order; or
- (ii) with respect to any proceeding concerning the deportation or extradition of any *insured person*, any judicial order;

entered against an *insured person* in connection with a *claim* against such *insured person* that is covered under any insurance cover of this policy. *Judicial order* shall not include a final order made in the disposition or adjudication of such *claim*.

3.19 ***Kidnapping***

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.

3.20 ***Kidnap consultants***

any person or entity described in Item 13 of the schedule.

3.21 ***Kidnap response costs***

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

3.22 ***Legal Panel***

The firms of solicitors appointed from time to time by the *insurer*.

3.23 ***Limit of liability***

the sum specified in Item 3 of the schedule.

3.24 ***Loss***

any *defence costs*, awards of damages (including punitive and exemplary damages), awards of costs or settlements for which an *insured* is legally liable resulting from a *claim* against an *insured*. For insurance covers 1.1 and 1.2 only, *loss* also means any *investigation costs*. *Loss* also includes payments made by the *insurer* under any extension, including with respect to: extension 2.2, *Emergency Costs*; extension 2.3, *Interpretive Counsel Costs*; extension 2.4, *Regulatory Crisis Response Costs*; extension 2.6, *Prosecution Costs*, *Bail Bond and Civil Bond Expenses* and *Public Relations Expenses*; and extension 2.7, *Kidnap Response Costs*.

*Loss* shall not include fines or penalties, taxes, remuneration or employment-related benefits, the multiplied portion of multiple damages, any sum payable pursuant to a financial support direction or contribution notice issued by the Pensions Regulator, any reimbursement of the *company* required pursuant to Section 304 of *Sarbanes-Oxley* nor amounts which are uninsurable under the laws of India; however, for *securities claims* only, *loss* shall include the multiplied portion of multiple damages.

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*.



3.25 **Non-executive director**

- (i) any natural person who serves as a non-executive *director* of the *policyholder* at the inception of the *policy period*; and
- (ii) any natural person who begins serving as a non-executive director of the *policyholder* during the *policy period* and who is listed by endorsement to this policy.

3.26 **Non-indemnifiable loss**

loss of an *insured person* that a *company* is unable to indemnify due to legislative prohibition or being deemed unable to pay its debts, as determined in accordance with section 123 of the Insolvency Act 1986 or any similar legislation in any other jurisdiction.

3.27 **Official body**

any regulator, government body, government agency or official trade body.

3.28 **Official detention**

confinement of an *insured person* in secure custodial premises, operated by or on behalf of a governmental or judicial agency in connection with a *claim* against such *insured person* and either without charge or without a judicial finding of culpability or liability in that *claim*.

3.29 **Outside entity**

any entity other than an entity that:

- (i) is incorporated, domiciled or has any of its securities listed on a securities exchange or market within the United States of America; is or has securities that are legally required to be the subject of any registration statement filed with the United States Securities and Exchange Commission (the "SEC"), or is subject to any obligation to file reports with the SEC in accordance with Section 13 of the Securities Exchange Act of 1934;
- (ii) is a bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity; or
- (iii) had negative net assets at the inception date of this policy; unless listed by endorsement to this policy as an *outside entity*.

3.30 **Outside entity director**

a natural person who did or does, or during the *policy period* begins to serve, at the specific request of a *company*, as a *director*, *officer*, trustee, governor or equivalent of an *outside entity*.

3.31 **Per non-executive director special excess limit**

the sum specified in Item 5 of the schedule.

3.32 **Policyholder**

the organisation specified in Item 1 of the schedule.

3.33 **Policy period**



the period from the inception date to the expiry date specified in Item 2 of the schedule.

3.34 **Pollutant**

any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant, including, but not limited to, asbestos, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste. Such waste includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

3.35 **Prosecution costs**

reasonable legal fees, costs and expenses, incurred by an *insured person* with the prior written consent of the *insurer*, to bring legal proceedings.

3.36 **Public relations expenses**

reasonable fees, costs and expenses of the *public relations consultants* retained by an *insured person* to mitigate the adverse effect on that *insured person's* reputation from a *claim* first made during the *policy period* for any *wrongful act*, by disseminating findings made in a final judicial disposition of that *claim* which exonerates the *insured person* from fault, liability or culpability.

3.37 **Public relations consultants**

any person or entity described in Item 11(b) of the schedule.

3.38 **Regulatory crisis response costs**

reasonable fees, costs and expenses of the *regulatory response team* incurred in responding to a *critical regulatory event*.

3.39 **Regulatory response team**

any person or entity described in Item 11(a) of the schedule.

3.40 **Retention**

the sum specified in Item 6 of the schedule.

3.41 **Retired insured person**

any *director, officer* or employee of a *company* who other than by reason of a *transaction*, voluntarily relinquishes their position within such *company* during the *policy period* and does not subsequently resume or assume the position of *director, officer* or employee in any *company*.

3.42 **Sarbanes-Oxley**

the Sarbanes-Oxley Act of 2002 of the United States of America or the substantively equivalent laws, rules or regulations, applicable to *securities* or to the *policyholder* by virtue of such *securities*.

3.43 **Security**

any security representing debt of or equity interests in a *company*.

3.44 **Securities claim**

any *claim*, other than an administrative or regulatory proceeding against, or an investigation of a *company*, made against an *insured*:

- (i) alleging a violation of any laws (statutory or common), rules or regulations regulating *securities*, the purchase or sale or offer or solicitation of an offer to purchase or sell *securities*, or any

registration relating to such *securities*:

- (a) brought by any person or entity alleging, arising out of, based upon or attributable to the purchase or sale, or offer or solicitation of an offer to purchase or sell any *securities* of a *company*, or
- (b) brought by a *security* holder of the *company* with respect to such *security* holder's interest in *securities* of such *company*; or
- (ii) brought derivatively on behalf of a *company* by a *security* holder of that *company*

*Securities claim* shall not mean any *claim* by an employee or *director* or *officer* of a *company* alleging, arising out of, based upon or attributable to the loss of, or the failure to receive or obtain, the benefit of any *securities* (including any warrants or options).

**3.45 Shadow director**

any natural person, who, as a consequence of being a *director*, *officer* or employee of any *company*, is deemed a shadow director, as defined in Section 741 of the Companies Act 1985 (or similar legislation in any other jurisdiction), of any other *company*.

**3.46 Submission**

each and every signed proposal form, the statements, warranties, and representations therein its attachments, the financial statements of any *company* together with all other material information submitted to the *insurer* in connection with this policy.

**3.47 Subsidiary**

an entity in which the *policyholder*, either directly or indirectly through one or more other entities:

- (i) controls the composition of the board of directors;
- (ii) controls more than half of the shareholder voting power; or
- (iii) holds more than half of the issued share capital.

on or before the inception date of this policy.

**3.48 Transaction**

any one of the following events:

- (i) the *policyholder* consolidates with or merges into or sells all or a majority of its assets to any other person or entity or group of persons and/or entities acting in concert; or
- (ii) any person or entity, or persons or entities acting in concert (other than a *subsidiary* or *subsidiaries*) becomes entitled to exercise more than 50% of the rights to vote at general meetings of the *policyholder* or control the appointment of *directors* who are able to exercise a majority of votes at meetings of the board of directors of the *policyholder*.

**3.49 US claim**

a *claim* brought or maintained within the jurisdiction of, or based upon any laws of the United States of America, its states, localities, territories or

possessions.

**3.50 Wrongful act**

- (i) with respect to any *insured person*:
- (a) any actual or alleged act, error or omission by an insured person in any of the capacities listed in the definition of insured person; or any matter claimed against an insured person solely because of such listed capacity;
- (b) *wrongful act* expressly includes any actual or alleged act, error or omission, that forms the basis of, is connected to or that results in any violation of *Sarbanes-Oxley* anywhere in the world; including any such violation in connection with:
- audit committee service;
  - *Sarbanes-Oxley* certification or disclosure requirements;
  - GAAP reconciliation;
  - *Sarbanes-Oxley* prohibitions of conflicts of interests; or
  - employee whistle-blowing; and
- (ii) with respect to any *company*: any actual or alleged act, error or omission by the *company*, but solely as respects a *securities claim*.

**3.51 Wrongful detention**

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

**4. Exclusions**

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The *insurer* shall not be liable to make any payment, under any insurance cover or extension:

**4.1 Conduct**

arising out of, based upon or attributable to:

(i) the gaining of profit or advantage to which the *insured* was not legally entitled; or

(ii) the committing of any dishonest or fraudulent act

in the event that any of the above is established by final adjudication of a judicial or arbitral tribunal or any, admission by the *insured*.

**4.2 Injury and property damage**

for bodily injury, sickness, disease, death or emotional distress, or damage to, destruction, impairment or loss of use of any property; provided, however, that any *claim* for emotional distress shall not be excluded with respect to an *employment practice violation*.

**4.3 Prior *claims* and circumstances**

arising out of, based upon or attributable to:

(i) facts alleged or the same or related *wrongful act(s)* alleged or contained in any *claim* which has been reported or in any circumstances of which notice has been given under any policy of which this policy is a renewal or replacement or which it may succeed in time; or

(ii) any pending or prior litigation as of the *continuity date*, or alleging or deriving from the same or essentially the same facts as alleged in the pending or prior litigation. For the purposes of this exclusion, the term 'litigation' shall include, but not be limited to, any civil or criminal proceeding as well as any administrative or regulatory proceeding or official investigation or arbitration or adjudication.

**4.4 Pollution**

arising out of, based upon or attributable to the actual, alleged or threatened discharge, dispersal, release or escape of, or records concerning *pollutants*; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise *pollutants*; provided, however, this exclusion shall not apply to:

(i) *defence costs* which fall within *non-indemnifiable loss*; nor

(ii) any *claim* against an *insured person* by a shareholder of a *company*, whether made directly or derivatively, alleging damage to that *company* or its shareholders due to a breach of duty owed by the *insured person*.

**4.5 Trustees**

for any act or omission by an *insured* as a trustee, fiduciary or administrator of a *company's* pension, profit-sharing or employee benefits programme including any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (USA) or the Pensions Act 1995 (UK) or any similar provisions of the law, common or statutory, of any state, territory, jurisdiction, or political subdivision thereof.

4.6 **US Claims brought by insureds**

arising out of, based upon or attributable to any US claim which is brought by or on behalf of any:

- (i) *company*;
- (ii) *outside entity* in which such *insured* serves or served as an *outside entity director*; or
- (iii) *insured person* of such *company* or *outside entity*;

This exclusion shall not apply to:

- (i) any *claim* against any *insured person*:
  - (a) pursued as a shareholder derivative action brought or maintained on behalf of a *company* or *outside entity*; and that has not been solicited or brought with the voluntary (rather than legally required) intervention, assistance or active participation of any *director* or *officer* or any *company* or any *outside entity director*;
  - (b) for any *employment practice violation* brought or maintained by any *insured person*;
  - (c) pursued by an *insured person* for contribution or indemnity, if the *claim* directly results from another *claim* otherwise covered under this policy;
  - (d) pursued by any past *director*, *officer* or employee of a *company* or *outside entity*; or
  - (e) pursued by an insolvency administrator, receiver, trustee, creditors' committee (or any assignee thereof) or liquidator of any *company* or *outside entity* either directly or derivatively on behalf of a *company* or *outside entity*;
  - (f) *defence costs* of any *insured person*.

4.7 **Exclusions applying only to extension 2.7: Kidnap Response**

The *insurer* shall not be liable to make any payment under extension 2.7: Kidnap Response, resulting directly or indirectly from:

- (i) fraudulent, dishonest or criminal acts of an *insured*, *company* or any person authorised by an *insured person* or *company* to have custody of ransom monies;
- (ii) *kidnapping*, *hijacking*, or *wrongful detention* of an *insured person*:
  - (a) who has had other kidnap insurance cancelled or declined;
  - (b) who has been *kidnapped* previously; or
  - (c) within his country of residence; or
- (iii) *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* determines such allegations to be intentionally false, fraudulent or malicious and

- made solely to achieve a political, propaganda or coercive effect upon or at the expense of a *company* or *insured person*;
- (b) failure of the detained *insured person* to evacuate from the country in which he is detained within ten (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) active membership by the detained *insured person* in any governmental organisation, official law enforcement, or military force.

## 5. General Provisions

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### 5.1 *Discovery period*

The *policyholder* must make any request for a *discovery period* in writing no later than 15 days after expiry of the *policy period*. A *discovery period* is not cancellable.

While this policy affords to the *policyholder* no right to a *discovery period* if a *transaction* takes place; upon written request of the *policyholder*, the *insurer* may quote a run-off discovery period. In considering such request, the *insurer* shall be entitled to fully underwrite the exposure and to extend such offer on whatever terms, conditions and limitations that the *insurer* deems appropriate.

### 5.2 *Severable nature of the policy*

With respect to the contents of the *submission* and for the purposes of the application of exclusion 4.1:

- (i) no statements made nor any information or knowledge possessed by any *insured person*, nor any act, error or omission of any *insured person* shall be imputed to any other *insured person*; and
- (ii) only the statements and knowledge of any chief executive officer, chief operating officer, chief financial officer or chief legal officer (or equivalent positions) of a *company* shall be imputed to that *company*; and the knowledge of the same officers of the *policyholder* will be imputed to all *companies*.

### 5.3 *Limit of liability*

The *limit of liability* is the aggregate limit of the *insurer's* liability in respect of all insurance covers and extensions and *insureds*, except insurance cover 1.2. The *per non-executive director special excess limit* is a separate aggregate limit of the *insurer's* liability to each *non-executive director* under insurance cover 1.2, and it is in addition to, and not part of, the *limit of liability*.



The *insurer* shall have no liability in excess of such limits irrespective of the number of *insureds* or *claims* made during the *policy period* or *discovery period*; including, *claims* or related *claims* which are accepted as made during the *policy period* pursuant to general provision 5.10,

Each sublimit of liability set forth in the policy is the most the *insurer* will pay in the aggregate under this policy as *loss* in respect of any insurance cover or extension to which it applies.

Any sum paid by Tata AIG General Insurance Company Ltd. under this policy shall erode the *insurer's* liability for *loss* under the *limit of liability* and, if applicable, the *per non-executive director special excess limit*.

#### 5.4 **Retention & Coinsurance**

The *retention* is not applicable to *non-indemnifiable loss*. For *loss* of any *company*, or that any *company* has indemnified or has agreed to indemnify, the *insurer* shall be liable only for the amount of that *loss* which exceeds the *retention* as specified in item 6 of the schedule. The *retention* is not part of the *insurer's* liability for *loss*. The *retention* is to be borne by the *companies* and shall remain uninsured. A single *retention* shall apply to all *loss* arising from any *claim* or series of *claims* arising out of, based upon or attributable to continuous, repeated or related *wrongful acts*.

In the event that any *company* is able to indemnify an *insured person* but does not, the *insurer* shall advance to the *insured person* all *loss* within the *retention*. Under these circumstances the *retention* shall be payable by the *company* to the *insurer*.

If the *insurer* advances *loss* for which a *retention* applies, the *company* agrees to repay the *insurer* immediately to the full extent the *retention* applies, once the *insurer* notifies the *company* of the *loss* so advanced.

For each *claim* made in whole or in part against any *company*, the defendant (or respondent) *company* shall, excess of the applicable *retention*, bear uninsured at its own risk and pay the coinsurance percentage proportion of such *loss*. The *insurer's* liability hereunder with respect to *loss* of any *company* shall apply only to the remaining percentage of such *loss*, and the *insurer* shall have no obligation to pay to the extent that any applicable coinsurance is not paid by a *company*. Payments of coinsurance shall not be subject to and do not reduce any limits of liability under this policy.

#### 5.5 **Claims made & reported**

The insurance covers under this policy are afforded solely with respect to *claims* first made against an *insured* during the *policy period* or an applicable *discovery period* or accepted as such pursuant to general provision 5.10 and upon the condition precedent that such *claims* have been reported to the *insurer* as soon as practicable, but in all events no later than either:

- (i) during the *policy period* or *discovery period*; or
- (ii) within 30 days after the end of the *policy period* or the *discovery period*, as long as such *claim* was first made against an *insured* within the final 30 days of the *policy period* or *discovery period*, if

applicable.

**5.6 Kidnap response notice and information**

As a condition precedent to the *insurer's* liability under extension 2.7, the *policyholder* will make every reasonable effort to determine that the *kidnapping, hijacking, or wrongful detention* has actually occurred, give immediate oral and written notice to the *insurer* and maintain confidentiality of the existence of extension 2.7.

**5.7 Reporting critical regulatory events**

As a condition precedent to cover for *regulatory crisis response costs* from any *critical regulatory event*, the *critical regulatory event* must have been reported to the *insurer* as soon as practicable.

**5.8 Claim notification**

All notifications relating to *claims* or circumstances must be in writing to:

**Financial Lines Claims  
Tata AIG General Insurance Company Ltd.  
Unit No. 1501-1502, 15th Floor, Tower A, Peninsula  
Business Park, Ganpatrao Kadam Marg, Off Senapati  
Bapat Marg, Lower Parel, Mumbai- 400 013**

**5.9 Reporting circumstances**

Any *insured* may, during the *policy period*, notify the *insurer* at the above address of any circumstance reasonably expected to give rise to a *claim*. The notice must include the reasons for anticipating that *claim* and full particulars as to dates, acts and persons involved.

**5.10 Related claim, single claim**

Any *claim* made after expiry of the *policy period* (or applicable *discovery period*) which alleges, arises out of, is based upon or attributable to any fact alleged in, or *wrongful act* which is pertinent to:

- (i) a *claim* first made during the *policy period* (or applicable *discovery period*); or
- (ii) a circumstance reasonably expected to give rise to a *claim*,

which was reported to the *insurer* as required by this policy, will be accepted by the *insurer* as having been made at the same time as the notified *claim* was made or the circumstance was reported, and reported at the same time as the notified *claim* or circumstance.

Also, any *claim* or series of *claims* arising out of, based upon or attributable to continuous, repeated or related *wrongful acts* shall be considered a single *claim*.

**5.11 Defence and settlement of claims**

All *insureds* shall at their own cost, render all reasonable assistance to and cooperate with the *insurer*. In the event of any *claim*, each *insured* shall take reasonable steps to mitigate *loss*.

Except as otherwise provided in this clause, the *insured* shall have the right and duty to defend and contest any *claim* made against them. The *insurer* shall be entitled to participate fully in the defence and in the negotiation of

any settlement that involves or appears reasonably likely to involve the *insurer*.

The *insurer* will accept as reasonable and necessary the retention of separate legal representation to the extent required by a material conflict of interest between any *insureds*.

If a *claim* is made against an *insured person* by the *company*, the *insurer* shall have no duty or obligation to communicate with any other *insured person* or the *company* in relation to that *claim*.

With respect to any *claim* other than a *US claim* which is brought against an *insured person* by or on behalf of any:

- (i) *Company*; or
- (ii) *Outside entity* in which such *insured person* serves or served as an *outside entity director*

the *insurer* shall have the right and duty to defend and contest any such *claim* made against any *insured person*. In the event that the *insurer* decides that representation by a solicitor is necessary, then the *insured person* shall select one of the *legal panel* firms to provide such legal representation.

#### 5.12 **Payment of defence costs**

The *insurer* shall pay *defence costs* in excess of the *retention*, if applicable, covered by this policy promptly after sufficiently detailed invoices for those costs are received by the *insurer*. The *policyholder* shall reimburse the *insurer* for any payments which are ultimately determined not to be covered by this policy.

#### 5.13 **Consent**

The *insured* shall not admit or assume any liability, enter into any settlement agreement, or consent to any judgment without the prior written consent of the *insurer*. Only judgments resulting from *claims* defended in accordance with this policy shall be recoverable as a *loss* under this policy. If any *insured* shall compromise or settle any *claim* or potential *claim* without the *insurer's* prior written consent, in a manner that limits or precludes recovery or recourse against such *insured* or assets of or in the possession of such *insured*, and expressly or effectively preserves for or provides to a claimant or potential claimant recourse against this policy or the *insurer*, this policy shall afford no cover in connection with that *claim* or potential *claim*.

#### 5.14 **Allocation**

The *insurer* shall be liable only for *defence costs* or other *loss* derived exclusively from a covered *claim* against an *insured person* or a covered *securities claim* against a *company*. The *insurer* has no obligation under this policy for *defence costs* incurred by, judgments against or settlements by a *company* arising out of a *claim* made against a *company* other than a covered *securities claim*, nor any obligation to pay *loss* arising out of any legal liability that a *company* has to a claimant, except as respects a covered *securities claim* against such *company*.

Accordingly, with respect to: (i) *defence costs* jointly incurred by; (ii) any joint settlement entered into by; and/or (iii) any judgment of joint and several liability against any *company* and any *insured* in connection with any *claim* other than a *securities claim*, any such *company* and any such *insured person* and the *insurer* agree to use their best efforts to determine a fair and proper allocation of the amounts as between any such *company*, any such *insured person* and the *insurer*, taking into account the relative legal and financial exposures, and the relative benefits obtained by any such *insured* and any such *company*.

In the event that any *claim* involves both covered matters and matters or persons not covered under this policy, a fair and proper allocation of any *defence costs*, judgments and/or settlements shall be made between the *company*, the *insured person* and the *insurer* taking into account the relative legal and financial exposures attributable to covered matters and matters or people not covered under this policy.

#### 5.15 Disputes between *insurer* and *insureds*

Except as otherwise provided under general provision 5.11, in the event that a determination as to the amount of *defence costs* to be advanced to any *insured* under this policy cannot be agreed to, then any obligation of the *insurer* to advance *defence costs* shall not exceed the amount which the *insurer* determines to be fair and proper until a different amount shall be agreed upon or determined pursuant to the provisions of this policy and applicable law.

#### 5.16 Arbitration

To the extent that a dispute arises between the *insurer* and the *insured* regarding the cover afforded by this policy specifically in respect of *claims* brought by or on behalf of the *company* against an *insured*, such dispute shall be referred to a mutually agreed mediator as a condition precedent to any *claim* being pursued under the policy against the *insurer*. If any such dispute remains unresolved after the mediation process it shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (LCIA). The Rules of the LCIA shall be deemed to be incorporated by reference into this clause, save that the said Rules will not apply in relation to the procedure for the appointment of arbitrators and the number thereof. Three arbitrators shall be appointed. The *insured* and the *insurer* shall appoint one arbitrator each and a third, who shall be Chairman of the arbitration, shall be appointed by agreement between the *insured* and the *insurer*. Failing such agreement after 30 days, the Chairman of the arbitration shall be appointed by the President of the LCIA or failing him his duly authorised deputy.

#### 5.17 Changes in Risk

**COMPANIES AND INSURED PERSONS:** Cover for any *claim* against any *company* or any *insured person* of a *company* shall apply only for *wrongful acts* committed while such entity is a *company* and while such *insured person* serves in an *insured person* capacity.

**TRANSACTIONS:** The *insurer* shall not be liable to make any payment or to provide any services in connection with any *claim* arising out of, based

upon or attributable to a *wrongful act* committed after the occurrence of a *transaction*.

**SIGNIFICANT US SECURITIES OFFERINGS:** If, during the *policy period*, an increase in the US market capitalisation of a *company* exceeds the percentage specified in Item 14 of the schedule as the individual or collective result of an offering or offerings of *securities*, then the *insurer* shall not be liable to make any payment under any insurance cover or extension directly or indirectly arising out of, based upon or attributable to any *wrongful act* of such *company*, or any of its *insured persons*, committed after the date that percentage is exceeded, where such *wrongful act* is in connection with the *securities* offered or any related registration or reporting requirements; unless the offering *company* agrees to any amendments to this policy and to pay any additional premium required by the *insurer* within 90 days following the public announcement of such offering.

#### 5.18 Subrogation and co-operation

The *insurer* shall be subrogated to all *insureds'* rights of recovery, contribution and indemnity before or after any payment under this policy. The *insured persons* and *companies* shall do nothing to prejudice such rights. It shall be a condition to the obligations of the *insurer* that *insured persons* and *companies* will, at their own cost: (i) give the *insurer* full details of a reported circumstance or *claim* as soon as possible together with all relevant documents; and (ii) assist and co-operate with the *insurer* in the investigation, defence, settlement or appeal of a *claim* or reported circumstance. The *insurer* shall not exercise its rights of subrogation against an *insured person* in connection with a *claim* unless the *insurer* can establish that exclusion 4.1, conduct applies to that *claim* and that *insured person*.

#### 5.19 Other insurance & indemnification

Insurance provided by this policy applies excess over more specific management liability insurance and indemnification available from any other source. The *insurer* will not pay the *loss* of an *insured person* arising out of a *wrongful act* in an *outside entity* capacity unless: (i) that *outside entity* is unable to indemnify that *loss* due to legislative prohibition or insolvency; and (ii) the *loss* is not covered under any other collectible management liability insurance issued to the *outside entity* or for the benefit of its *directors, officers* or employees.

Further, for *regulatory crisis response costs* incurred in response to any *critical regulatory event* (and any other related *critical regulatory events*) covered under this policy and any other insurance coverage provided by the *insurer* or any other company of American International Group, Inc. (AIG) (or would be provided but for the application of a retention, exhaustion of a *limit of liability* or failure to submit a notice as required), then AIG's maximum obligation for *regulatory crisis response costs* combined in response to all such *critical regulatory events* under all such coverage shall be USD 100,000

#### 5.20 Services Disclaimer

Services of a third-party that may be offered in connection with this policy are being provided to the *insureds* by the third-party directly, as its client, without the supervision of the *insurer*. Accordingly, the *insurer* cannot and does not make any warranties, guarantees or representations with respect to any such services or any failure to provide same; and the *insurer* shall have no liability for acts, errors or omissions of any third party service provider or otherwise for damages from the use of, or inability to use any such services.

**5.21 Notice and authority**

The *policyholder* shall act on behalf of all *insureds* in connection with all matters relevant to this policy.

**5.22 Assignment**

Neither this policy nor any right hereunder may be assigned without written consent of the *insurer*.

**5.23 Policy interpretation**

Any interpretation of this policy or issue relating to its construction, validity or operation shall be determined by the laws of England and Wales. No amendment to this policy will be effective unless it is written. Except as otherwise provided herein, the parties will submit to the exclusive jurisdiction of the High Court of England.

This policy, its schedule and any endorsements are one contract in which, unless the context otherwise requires:

- (i) headings are descriptive only, not an aid to interpretation;
- (ii) singular includes the plural, and vice versa;
- (iii) the male includes the female and neuter;
- (iv) 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
- (v) references to positions, offices or titles shall include their equivalents in any jurisdiction in which a *claim* is made.

**5.24 Cancellation of the policy**

(a) The *insurer* may cancel this policy by giving 30 days written notice of such cancellation to the last known address of the *policyholder* and in such event the *insurer* will return a pro-rata portion of the premium for the unexpired *policy period*.

(b) This policy may also be cancelled by the *policyholder* by giving 30 days written notice to the *insurer* in which event the *insurer* will retain premium at the customary short period scale, provided that there has been no *claim* under the policy during the *policy period* in which case no refund of premium shall be allowed.



- (c) The payment or tender of any unearned premium by the *insurer* shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable.



## SECTION - Customer Grievance Redressal Procedure

The Company is committed to extend the best possible services to its customers. However, if **you** are not satisfied with **our** services and wish to lodge a complaint, please feel free to call **our** 24X7 Toll free number 1800-266-7780/022-66939500 (tolled) or **you** may email to the customer service desk at customersupport@tata-aig.com.

### Nodal Officer

Please visit **our** website at [www.tataaiginsurance.in](http://www.tataaiginsurance.in) to know the contact details of the nodal officer for **your** servicing branch.

After investigating the grievance internally and subsequent closure, **We** will send **Our** response within a period of 10 days from the date of receipt of the complaint by the Company or its office in Mumbai. In case the resolution is likely to take longer time, **We** will inform **you** of the same through an interim reply.

### Escalation Level 1

For lack of a response or if the resolution still does not meet **your** expectations, **you** can write to [manager.customersupport@tata-aig.com](mailto:manager.customersupport@tata-aig.com). After investigating the matter internally and subsequent closure, **We** will send **Our** response within a period of 8 days from the date of receipt at this email id.

### Escalation Level 2

For lack of a response or if the resolution still does not meet **your** expectations, **you** can write to the Head - Customer Services at [head.customerservices@tata-aig.com](mailto:head.customerservices@tata-aig.com). After examining the matter, **We** will send **you** our final response within a period of 7 days from the date of receipt of **your** complaint on this email id.

Within 30 days of lodging a complaint with **us**, if **you** do not get a satisfactory response from **us** and **you** wish to pursue other avenues for redressal of grievances, **you** may approach Insurance Ombudsman appointed by IRDAI under the Insurance Ombudsman Scheme.







Jurisdiction territory	Office of the Ombudsman
State of Gujarat and Union Territories of Dadra & Nagar Haveli and Daman and Diu.	6th Floor, Jeevan Prakash Bldg, Tilak Marg, Relief Road, Ahmedabad - 380001. Tel : 079-25501201/02/05/06 Email: bimalokpal.ahmedabad@gbic.co.in
State of Karnataka.	24th Main Road, Jeevan Soudha Bldg, JP Nagar, 1st Phase, Bengaluru – 560 025. Tel.: 080-22222049/22222048 Fax: 080 - Email: bimalokpal.bengaluru@gbic.co.in
States of Madhya Pradesh and Chattisgarh.	2nd Floor, Janak Vihar Complex, 6, Malviya Nagar, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@gbic.co.in
State of Orissa.	62, Forest Park, BHUBANESHWAR-751 009. Tel.:- 0674-2596455/2596003 Fax : 0674-2596429 Email : bimalokpal.bhubaneswar@gbic.co.in
States of Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir and Union territory of Chandigarh.	SCO No.101-103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706468/2772101 Fax : 0172-2708274 Email : bimalokpal.chandigarh@gbic.co.in
State of Tamil Nadu and Union Territories - Pondicherry Town and Karaikal (which are part of Union Territory of Pondicherry).	Fathima Akhtar Court, 4th Floor, 453 (old 312), Anna Salai, Teynampet, CHENNAI-600 018. Tel.: 044 - 24333668 / 24335284 Fax : 044-24333664 Email : bimalokpal.chennai@gbic.co.in
States of Delhi.	2/2 A, Universal Insurance Building, Asaf Ali Road, NEW DELHI-110 002. Tel.: 011-23234057/23232037 Fax : 011-23230858 Email : bimalokpal.delhi@gbic.co.in
States of Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.	“Jeevan Nivesh”, 5th Floor, Near Panbazar Overbridge, S.S. Road, GUWAHATI-781 001 (ASSAM). Tel.: 0361 - 2132204 / 2132205 Fax : 0361-2732937 Email : bimalokpal.guwahati@gbic.co.in
States of Andhra Pradesh, Telangana and Union Territory of Yanam and a part of the Union Territory of Pondicherry.	6-2-46, 1 <sup>st</sup> Floor, Moin Court, A. C. Guards, Lakdi-Ka-Pool, HYDERABAD-500 004. Tel.: 040 - 65504123 / 23312122 Fax: 040-23376599 Email : bimalokpal.hyderabad@gbic.co.in

State of Rajasthan	Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Road, Jaipur - 302 005. Tel.: 0141-2740363 Fax: 0141 - Email : bimalokpal.jaipur@gbic.co.in
State of Kerala and Union Territory of (a) Lakshadweep (b) Mahe-a part of Union Territory of Pondicherry.	2nd Floor, CC 27/2603, Pulinat Bldg., M. G. Road, ERNAKULAM-682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email : bimalokpal.ernakulam@gbic.co.in
States of West Bengal, Sikkim and Union Territories of Andaman and Nicobar Islands.	Hindustan Building. Annexe, 4 <sup>th</sup> Floor, C.R. Avenue, Kolkatta – 700 072. Tel.: 033 - 22124339 / 22124346 Fax : 033 - 22124341 Email : bimalokpal.kolkata@gbic.co.in
Districts of Uttar Pradesh : Laitpur, Jhasi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar	Jeevan Bhawan, Phase-2, 6 <sup>th</sup> Floor, Nawal Kishore Road, Hazaratganj, LUCKNOW-226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email : bimalokpal.lucknow@gbic.co.in
Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.	3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz(W), MUMBAI-400 054. Tel.: 022-26106960/26106552 Fax: 022 - 26106052 Email : bimalokpal.mumbai@gbic.co.in
Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.	3 <sup>rd</sup> Floor, Jeevan Darshan, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-32341320 Fax: 020 -2 Email : bimalokpal.pune@gbic.co.in
State of Bihar and Jharkhand.	1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel No: 0612-2680952 Email: bimalokpal.patna@gbic.co.in
State of Uttaranchal and the following Districts of Uttar Pradesh : Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghazaibad,	Bhagwan Sahai Palace , 4th Floor, Main Road, Naya Bans, Sector 15, G.B. Nagar, Noida. NOIDA – 201301 Tel: 0120-2514250/51/53 Email: bimalokpal.noida@gbic.co.in



Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur	
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This Policy is subject to IRDAI (Protection of Policyholder's Interests) Regulation, 2017.