

Elite V

Directors and officers liability insurance

CHUBB®

Important Notice

These insurance terms and conditions are an integral part of your insurance policy. Please read it carefully to ensure that it is in accordance with your requirements and that you understand its terms and conditions. Please contact your insurance intermediary immediately if any correction is necessary.

Directors and Officers Liability Insurance

Relationship of the **Insurer**, the **Policyholder** and the **Insured** in connection directors and officers liability insurance is governed by the **Insurance Policy** and by this policy that represents its integral part.

Please, read the **Insurance Policy** carefully, above all the provisions that may restrict the insurance coverage.

Words and phrases that appear in **bold** print in these terms and conditions have special meanings defined in Article 3. Definitions.

1. Insuring Agreement - Insurance Risk, Insured Event

This insurance covers legal liability of the **Insured** for **Loss** in respect of execution of the office as further specified in this policy and in the **Insurance Policy**.

For the purpose of this insurance, the insured event means arising of a **Claim** or beginning of an **Investigation** against the **Insured Person** or arising of a **Securities Claim** against the **Company**, first made during the **Policy Period** or the **Discovery Period** (if applicable).

If an insured event occurs, the **Insurer** will pay:

- A. on behalf of the **Insured Person** all **Loss** resulting from a **Claim** first made during the **Policy Period** against an **Insured Person** except where the **Company** has indemnified such **Loss**;
- B. on behalf of the **Company** all **Loss** resulting from a **Claim** first made during the **Policy Period** against an **Insured Person** where the **Company** has indemnified or agreed to indemnify such **Loss**;
- C. on behalf of the **Company** all **Loss** resulting from a **Securities Claim** first made during the **Policy Period**;
- D. on behalf of the **Insured Person** all **Legal Representation Expenses** in respect of an **Investigation** and all such **Legal Representation Expenses** indemnified by the **Company**.

This insurance is concluded as insurance against loss.

2. Extensions

Provisions of other parts of this insurance policy also apply to the insurance cover under the extensions below.

2.1 Preservation of Side A Limit

In the event the **Insurer** pays **Loss** under Insuring Agreements 1.A, 1.B or 1.C, the **Limit of Liability** shall be reinstated in respect of Insuring Agreement 1.A only, by an amount equal to such payment, subject to the **Limit of Liability** and the terms and conditions, in the maximum amount the original Limit of Liability.

2.2 Additional Excess Limit for Directors

The **Insurer** will pay to or on behalf of each **Director** of the **Company**, **Non-Indemnifiable Loss** up to the Individual Additional Excess Limit in Item 4 of the **Insurance Policy**, whether in respect of **Claims** or **Investigations** forming part of a **Single Claim** or otherwise, provided that:

- a. the Limit of Liability;
- b. any other directors and officers liability policy which covers any part of that Loss; and
- c. all other indemnification available to any director

have been exhausted.

The Individual Additional Excess Limit in Item 4 of the **Insurance Policy** is in addition to the Aggregate **Limit of Liability** in Item 3 of the **Insurance Policy**.

The Aggregate **Limit of Liability** in Item 3 of the **Insurance Policy** is the **Insurer's** maximum aggregate liability for all **Loss** under this Extension for all directors irrespective of the number of claims under the **Insurance Policy**, the amount claimed or the number of directors who claim.

This Extension shall not apply to a reinstated **Limit of Liability** under Extension 2.1.

2.3 Subsidiaries

- i. If during the **Policy Period** the **Company** acquires an entity so that it becomes a **Subsidiary** that:
 - a. has total assets less than the Acquisition Limit referred to in Item 12 of the **Insurance Policy**; and
 - b. has no listing of its **Securities** in the United States of America;

then this Policy shall automatically extend to include such **Subsidiary** without notice to the **Insurer** or additional premium being payable, but only in respect of **Wrongful Acts** or conduct after such entity becomes a **Subsidiary**.

- ii. For the purpose of this Extension 2.3, listing of equity pursuant to Rule 144A of the Securities Act 1933 shall not constitute a public listing of **Securities** traded on any exchange in the United States of America.
- iii. Any **Subsidiary** acquired during the **Policy Period** and not covered in item (i) above shall automatically be covered under the **Insurance Policy** for a period of 60 days from the date of acquisition. With the written agreement of the **Insurer** and subject to any additional premium, amended terms and conditions, the **Insurance Policy** may be extended to include such **Subsidiary** beyond 60 days, but only in respect of **Wrongful Acts** or conduct after such entity becomes a **Subsidiary**.
- iv. If the **Company** effects a sale or dissolution of a **Subsidiary** either prior to or during the **Policy Period**, this Policy shall continue to include such **Subsidiary** but only for **Wrongful Acts** or conduct prior to the effective date of sale or dissolution.
- v. The **Insurer** shall only be liable for **Loss** in respect of **Wrongful Acts** or conduct whilst an entity is a **Subsidiary**. The **Insurer** may extend this Policy to include **Claims** for **Wrongful Acts** by the **Directors, Officers** or **Employees** of an acquired **Subsidiary** prior to the time which such entity became a **Subsidiary**. Such extension is subject to additional terms, conditions, and premium as the **Insurer** may require.

2.4 Emergency Costs and Expenses

If it is not possible for the **Insured Person** to obtain the **Insurer's** prior written consent to the incurring of **Defence Costs, Legal Representation Expenses, Bail Bond Costs, Public Relations Expenses, Crisis Costs** and **Pre-Investigation Costs** the **Insurer** will waive the requirement for prior written consent, as long as the **Insurer's** consent is sought within fourteen days of the first of such costs being incurred.

2.5 Retired Director or Officer Cover

Provided the **Insurance Policy** is not renewed or replaced with any other policy affording Directors and Officers liability cover or where on renewal the policy no longer provides cover for **Retired Directors or Officers**, then the **Insurance Policy** shall be extended to cover any **Retired Directors or Officers** for an unlimited period following its expiry date, in respect of **Claims** made or **Investigations** commenced against such persons, but only in respect of **Wrongful Acts** or conduct prior to them ceasing to act as an **Insured Person**.

This extension shall not apply to any **Retired Director or Officer** who ceased to act in the capacity of a **Director or Officer** by reason of a **Transaction** or due to the insolvency of the **Policyholder**.

2.6 Takeovers and Mergers Run-off

In the event of a **Transaction** taking place, the **Insurer** may extend this Policy to include **Claims** first made or **Investigations** first commenced against an **Insured Person** within a period of 72 months from the expiry date of the **Policy Period**. Such extension is subject to additional terms, conditions, and premium as the **Insurer** may require.

2.7 Outside Directorship

- i. The **Insurance Policy** shall extend to include a natural person who at the specific request of the **Company** is a statutory body or its member, proxy, member of supervisory body or equivalent of any **Outside Entity** in their capacity as such.

- ii. Cover under this Extension shall be excess of any indemnification provided by the **Outside Entity** and any valid and collectible directors and officers liability insurance where such payment is made in respect of the **Outside Entity**.
- iii. If the **Outside Entity's** directors and officers liability insurance is provided by the **Insurer** or any member of the Chubb group of companies, then the total aggregate amount of available cover for **Loss** under this Extension shall be reduced by the amount paid to the **Outside Entity** or any **Insured Person** under such policy.

2.8 Management Buy-outs

In the event of an entity ceasing to be a **Subsidiary** as a result of a buy-out by existing management the **Insurer** agrees to maintain this Policy in respect of such entity for a period of 30 days from the date of the buy-out for **Wrongful Acts** or conduct subsequent to the buy-out. This Extension shall not apply in circumstances where there is other insurance in force which provides cover in respect of such **Wrongful Acts** or conduct.

2.9 Statutory guarantee for the obligations of the company

The insurance is extended to include any statutory guarantee of the **Insured Person** in accordance with Section 159(3) of the **Civil Code** and in compliance with Section 62 and 68 of the **Act on Corporations**.

2.10 Bail Bond Costs, Crisis Costs, Public Relations Expenses & Reputation Protection Expenses

The **Insurance Policy** covers, as **Loss**:

- i. **Bail Bond Costs;**
- ii. **Crisis Costs;**
- iii. **Public Relations Expenses;** or
- iv. **Reputation Protection Expenses.**

2.11 Extradition Proceedings

The **Insurance Policy** covers, as **Loss**:

- i. **Defence Costs;**
- ii. **Bail Bond Costs;**
- iii. **Crisis Costs;**
- iv. **Public Relations Expenses;**
- v. **Reputation Protection Expenses;** or
- vi. **Overseas Travelling Costs;**

in relation to an **Extradition Proceeding**.

2.12 Prosecution Costs

The **Insurance Policy** covers, as **Loss, Prosecution Costs** arising from a **Claim** or **Investigation**

2.13 Civil Fines and Penalties

The **Insurance Policy** covers, as **Loss**, civil fines and penalties imposed by law as a result of a **Claim** or **Investigation**, unless impermissible or uninsurable under applicable laws.

2.14 Occupational Health and Safety

Notwithstanding Exclusion 4.6 the **Insurance Policy** covers, as **Loss**, all **Defence Costs** of an **Insured Person** and **Legal Representation Expenses** arising from any **Claim** or **Investigation** alleging involuntary manslaughter, constructive manslaughter or gross negligence manslaughter or a breach of the UK Health and Safety at Work Act 1974 legislation or any similar legislation in any other jurisdiction.

2.15 Deprivation of Assets

The **Insurance Policy** covers, as **Loss, Deprivation of Assets Expenses** arising from a **Claim** or **Investigation**. The sub-limit of liability under this Extension shall not exceed CZK 4.000.000 per **Insured Person**. The **Insurer's** maximum aggregate liability for cover under this Extension shall not exceed CZK 15.000.000 irrespective of the number of claims under this Policy, the amount claimed or the number of **Insureds** who claim.

2.16 **Pre-Investigation Costs**

The **Insurance Policy** covers, as **Loss**, the reasonable and necessary fees, costs and expenses of an **Insured Person** (but not including any remuneration, cost of their time or costs or overheads of any **Company**) incurred directly with respect to:

- i. any **Pre-Investigation**; and
- ii. preparing any written notice or reports to any official body in connection with any **Pre-Investigation**.

2.17 **Foreign Liberalisation**

With respect to **Claims** or **Investigations** solely in a **Foreign Jurisdiction**, the **Insurer** shall apply to such **Claim** or **Investigation** those terms and conditions of the **Foreign Policy** in such **Foreign Jurisdiction** that are more favourable to the **Insured Person** than the terms and conditions of this Policy. However, this clause shall only apply to the Insuring Agreements and Definitions of this Policy and will specifically not apply to any terms or conditions of this Policy in any way relating to limits of liability, sub limits, retentions, other insurance, non-renewal, conduct of proceedings, taxes, claims made and dispute resolution provisions in Section 5. General Conditions, nor anything itemised in the **Insurance Policy** nor any matter contained in an endorsement to the **Insurance Policy**.

2.18 **Derivative Investigation Hearing**

The **Insurance Policy** covers, as **Loss**, the **Derivative Investigation Costs** of an **Insured Person**.

2.19 **Interpretive Counsel - International Securities Laws**

The term **Defence Costs** expressly includes reasonable costs and expenses incurred by **Insured Persons** for counsel within their home jurisdiction to interpret and apply advice received from counsel in a **Foreign Jurisdiction** in response to any **Securities Claim** in such other jurisdiction.

2.20 **Environmental Violation**

The **Insurance Policy** is extended to pay to or on behalf of an **Insured Person** all **Loss** resulting from an **Environmental Proceeding** up to the additional limit in Item 9 of the **Insurance Policy**, which shall apply in addition to, and not part of the **Limit of Liability**.

The additional limit shall not apply to a reinstated **Limit of Liability** under Extension 2.1.

2.21 **Cyber Privacy and Confidentiality**

The **Insurance Policy** is extended to pay to or on behalf of an **Insured Person** all **Loss** resulting from a **Claim** as a direct result of

- a. any invasion infringement or interference with any right to privacy or of publicity, including any disclosure of **Data** which amounts to a breach of the relevant legislation;
- b. any unauthorised disclosure or use of any **Confidential Information** in **Data** form or information in **Data** form which is subject to statutory restriction on its disclosure or use.

Such cover shall be subject to the additional limit in Item 10 of the **Insurance Policy**, which shall apply in addition to, and not part of the **Limit of Liability**.

The additional limit shall not apply to a reinstated **Limit of Liability** under Extension 2.1.

2.22 **Mitigation of Loss**

The **Insurance Policy** is extended to cover the **Insured** under Insuring Agreements 1A and 1B, as **Loss**, for any **Mitigation Loss**, provided that:

- a. the **Insured** demonstrates, to the reasonable satisfaction of the **Insurer**, that the incurring of such **Mitigation Loss** is reasonable and proportionate, and is reasonably likely to prevent or mitigate the potential **Claim**; and
- b. the circumstances resulting in the payment are notified to the **Insurer** in accordance with Section 5.D; and
- c. any action taken is taken with the prior written consent of the **Insurer** (not to be unreasonably withheld or delayed); and

- d. the liability of the **Insurer** for **Mitigation Loss** shall in no event exceed the amount of covered **Loss** it would have incurred if a **Claim** were to be pursued against the **Insured Person**; and
- e. the burden of proving that any **Claim** would be covered under the **Insurance Policy** shall rest with the **Insured**.

This Extension shall not apply to a potential **Claim** by the **Company** against any **Insured Person**. Such cover shall be subject to the sub-limit in Item 11 of the **Insurance Policy**.

2.23 Reinstatement of Limit if a Recovery

The amount of the depleted **Limit of Liability** following payment of **Loss** shall be reinstated to the extent of an amount equal to any sums recovered by the **Insurer** (net of the **Insurer's** reasonable expenses associated with such recovery).

3. Definitions

- 3.1 **Act on Corporations** means Act No. 90/2012 Coll., on Business Corporations and Cooperatives (Act on Corporations).
- 3.2 **Bail Bond Costs** mean the reasonable premium (not including any collateral) for a bond or other financial instrument to guarantee an **Insured Person's** contingent obligation for bail or equivalent in any jurisdiction required by a court in respect of any **Claim**. The sub-limit of liability for **Bail Bond Costs** is 10% of the **Limit of Liability**. For the avoidance of doubts the definition of **Bail Bond Costs** does not include monetary guarantee (in Czech *peněžitá záruka*) under Czech criminal law.
- 3.3 **Civil Code** means Act No. 89/2012 Coll., the Civil Code.
- 3.4 **Claim means:**
 - i. any written demand;
 - ii. any civil, statutory or arbitral proceeding;
 - iii. any criminal prosecution;
 - iv. any formal administrative or regulatory proceeding;
 - v. any mediation proceeding;
 - vi. monetary, non-monetary injunctive or equitable relief or other legal remedy;
 - vii. a **Derivative Claim**;against an Insured Person, for a Wrongful Act.
Claim also means
 - viii. any **Extradition Proceeding**;
 - ix. a written request to waive or toll a statutory limitation period or a contractual time bar in respect of a **Claim**; or
 - x. any **Securities Claim**.
- 3.5 **Company** means the **Policyholder** and any **Subsidiary** or in the event of a bankruptcy proceeding the resulting debtor-in-possession or functional equivalent in any other jurisdiction.
- 3.6 **Confidential information** means all information intended by the **Insured** to remain confidential which is available to the **Insured's** employees, **Directors or Officers** including but not limited to:
 - i. the existence or status of any discussions or negotiations taking place concerning any business purpose;
 - ii. any information that would be regarded as confidential by a reasonable business person relating to the business, affairs, customers, clients, suppliers, plans, intentions, or market opportunities of the disclosing party; or
 - iii. any information or analysis derived from (i) or (ii) above.**Confidential Information** shall not include any information that is or becomes generally available to the public (other than as a result of its unauthorised disclosure by the **Insured**); or was available to a recipient on a non-confidential basis prior to disclosure by the **Insured**; was lawfully in the possession of the recipient before the information was disclosed to it; or the relevant parties agree in writing is not confidential or may be disclosed; or is developed by or for the recipient independently of the information disclosed; or is trivial, obvious or useless.
- 3.7 **Crisis costs** means any reasonable professional fees, costs or expenses of any accredited:

- i. counsellor, psychologist, psychotherapist or other accredited specialist; or;
- ii. tax advisor;

retained by an **Insured Person** with the **Insurer's** prior written consent (which shall not be unreasonably withheld or delayed), in respect of any **Claim**. The sub-limit of liability for **Crisis Costs** is the sub-limit specified in Item 6 of the **Insurance Policy**.

3.8 **Data** means machine-readable information in digital format (excluding software) irrespective of the way it is used or rendered, including but not limited to text, voice recordings and images.

3.9 **Defence Costs** means reasonable legal and other professional fees costs and expenses incurred with the **Insurer's** prior written consent (which shall not be unreasonably delayed or withheld), by or on behalf of an **Insured** in response to a **Claim**, directly in connection with its investigation, defence, settlement or appeal, but shall not include remuneration of any **Insured Person**, 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 the **Insured's** defence counsel with the approval of the **Insurer** to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the defence of a **Claim**.

3.10 **Deprivation of Assets Expenses** means the payment of the following services directly to the provider of such services in the event of an interim or interlocutory order confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of an **Insured Person** or creating a charge over real property or personal assets of the **Insured Person** during the **Policy**

Period:

- i. schooling;
- ii. housing;
- iii. utilities;
- iv. personal insurances.

Such expenses will only be payable after the exhaustion of any personal allowance directed by the court to meet such payments.

Such expenses will be payable after 30 days following the event above for a period of up to 12 months.

3.11 **Derivative Demand** means a written demand by any shareholder of a **Company** upon the board of directors or a supervisory board (or equivalent management body) of such **Company** to commence a civil action on behalf of the **Company** against any **Insured Person** for a **Wrongful Act**.

3.12 **Derivative Investigation** means an internal inquiry or investigation undertaken by the **Insured** specifically and solely to determine how the **Company** should respond to a **Derivative Demand** received by an **Insured** or a **Derivative Claim** received by an **Insured Person**.

3.13 **Derivative Investigation Costs** mean the reasonable and necessary fees, costs and expenses incurred by an **Insured Person**, with the **Insurer's** prior written consent, solely in connection with the **Insured Person's** preparation for and response to a **Derivative Investigation** in respect of that **Insured Person**.

Derivative Investigation Costs shall not include (i) the remuneration of any **Insured Person**, costs of their time or any other costs or overheads of any **Company**; or (ii) the costs of complying with any formal or informal discovery or other request seeking documents, records or electronic information in the possession or control of any **Company**, the requestor or any other third party.

3.14 **Derivative Claim** means a derivative claim brought against an **Insured Person** by any shareholder in the form of derivative action brought or maintained on behalf of the **Company**.

3.15 **Director or Officer** means any natural person acting in the following capacities in the **Company**: executive, proxy (in Czech *prokurista*), member of a board of directors, member of a supervisory board and includes any equivalent position in any other jurisdiction. **Director or Officer** includes also a liquidator of the **Company**, however, only on conditions that in the same **Company** s/he at the same time holds also one of the functions mentioned in the previous sentence. Provided a legal entity is a member of an executive or other body of the **Company**, the **Director or Officer** also means a natural person who, in the sense of Section 46(3) of the **Act on Corporations**, is a representative of such legal entity. However, an insolvency administrator is not a **Director or Officer**.

- 3.16 **Discovery Period** means the periods in Item 16 of the **Insurance Policy** from the date on which the **Policy Period** expires.
- 3.17 **Employee means:**
- i. an employee (including but not limited to a secondee or consultant) of the **Company** acting in a managerial or supervisory capacity;
 - ii. an employee of the **Company** for an **Employment Related Wrongful Act**; or
 - iii. an employee of the **Company**, in respect of any **Claim** or **Investigation** in which such employee is named as a co-defendant or is required to attend with any **Director or Officer**.
- 3.18 **Employment Related Wrongful Act** means any actual or alleged violation of employment laws or any other legal provisions relating to any individual's actual or prospective employment relationship with the **Company**.
- 3.19 **Environmental Condition means:**
- i. any actual or alleged or threatened **Pollution**; or
 - ii. any regulator direction or request to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize **Pollution**.
- 3.20 **Environmental Proceeding means any Claim:**
- i. that is a **Securities Claim**;
 - ii. that is for an **Employment Related Wrongful Act**;
 - iii. where the **Wrongful Act** is actually or allegedly misrepresenting or failing to disclose information as governed by any statute, regulation, rule or common law regulating or creating liability for an **Environmental Condition**; or
 - iv. which results in a **Non-Indemnifiable Loss** to any **Insured Person**;
- if and to the extent based upon, arising out of or attributable to an **Environmental Condition**.
- 3.21 **Extradition Proceeding means:**
- i. a request for extradition of an **Insured Person**, a warrant for arrest in respect of an **Insured Person** or other proceedings under the provisions of the relevant criminal law and European or international arrest warrants; or
 - ii. any associated appeals, including but not limited to, to the European Court of Human Rights; or
 - iii. the equivalent of the above in any other jurisdiction.
- A **Wrongful Act** is not required for cover for an **Extradition Proceeding**.
- 3.22 **Extranet** means a restricted-access group of inter-connected networks accessible via a gateway or portal.
- 3.23 **Final Adjudication** means (i) a formal written admission, or (ii) in respect of any conviction, judgment, finding, or refusal of relief by a judicial or arbitral tribunal:
- i. if not appealed against, when the period in which an appeal must be brought has expired; or
 - ii. if appealed against, when such appeal has been determined, abandoned or otherwise ceased.
- 3.24 **Foreign Jurisdiction** means any jurisdiction other than the jurisdiction in which the **Insurance Policy** was issued.
- 3.25 **Foreign Policy** means the **Insurer's** (or any other member company of the Chubb Group of Companies') standard public company Directors' and Officers' liability policy normally available within a **Foreign Jurisdiction** at the time when the **Insurance Policy** was issued. If more than one such policy exists, then **Foreign Policy** means the standard public company Directors and Officers policy most recently filed or most commonly used in the **Foreign Jurisdiction**. The term **Foreign Policy** shall not include any partnership, management liability, pension trust, professional liability or private company entity policy, nor manuscripted, nor bespoke policies.
- 3.26 **Insurable Interest** means a justifiable need of protection against results of an insured event.
- 3.27 **Insurance policy** means Insurance Policy concluded between the **Insurer** and the **Policyholder** including any contractual agreements; these insurance terms and conditions are an integral part of the **Insurance Policy**.

- 3.28 **Insurance Risk** means the level of probability of the occurrence of an insured event caused by insured peril.
- 3.29 **Insured** means **Insured Person** and, in respect of **Securities Claims** only and otherwise solely for giving effect to the terms of this **Policy**, also the **Company**.
- 3.30 **Insured Person** means a natural person who was, now is or becomes:
- i. a **Director or Officer**;
 - ii. a **Shadow Director**;
 - iii. an **Employee**;
 - iv. any lawful spouse or domestic partner of any natural person as set out in (i), (ii), (iii), (vii), (viii) and (ix) of this definition, but only in respect of the **Wrongful Act** of such identified persons;
 - v. the estate, heir or legal representative of a deceased **Director or Officer** or **Employee**;
 - vi. the legal representative of a **Director or Officer** or **Employee**; in the event of the incapacity, insolvency or bankruptcy of such **Director or Officer** or **Employee**;
 - vii. all approved persons of the **Company** who perform controlled functions as specified under Section 59 of the UK Financial Services and Markets Act 2000, from time to time;
 - viii. a prospective director in any listing particulars or prospectus issued by the **Company**;
 - ix. a lawyer employed by the **Company** who in their capacity as such must comply with the US Sarbanes-Oxley Act 2002;
 - x. a senior accounting officer as defined under the UK Finance Act 2009 or any similar legislation in any other jurisdiction; or
 - xi. management committee member, member of a supervisory or management board;

but only when and to the extent that such **Insured Person** is acting for and on behalf of the **Company** in any of the capacities referred to above or if such liability has been transferred to such persons by operation of law (in case of iv) v) and vi).

Insured Person does not include an external auditor.

- 3.31 **Insurer** means Chubb European Group Ltd, a company having its registered office at Chubb Building 100, Leadenhall Street, London EC3A 3BP, United Kingdom, acting through its branch Chubb European Group Ltd, organizační složka, having its registered office at Pobřežní 620/3, 186 00 Prague 8, Czech Republic, identification number 278 93 723, registered in the Commercial Register kept with the Municipal Court in Prague, section A, insert 57233;
- 3.32 **Intranet** means an electronic network owned and controlled by the **Insured** which contains information about the **Insured's** business and is only accessible to designated employees and not to the general public.
- 3.33 **Investigation** means a formal or official investigation, examination or inquiry into the **Company** or an **Insured Person** in their capacity as such **Insured Person** at which the attendance of such **Insured Person** is first required or requested in writing by the investigating body, including by the service of a target letter or Wells Notice, during the **Policy Period**.
- For the sole purpose of giving effect to the terms of the **Insurance Policy** where the context requires, and subject always to their specific terms of cover, **Investigation** shall also include a **Pre-Investigation** and a **Derivative Investigation**.
- 3.34 **Legal Representation Expenses** means the reasonable legal costs or related professional fees incurred by or on behalf of an **Insured Person** (but not including any remuneration, cost of their time or costs or overheads of any **Company**) with the prior written consent of the **Insurer**, not to be unreasonably withheld or delayed, directly in connection with such **Insured Person** co-operating with an **Investigation**.
- 3.35 **Limit of Liability** means the amount stated in Item 3 of the **Insurance Policy**.
- 3.36 **Loss** means all amounts which an **Insured Person** is legally and personally obligated to pay including but not limited to:
- i. any statutory awards, damages compensation or interest awarded, judgments entered, settlements reached including plaintiff's legal costs;
 - ii. **Defence Costs**;

- iii. **Legal Representation Expenses;**
- iv. **Bail Bond Costs;**
- v. **Crisis Costs;**
- vi. **Deprivation of Assets Expenses;**
- vii. **Prosecution Costs;**
- viii. **Public Relations Expenses;**
- ix. **Reputation Protection Expenses;**
- x. aggravated, punitive and exemplary damages where permissible and insurable under applicable laws;
- xi. civil fines and penalties where permissible and insurable under applicable laws;
- xii. **Pre-investigation costs** provided in Extension 2.16;
- xiii. **Derivative Investigation Costs;**
- xiv. **Mitigation Loss;**
- xv. **Overseas Travelling Costs;** or
- xvi. the reasonable and necessary costs, charges, fees and expenses (including the premium or origination fee for a loan or bond) incurred an **Insured Person** solely to facilitate the return of amounts required to be repaid by such persons pursuant to Section 304(a) of the US Sarbanes-Oxley Act 2002 and Section 954 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act 2010 or any similar legislation in any other jurisdiction. Such amounts do not include the payment, return, reimbursement, disgorgement or restitution of any amounts requested or required to be repaid by such persons pursuant to Section 304(a) and Section 954 above.

In respect of Insuring Agreement 1.C, **Loss** means only the amounts which the **Company** is legally obligated to pay, including but not limited to:

- i. any damages awarded, judgments entered, settlements reached including plaintiff's legal costs;
- ii. **Defence Costs;** or
- iii. aggravated, punitive and exemplary damages where permissible and insurable under applicable laws.

Loss also includes any items not otherwise set out in this definition for which cover is expressly provided in the Extensions or by endorsement to this Policy.

In respect of all Insuring Agreements and Extensions, **Loss** does not include:

- i. criminal fines or penalties;
- ii. any matter which is not permissible or uninsurable under applicable laws. Provided, however, the **Insurer** shall not assert that the portion of any amount representing an award, settlement, judgment, **Legal Representation Expenses or Defence Costs** in a **Claim** alleging violations of Sections 11, 12 or 15(a) of the US Securities Act 1933, is uninsurable under applicable laws;
- iii. taxes or sums payable in relation to taxes except as provided under Extension 2.9; or
- iv. any costs or expenses incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralising, detoxifying or assessing the effects of **Pollutants** or restoring natural resources or property to their original state.

In respect of Insuring Agreement 1.C only, **Loss** does not include:

- i. the multiplied portion of any damages awarded; or
- ii. any amount representing the amount by which the price or consideration paid or proposed to be paid for the acquisition or completion of the acquisition of all or substantially all the ownership interest in or assets of an entity is inadequate.

3.37 **Mitigation Loss** means settlements, costs and expenses incurred as a result of action taken by the **Insured** solely to prevent or mitigate a potential **Claim** against an **Insured Person** which, if it were to become a **Claim**, would give rise to a covered **Loss** under this Policy.

3.38 **Non-Indemnifiable Loss** means **Loss** where the **Company** for whom the relevant **Insured Person** serves is unable to indemnify an **Insured Person** due to:

- i. the absence of an express permission in the law;
 - ii. the absence of an express permission in the charter, bylaws, contract or similar documents of such **Company**; or
 - iii. insolvency.
- 3.39 **Not-For-Profit Entity** means a registered charity or a trade association or other non-profit organisation pursuant to any jurisdiction.
- 3.40 **Open Site** means any internet, **Intranet** or **Extranet** site on which content can be published by any party without registration.
- 3.41 **Outside Entity** means:
- i. any entity which is not a **Subsidiary** and has no **Securities** traded on any exchange in the United States of America unless such entity is listed by endorsement to this Policy.
 - ii. any **Not-For-Profit Entity**.
- 3.42 **Overseas Travelling Costs** means the reasonable costs and accommodation for the **Insured Person**, and his/her lawful spouse or domestic partner and any children under the age of eighteen for one round trip, directly in connection with an **Extradition Proceeding**.
- 3.43 **Policyholder** means a legal entity specified as a **Policyholder** in the **Insurance Policy**, who concluded the **Insurance Policy** with the **Insurer** and is obliged to pay the premium.
- 3.44 **Period** means the period of time shown in Item 1 of the **Insurance Policy**. The **Policy Period** terminates on the date stipulated in the **Insurance Policy**, or on the date when this insurance has been early terminated.
- For the sole purposes of giving effect to the terms of this Policy where the context requires, and subject always to the terms of Condition 5.M, **Policy Period** shall also mean **Discovery Period**.
- 3.45 **Pollutant** means any contaminant, irritant or other matter or substance including but not limited to oil, smoke, vapour, soot, asbestos, asbestos-containing materials, fumes, acids, alkalis, nuclear or radioactive material, greenhouse gases, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3.46 **Pollution** means the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant** whether in a solid, liquid, gas, odour, noise, vibration, electromagnetic radiation, ionising radiation, thermal or other form at any time.
- 3.47 **Pre-Investigation** means:
- i. a raid or on-site visit to any **Company** or any **Insured Person** by an official body first occurring during the **Policy Period** that involves the production, review, copying or confiscation of records or interviews of any **Insured Person**;
 - ii. any formal notification by the **Company** or an **Insured Person** to any regulator or official body, first given during the **Policy Period**, where the **Company** reasonably considers that a material breach of the **Company** or **Insured Person's** legal or regulatory duty has occurred or may occur; or
 - iii. an internal inquiry conducted by the **Company** if and to the extent such an inquiry is requested by the regulator or official body following a formal notification given in (ii) above.
- 3.48 **Proposal** means the proposal form submitted by any **Insured** in applying for this Policy and all information and documentation accompanying it.
- 3.49 **Prosecution Costs** means the legal and other professional fees, costs and expenses, incurred by an **Insured Person** with the prior written consent of the **Insurer** (which shall not be unreasonably delayed or withheld) to bring legal proceedings to obtain the discharge, delay or revocation of:
- i. an order disqualifying an **Insured Person** from holding office as a company director;
 - ii. an interim or interlocutory order;
 - iii. confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of such **Insured Person**; or
 - iv. charge over real property or personal assets of the **Insured Person**;
 - v. an order of a court imposing a restriction of the **Insured Person's** liberty; or

- vi. the deportation of an **Insured Person** following revocation of otherwise proper, current and valid immigration status for any reason other than the **Insured Person's** conviction for a crime.
- 3.50 **Public Relations Expenses** means the reasonable fees and related expenses of a public relations firm or consultant, crisis management firm or law firm, which an **Insured Person** may engage with the prior written consent of the **Insurer**, not to be unreasonably withheld or delayed, in order to prevent or limit adverse effects or negative publicity which it is anticipated may arise from any **Claim** or **Investigation**. The sub-limit of liability for all **Public Relations Expenses** is the sub-limit specified in Item 7 of the **Insurance Policy**.
- 3.51 **Reputation Protection Expenses** means the reasonable fees and related expenses of a public relations firm or consultant which an **Insured Person** may engage in order to disseminate the findings of a final adjudication in favour of the **Insured Person**, arising from a **Claim**. Such fees and expenses shall only be incurred with the written consent of the **Insurer**, not to be unreasonably withheld or delayed. The sub-limit of liability for all **Reputation Protection Expenses** is the sub-limit specified in Item 8 of the **Insurance Policy**.
- 3.52 **Retired Director or Officer** means any **Insured Person** who has voluntarily ceased to act in the capacity of a **Director or Officer** prior the end of **Policy Period** for any reason except for a loss of legal capacity.
- 3.53 **Securities** mean any equity or debt instrument issued by the **Company**.
- 3.54 **Securities Claim** means any **Claim** for a **Wrongful Act**, involving the violation of **Securities** laws of any country which is:
- i. 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 the **Company**; or
 - ii. brought by a holder of **Securities** of the **Company**, whether directly or on behalf of the **Company**.
- Securities Claim** shall not include an **Employment Related Wrongful Act** alleging or arising out of the loss of or failure to receive stock or stock options.
- Securities Claim** shall not include an administrative or regulatory proceeding against the **Company** unless such proceeding is also maintained against an **Insured Person**.
- 3.55 **Shadow Director** means a shadow director or a de-facto director pursuant to the **Corporations Act** (or its equivalent in other jurisdictions) if acting in a position similar to the position of the member of the statutory or supervisory body of the **Company**.
- 3.56 **Single Claim** means all **Claims** or **Investigations** or other matters giving rise to a claim under this Policy that relate to the same originating source or cause or the same underlying source or cause, regardless of whether such **Claims**, **Investigations** or other matters giving rise to a claim under this Policy involve the same or different claimants, **Insureds**, events, or legal causes of action.
- 3.57 **Subsidiary** means any entity that the **Policyholder** directly or indirectly:
- i. controls a majority of the voting rights;
 - ii. controls the right to appoint or remove a majority of its board of Directors; or
 - iii. holds more than half of the issued share capital;
- Subsidiary** also means a joint venture vehicle or similar entity over which the **Policyholder** directly or indirectly exercises effective management control.
- 3.58 **Transaction** means any one of the following events:
- i. the **Policyholder** merges with or consolidates into any other entity;
 - ii. the **Policyholder** sells all or more than 90% of its assets to any person or entity or persons or entities acting in concert;
 - iii. any person or entity or persons or entities acting in concert acquire more than 50% of the issued share capital of the **Policyholder**; or
 - iv. any person or entity or persons or entities acting in concert acquire control of the appointment of the majority of directors of the **Policyholder**.
- 3.59 **Wrongful Act** means:

- i. with respect to any **Insured Person** any actual, alleged or proposed breach of trust, error, omission, misstatement, misleading statement, misrepresentation, defamatory statement, libel, slander, neglect or breach of duty or any other matter claimed against an **Insured Person** by reason of their acting in the capacity of an **Insured Person**, and an **Employment Related Wrongful Act**.
- ii. with respect to any **Company** any actual or alleged breach of trust, error, omission, misstatement, misleading statement, neglect, breach of duty or breach of warranty of authority by the **Company** but only in relation to a **Securities Claim**.

4. Exclusions

The **Insurer** shall not be liable to make any payment for **Loss** under this Policy or other amounts:

- 4.1 based on, arising from or attributable to:
 - i. any deliberately dishonest or deliberately fraudulent act or omission, maliciousness or arbitrariness of the **Insured** or an intentional breach of the law by the **Insured**; or
 - ii. any personal profit or advantage gained by the **Insured Person** to which such **Insured Person** was not legally entitled except that this exclusion shall not apply to that portion of any **Loss** based on, arising from or attributable to a **Claim** in which violations of Sections 11, 12 or 15(a) of the US Securities Act 1933, as amended, are alleged against such **Insured**;

provided that this exclusion shall only apply if it is established through a **Final Adjudication** in the **Claim** or **Investigation** for which **Loss** is claimed or any written admission by such **Insured**, that the relevant conduct occurred;
- 4.2 based on, arising from or attributable to any pending or prior litigation or other proceedings (including but not limited to civil, criminal, regulatory and administrative proceedings or investigations) involving the **Company**, an **Outside Entity** or an **Insured Person** and issued or otherwise begun before the date shown at Item 14 of the **Insurance Policy** or alleging or derived from the same or substantially the same facts or circumstances alleged in such pending or prior litigation or proceedings.
- 4.3 based on, arising from or attributable to any **Wrongful Act** or a series of related **Wrongful Acts** alleged in any **Claim**, circumstance or any **Investigation** of which notice has been given under and accepted under any policy existing or expired before or on the inception date of this Policy.
- 4.4 based on, arising from or attributable to any **Claim** brought or maintained by or on behalf of the **Company** or **Outside Entity** against an **Insured Person** in the United States of America or its territories, except:
 - i. for contribution or indemnity if such **Claim** directly results from another **Claim** that would otherwise be covered under this Policy;
 - ii. any **Derivative Claim** brought or maintained on behalf of the **Company** or **Outside Entity** without the solicitation or participation of an **Insured Person**, **Company** or **Outside Entity** unless legally compelled to do so;
 - iii. brought or maintained by a liquidator, receiver or administrative receiver, or similar person under the laws of any other jurisdiction; or
 - iv. **Defence Costs**.
- 4.5 based on, arising from or attributable to any public offering of any **Securities** during the **Policy Period**, provided that this Exclusion shall not apply to Insuring Agreements 1.A., 1.B. and 1.D. where the total value of such placement or offering is equal to or lower than the sum shown at Item 15 of the **Insurance Policy**.
- 4.6 for
 - i. bodily injury, mental illness, emotional distress, injury to feelings, sickness, disease or death of any person; or
 - ii. damage to or destruction of any tangible property including loss of use of such property;

provided that the above shall not apply to:

 - i. **Defence Costs** or **Legal Representation Expenses** in respect of a **Non-Indemnifiable Loss**; or
 - ii. emotional distress and/or injury to feelings resulting from an **Employment Related Wrongful Act**.
- 4.7 based on, arising from or attributable to:

- i. any omission of the **Insured** to remove publications from any internet, **Intranet** or **Extranet** following a complaint or notice in relation to the publication from any third party; or
- ii. any publication made to an **Open Site** by the **Insured** or any employee or third party.

For the purposes of determining the applicability of any Exclusion the **Wrongful Act** of an **Insured** shall not be imputed to any **Insured Person**.

For the purposes of determining the applicability of any Exclusion where the **Company** has indemnified an **Insured Person**, only the **Wrongful Act** of such **Insured Person** shall be attributed to the **Company**.

The conduct, omission and knowledge possessed by a member of a board of directors or a supervisory body of the **Policyholder** shall be imputed to any **Company** for the purposes of determining the applicability of any Exclusion relating to cover under Insuring Agreement 1.C.

5. Conditions

A. Limit of Liability

The amount shown in Item 3 of the **Insurance Policy** is the **Insurer's** maximum aggregate liability under this Policy, except to the extent Extension 2.1 or 2.2 apply and subject to their terms, irrespective of the number of claims under this Policy, the amount claimed, the number of **Insureds** who claim, or when such claims are made under this Policy.

Unless expressly provided otherwise, any sub-limit specified in this Policy shall be the **Insurer's** maximum aggregate liability under such sub-limit irrespective of the number of claims under this Policy, the amount claimed or the number of **Insureds** who claim. Except as provided in Extensions 2.20 and 2.21 any sub-limit shall be part of and not in addition to the **Limit of Liability** shown in Item 3 of the **Insurance Policy**.

In respect of this Extension 2.1

- i. the reinstated **Limit of Liability** shall only be available in respect of **Loss** under Insuring Agreement 1.A arising from **Claims** or **Investigations** or other matters giving rise to a claim under this Policy that are made within the **Policy Period** (and/or **Discovery Period**, if applicable) and notified in accordance with Section 5.D and are not part of a **Single Claim** already notified to the Policy or any preceding policy;
- ii. all such **Claims** or **Investigations** or other matters giving rise to a claim under this Policy shall continue to be subject to the **Limit of Liability**, the sub-limits of liability, and any express additional limits and nothing in this Section shall be interpreted to increase the **Limit of Liability**; and
- iii. subject always to the foregoing, the **Limit of Liability** shall be reinstated by each amount paid under Insurance Agreements 1.A, 1.B and 1.C, when paid.

Notwithstanding the above the **Insurer's** maximum aggregate liability for **Loss** under this Policy for all **Claims** brought by or on behalf of the **Company** is the **Limit of Liability**, irrespective of the number of claims under the Policy, the amounts claimed, the number of **Insureds** who claim, or when such claims are made under this Policy and the Extension 2.1 does not apply.

Unless agreed otherwise, the salvage costs that are not indemnified under Extension 2.22 shall be limited to CZK 10,000, respectively to 30% of the **Limit of Liability** in case of rescue of life or protection of people's health.

B. Related Claims and Matters

A **Single Claim** shall attach to the Policy only if the notice of the first **Claim**, **Investigation** or other matter giving rise to a claim under a policy, that became such **Single Claim**, was given by the **Insured** during the **Policy Period**.

C. Retention

The retention amount shown in Item 13 of the **Insurance Policy** shall apply to each and every **Single Claim**. The retention shall not apply to **Non-Indemnifiable Loss**. For all other **Losses** the retention shall be paid by the **Insured** and the **Insurer** shall have no obligation to pay any amount within such retention.

If the **Company** does not indemnify an **Insured Person**, other than in the case of **Non-Indemnifiable Loss**, then subject to all other terms and conditions of this Policy the **Insurer** shall pay the retention and the **Company** shall pay the amount of the retention to the **Insurer**.

In the event an **Insured Person** is required pursuant to the relevant legislation in any jurisdiction to repay sums advanced to them by the **Company** that would otherwise have been covered under Insuring Agreement 1.A, the **Company** and such **Insured Person** agree that:

- i. such sums shall be deemed to be **Non-Indemnifiable Loss**; and
- ii. the total amount paid by the **Insurer** to the **Company** under Insuring Agreement 1.B and the amount of the applicable retention shall be deemed to have been paid by the **Insurer** to the **Insured Person** under Insuring Agreement 1.A;
- iii. the **Insurer** shall pay the amount of the applicable retention to the **Company**; and
- iv. both the **Company** and **Insured Person** shall thereby be mutually released from any obligation pursuant to the relevant legislation in any jurisdiction in respect of the amounts stated in sub-paragraph (ii) above.

D. Notification of Claims, Investigations and Reporting Circumstances

For all claims under this Policy the **Insured** shall give written notice to the **Insurer** as soon as practicable but this shall not be a condition precedent to the liability of the **Insurer**.

In event of expiry of the **Policy Period**, notification must be given no later than 90 days after the expiration of the **Policy Period**, or, in relation to a **Claim** first made against the **Insured** or **Investigation** first commenced during the **Discovery Period** if applicable no later than 30 days after expiry of the **Discovery Period**.

Provided, however, if an **Insured** is legally prohibited by a regulatory body under the terms of a confidentiality agreement from notifying a **Claim** or **Investigation** in accordance with the above provisions then:

- i. the **Insured** shall be permitted to give written notice of such **Claim** or **Investigation** to the **Insurer** within 24 months after the end of the **Policy Period**; and
- ii. the **Insurer** must be notified within 30 days of the **Insured** being legally able to do so

If an **Insured** should have notified a **Claim** or **Investigation** under a policy existing or expired before or on the inception date of this Policy but was unable to do so due to being legally prohibited by a regulatory body under the terms of a confidentiality agreement then the **Insurer** irrevocably waives any right it may have to rescind or avoid this Policy on the grounds of non-disclosure or mis-representation, solely with respect to such prior **Claim** or **Investigation**.

Notice and all information shall be sent in writing to the **Insurer's** address stipulated in the **Insurance Policy**.

If during the **Policy Period** the **Insured** shall become aware of any circumstances that might give rise to a **Claim** or **Investigation** under this Policy and gives notice of the same to the **Insurer**, then any **Claim** or **Investigation** later made against any **Insured** shall for the purposes of this policy be treated as a **Claim** made or **Investigation** commenced during the **Policy Period**.

E. Conduct of Proceedings

- i. Other than a **Claim** falling within clause E (iii) below, it is the duty of the **Insured**, not the **Insurer**, to defend any **Claim** or **Investigation** notified under this Policy. The **Insurer**, however, will have the right to effectively associate with the **Insured** in respect of any **Claim** or **Investigation**.
- ii. 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 **Insured Persons** or the **Company**.
- iii. The **Insurer** shall have the right to defend any **Claim** brought against an **Insured Person** by or on behalf of any:
 - a. **Company**; or
 - b. **Outside Entity**

Unless such **Claim** is:

- a. for contribution or indemnity if such **Claim** directly results from another **Claim** that would otherwise be covered under this Policy;
- b. a shareholder derivative action brought or maintained on behalf of the **Company** or **Outside Entity** without the solicitation or participation of an **Insured Person, Company** or **Outside Entity** unless legally compelled to do so; or
- c. brought or maintained by a liquidator, receiver or administrative receiver, or similar person under the laws of any other jurisdiction.

With respect to such **Claims** the **Insurer** shall have no duty or obligation to communicate with any other **Insured** in relation to such **Claim**.

- iv. The **Insured** shall not do anything which could prejudice the **Insurer** in respect of a claim made under this Policy.

- v. The **Insured** must not make any formal admission of liability in respect of, or agree to settle, any **Claim** or **Investigation** or incur any **Loss** (other than where Extension 2.4 applies), without the prior written consent of the **Insurer** (which shall not be unreasonably withheld or delayed). A **Pre-Investigation** shall not constitute an admission of liability.
- vi. The **Insured** must give the **Insurer** and any representatives appointed by the **Insurer** all information they reasonably require, and fully co-operate and assist in the conduct of any investigation into any claim under this Policy.

F. Advancement of Defence Costs and Allocation of Loss

- i. The **Insurer** shall advance covered **Defence Costs** on an ongoing basis prior to the **Final Adjudication** or settlement of any **Claim** and shall advance covered **Legal Representation Expenses**. Any such advanced sum shall be repaid to the **Insurer** in the event it is established that the **Insured** is not entitled to such payment.
- ii. The **Insurer** shall advance **Defence Costs** and **Legal Representation Expenses** which the **Company** fails to advance or indemnify, on the same basis as in (i) above.
- iii. In the event of:
 - a. a **Claim** against an **Insured** which is not wholly covered by this Policy; and/or
 - b. a **Claim** against an **Insured** being also made against any party who is not an **Insured**;the **Insurer** and the **Insured** shall then use their best endeavours to determine a reasonable allocation of **Loss** that is covered under this Policy and loss that is not covered on the basis of the relative legal and financial exposures.

G. Other Insurance

If an **Insured** is or would (but for the existence of this Policy) be entitled to cover under any other policy (save for insurance specifically arranged to apply in excess of this Policy) in respect of any **Claim** or **Investigation** or other matter claimed under this Policy, the **Insurer** shall not be liable for **Loss** other than in excess of any amount that is or would (but for the existence of this Policy) have been payable under any other such policy.

H. Subrogation

In the event the **Insurer** makes any payment under this Policy, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery, and the **Insured** shall co-operate with the **Insurer** in securing such rights including providing the **Insurer** with all relevant written documentation and undertaking all necessary acts. The **Insured** may not surrender any right, or settle any claim and shall not do anything to prejudice the **Insurer's** ability to assert such rights.

The **Insurer** shall not exercise any rights of subrogation against an **Insured** except to the extent Exclusion 4.1 is applicable to such **Insured**.

I. Non-assignment

No change in, modification of, or assignment of interest under this Policy shall be effective unless agreed in writing by the **Insurer**.

J. Headings

In this policy headings are merely descriptive and not to aid interpretation.

K. Order of Payments

The **Insurer** shall:

- i. first pay covered **Loss** to or on behalf of an **Insured Person**; and
- ii. then pay covered **Loss** paid by the **Company** on behalf of an **Insured Person**; and
- iii. then pay covered **Loss** incurred by the **Company**.

The insolvency of any **Company** shall not relieve the **Insurer** of any of its obligations to prioritise payment of **Loss** under this **Policy**.

L. Monetary Payments

The **Insurer** is obliged to provide the insurance indemnity in no other form than in a monetary payment regardless of whether the relevant legislation requires or allows providing compensation for loss through non-monetary payment

M. Discovery Period

- i. If the **Policyholder** or **Insurer** refuses to renew this Policy, it may purchase the **Discovery Period** in Item 16 of the **Insurance Policy**.
- ii. The **Discovery Period** shall only apply to:
 - a. any **Claim** first made against the **Insured Person** during the **Discovery Period**, but only in respect of **Wrongful Acts** prior to expiry of the **Policy Period**; or
 - b. any **Investigation** first commenced during the **Discovery Period**, but only in respect of conduct prior to expiry of the **Policy Period**.
- iii. The right to purchase the **Discovery Period** as set out above must be exercised by notice to the **Insurer** in writing within 30 days of expiration of the **Policy Period**, and is only effective upon payment of the additional premium.
- iv. The **Policyholder** shall not have the right to purchase the **Discovery Period** if a **Transaction** takes place.
- v. There shall be no entitlement to a **Discovery Period** in the event, and from the date that, the **Policyholder** obtains any other directors and officers insurance policy. In such an event any **Discovery Period** already purchased shall automatically be cancelled.

N. Fraudulent Claims

If the **Insured** makes a claim for indemnity under this insurance knowing the same to be false or fraudulent as regards the amount or otherwise, the **Insurer** has right to refuse to provide insurance benefits. The **Policyholder** does not have right to return of any premium paid. By refusal of the insurance benefits, this insurance is not terminated.

O. Insurable Interest

This insurance can be concluded only provided that the **Policyholder** has an **Insurable Interest**.

If the **Policyholder** knowingly insures a non-existent **Insurable Interest** without the **Insurer's** knowledge, the **Insurance Policy** is invalid; in such a case the **Insurer** has a right for premium until the date it learns about invalidity of the **Insurance Policy**.

The **Policyholder** and the **Insured** shall inform the **Insurer** in writing without undue delay when the **Insurable Interest** ceases to exist; in such a case this insurance is also terminated; the **Insurer** has, however, right to the premium until the date it learns about such termination.

P. Insurance Risk

The **Policyholder** or the **Insured** shall not, without the **Insurer's** consent, do anything or allow any other person to do anything that may increase the **Insurance Risk**. The **Policyholder** and the **Insured** shall inform the **Insurer** in writing without undue delay about any change or termination of the **Insurance Risk** which occurred during the **Policy Period**.

If the **Insurance Risk** is increased during the **Policy Period**, the **Insured** has right to propose amendment to the **Insurance Policy** or to terminate the **Insurance Policy** in accordance with relevant statutory provisions. If the **Insurance Risk** is substantially reduced during the **Policy Period**, the **Insurer** shall reduce the premium proportionally with effect from the day it learns about such reduction.

Q. Policy Period and Cancellation

The **Insurance Policy** is concluded for a definite **Policy Period** as stated in the **Insurance Policy**.

This policy shall cease or be terminated in cases set out in the **Civil Code**, particularly:

- i. by elapsing of the **Policy Period**;
- ii. by expiry of an additional period for payment of premium as set out in the **Insurer's** notice providing the overdue premium is not paid;
- iii. by agreement of the parties;
- iv. with eight days' notice period within 2 months after conclusion of the **Insurance Policy**;
- v. with one month notice period within 3 months from the receipt of the notification on any insured event; and
- vi. by withdrawal.

R. Premium

The premium shall be a lump sum premium unless otherwise set out in the **Insurance Policy**. The premium is payable within the period specified in the **Insurance Policy**. The premium shall be considered as paid on the date it is credited to the **Insurer's** account as set out in the **Insurance Policy** or if the **Insurance Policy** does not set out such an account to other account duly notified to the **Policyholder**. In case of delayed payment of premium, the insurance shall not be interrupted.

S. Decisive Law and Dispute Resolution

This Policy of insurance shall be governed by Czech Law. Any dispute arising from or otherwise relating to this insurance shall be decided by the relevant court in the Czech Republic.

T. Takeovers and Mergers

If during the **Policy Period** a **Transaction** takes place then:

- i. the **Policyholder** shall give written notice of such to the **Insurer** within 30 days of the effective date of such **Transaction**; and
- ii. the cover provided under this Policy shall apply only to **Wrongful Acts** committed or **Investigations** in respect of conduct prior to the effective date of such **Transaction**.

U. Written Form and Amendments

The **Insurance Policy** and other legal acts relating to this insurance shall be made in a written form. The **Insurance Policy** may only be amended by a written agreement of the parties.

V. Delivery

The **Policyholder** and the **Insured** shall notify the **Insurer** without undue delay about any change of their delivery address.

Communications in writing sent under this policy shall be delivered to the address of a party set out in the **Insurance Policy** or otherwise duly communicated to the sender. The addressee is obliged to ensure that a duly addressed communication is accepted within three working days after first due attempt to deliver. If the addressee makes the delivery impossible (e.g. due to failure to notify the change of delivery address or new delivery address), such shipment is considered to be delivered on the third working day after its posting (or at the fifteenth day after the posting in case the delivery address is outside the Czech Republic).

W. Severability

Any information provided to the **Insurer** by the **Insured** shall not be imputed to any other **Insured** to determine whether cover is available for that other **Insured**.

Only statements made in the **Proposal** and knowledge possessed by an **Insured** who is the subject of a claim under this policy shall be imputed to the **Policyholder** for the sole purposes of determining if cover is available for loss with respect to such **Insured**.

X. Exclusion of Certain Statutory Provisions

Section 1740 paragraph 3 of the **Civil Code** regarding acceptance of an offer with supplements or variations shall not apply.

Section 1743 of the **Civil Code** regarding late oral acceptance of an offer or acceptance of an offer by behaviour in accordance with the offer shall not apply.

Sections 1799 and 1800 of the **Civil Code** regarding contracts concluded adhesively shall not apply.

Y. Sanctions

Chubb European Group Limited is a subsidiary of a US parent and Chubb Limited (a NYSE listed company) and part of the Chubb Group of companies. Consequently, Chubb European Group Limited is subject to certain US laws and regulations in addition to EU, UN and national sanctions restrictions which may prohibit it from providing cover or paying claims to certain individuals or entities, and from insuring certain types of activities in or connected with certain countries and territories such as, but not limited to, Iran, Syria, North Korea, North Sudan, Cuba and Crimea.

Z. Complaints

In case of any complaints or enquiries regarding this insurance, please contact the insurance intermediary through which the **Insurance Policy** was concluded or the **Insurer** on the address stated in the **Insurance Policy**.

If you are not satisfied, you are entitled to refer this matter to the regulatory authority, which is the Czech National Bank. The address of the Czech National Bank is:

Czech National Bank

Na Příkopě 28

115 03 Prague 1

Czech Republic

tel.: +420 224 411 111

Contact Us

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About Chubb

Chubb is the world's largest publicly traded property and casualty insurer. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. We combine the precision of craftsmanship with decades of experience to conceive, craft and deliver the very best insurance coverage and service to individuals and families, and businesses of all sizes.

Chubb is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. The company serves multinational corporations, mid-size and small businesses with property and casualty insurance and risk engineering services; affluent and high net worth individuals with substantial assets to protect; individuals purchasing life, personal accident, supplemental health, home and car insurance and other specialty personal insurance coverage; companies and affinity groups providing or offering accident and health insurance programs and life insurance to their employees or members; and insurers managing exposures with reinsurance coverage.

Chubb's core operating insurance companies maintain financial strength ratings of AA from Standard & Poor's and A++ from A.M. Best. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.

Chubb maintains executive offices in Zurich, New York, London and other locations, and employs approximately 31,000 people worldwide.

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