

CorporateGuard - Excess Elite

Whereas the insured named in the Schedule hereto has paid or agreed to pay to AIG UK Limited (hereinafter called "the Insurer") the Premium specified in the Schedule as consideration for the following insurance.

In no circumstances shall the liability of AIG UK Limited exceed the amount(s) specified in Item 4, 5, 6 or 7 of the Schedule.

For the purposes of this Policy the location of a risk shall be determined as follows:-

- (a) if the risk relates to buildings or to buildings and their contents (insofar as the contents are covered by this Policy) the risk shall be deemed to be located in the State in which the property is situated;
- (b) if the risk relates to vehicles of any type, the risk shall be deemed to be located in the State in which the vehicle is registered;
- (c) in any other case
 - (i) if the Insured is an individual natural person, the risk shall be deemed to be located in the State in which the individual had his habitual residence on the date when the Policy was issued;
 - (ii) otherwise, the risk shall be deemed to be located in the State in which the central administration of the Insured to which the risk relates was situated on that date

1. Insurance Cover

The INSURERS hereby agree to indemnify the Insured to the extent of the limits as specified in Items 4, 5 and 6 of the Schedule hereof in respect of all sums which the Insured shall become legally liable to pay as damages consequent upon bodily injury and loss of or damage to property occurring during the Period of Insurance and arising out of the Business all as more fully described in the Primary Policies (hereinafter called "the Primary Policy").

PROVIDED ALWAYS THAT

- A:** No liability shall attach to the Insurers hereunder unless and until the Primary Insurers have paid or have been held liable to pay the full amount of their ultimate net loss liability as specified in Items 4, 5 or 6 of the Schedule (hereinafter called "the excess any one loss").
- B:** The liability of the Insurers hereunder shall not exceed the amount(s) as specified in Item 4, 5 or 6 of the Schedule.

2. Conditions

- 2.1 It shall be a condition precedent to any liability of the Insurers in respect of any claim under this Policy that the Insured shall have provided the Insurers with a full copy of the Primary Policy (including without limitation any endorsements, memoranda, and all attachments thereto) and the Insurers shall have had a reasonable opportunity being not less than 30 days to review the same and advise the Insured whether any additional terms or conditions or additional premium should apply under this Policy in the light of such review. Any review or investigation or negotiation of any claim by the Insurers prior to receipt of a copy of the Primary Policy shall be without prejudice to the fact that the Insurers shall have no liability to make any payment under the Policy in relation to that claim (including without limitation in respect of defence costs and expenses) unless and until a copy of the Primary Policy is provided to the Insurers and Insurers have had a reasonable opportunity to review the same as aforesaid.
- 2.2 It is the intention of this Policy that in respect of coverage provided under Items 4, 5 and 6 of the Schedule hereto Insurers shall only be bound under the terms of this Policy to "follow the form" of the Primary Policy in the manner described in Condition 2.8
 - (a) to the extent that a copy of that Primary Policy has been provided to the Insurers prior to the Insurers' acceptance of the risk under this Policy; or
 - (b) if the Primary Policy has not been so provided to the extent that the Insurers ought reasonably to have been aware at that time and without specific enquiry of the terms of that Primary Policy.
- 2.3 Without prejudice to Conditions 2.1 or 2.2 above and/or any other of the Insurers' rights howsoever arising if a copy of the Primary Policy is only provided to the Insurers after the date of inception of risk under this Policy the Insurers' liability in respect of any claim under this Policy shall be no greater or wider in scope than would have been the case if the terms of the Primary Policy had been no wider than that contemplated under 2.2(b) above and notwithstanding that the actual terms of that Primary Policy may contain any terms that would otherwise have increased or widened the scope of the Insurers' liability under this Policy.

- 2.4 The term "ultimate net loss" shall be understood to mean the sum actually paid in the settlement of losses for which the Insured are liable after making proper deductions for all recoveries, salvages and other insurances (other than the Primary Policies as stated in the Schedule) whether recovered or not and shall exclude all costs and expenses.
- 2.5 In the event of a claim occurring likely to exceed "the excess any one loss" no costs shall be incurred without the consent of the Insurers who shall be given the opportunity of co-operating in the settlement of claims in which they are interested. Should the claim become adjustable prior to going into Court or judgement be entered for a sum of not more than "the excess any one loss" then no costs shall be payable by the Insurers under this Policy.
- 2.6 Should the sum for which the said claim may be so adjustable exceed "the excess any one loss" then the Insurers hereunder if they consent to proceedings continuing shall contribute to the costs in the ratio that their proportion of the liability for the judgement rendered bears to the whole amount of the said judgement.
- 2.7 In the event that the Insured having the right to appeal a judgement in excess of "the excess any one loss" elect not to appeal such judgement then the Insurers may elect to conduct such appeal at their own cost and expense and shall be liable for the costs and interest incidental thereto but in no event shall the liability of the Insurers exceed the sum(s) as specified in Items 4, 5 and 6 of the Schedule.
- 2.8 It is understood and agreed that subject to the provisions of Conditions 2.1, 2.2, 2.3 and of any Endorsements attached to this Policy, this Policy is subject to the same warranties terms and conditions (except as regards the premium and amount and limit of liability and the renewal agreement if any and except as otherwise provided herein) as are contained in or as may be added to the Primary Policy. No amendment to the Primary Policy during the period of this Policy shall be effective in extending the scope of this Policy until agreed in writing by the Insurers.
- 2.9 It is a condition of this Insurance that the Primary Policy as specified in the Schedule shall be maintained in full force and effect during the Period of Insurance except for any reduction of the aggregate limits (if any) contained in the said Primary Policy solely by payment of claims in respect of losses occurring during the Period of Insurance.
- 2.10 The Insured shall give written notice to the Insurers as soon as practical of any occurrence which could on the basis of bodily injury and loss of or damage to property sustained reasonably be anticipated to involve an amount in excess of 75% of the Primary Policy limit where the Insured is liable for such bodily injury and loss of or damage to property. Solely for the purpose of reporting occurrences the Insured shall in all instances be considered legally liable for such bodily injury and loss of or damage to property.
- 2.11 If the Primary Insurers exercise a right under their policy to pay the limit of indemnity thereunder and only be liable for costs incurred up to the time of such payment then the Insurers under this Policy shall have the right to contest any claim against the Insured in the name of the Insured provided always that in this event the Insurers shall pay all legal costs and expenses incurred with their written consent after the date upon which the Primary Insurers shall have exercised the aforementioned right.

- 2.12 If by reason of the payment of any claim or claims by the Insurers of any Primary Policy as described in the Schedule during the Period of Insurance the amount of indemnity provided by such Primary Policy is
- (a) partially reduced then this Policy shall apply in excess of the reduced amount of the Primary Policy for the remainder of the Period of Insurance
 - (b) totally exhausted then this Policy shall continue in force as Primary Policy until expiry hereof.
- 2.13 Premium designated as Deposit Premium is a deposit premium only which shall be credited to the amount of earned premium due at expiration of this Policy. When the final earned premium is computed at expiration and upon notice thereof to the Insured the Insured shall pay to the Insurers such final earned premium. If the total earned premium is less than the premium previously paid the Insurers shall return to the Insured the unearned portion paid by the Insured. The Insured shall maintain records of such information as is necessary for premium computation and shall send copies of such records to the Insurers at the end of the Period of Insurance and at such times during the Period of Insurance as the Insurers may direct. Premium designated as Minimum Premium shall represent the minimum amount of premium due to the Insurers for the Period of Insurance of this Policy.
- 2.14 The Insurers may cancel this Policy by giving 60 days notice by recorded delivery to the Insured or his agent and in such circumstances the Insured shall then become entitled to the return of a proportionate part of the premium corresponding to the unexpired Period of Insurance.
- 2.15 The proper law of this Policy shall be English law (or Scottish law where the Insured's Head Office is in Scotland) and the Courts of England (or Scotland where the proper law of the contract is Scottish) shall have exclusive jurisdiction in all disputes connected with this Policy.
- 2.16 The Insured shall notify the Insurers in writing of any material changes to the Business or risk. The Insurers reserves the right to accept or deny coverage at the time of such notification and to charge a separate rate and Premium for any such coverage.
- 2.17 No party other than the Insured shall be entitled to enforce any term of the Policy for its own benefit pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

3. Extension

Crisis Containment Management

- 3.1. The Insurers will reimburse the Insured on the basis detailed herein as a direct result of a *Crisis* commencing during the Period of Insurance and reported to the Insurers in accordance with this Extension.

Any *Crisis* arising out of, based upon or attributable to related, continuous or repeated *Insured Events* shall be considered a single *Crisis* for the purposes of this Extension.

The maximum amount payable by the Insurers under this Extension will be subject to the aggregate limit as stated in Item 7 of the Schedule.

- 3.2. Subject to the Requirements set out in paragraph 3.6 of this Extension, for the purpose of this Extension only, the Insurers shall reimburse the Insured for *Crisis Consultant* fees and costs. Such fees and costs shall be approved and paid by the Insured and submitted to the Insurers for approval and reimbursement under this Policy. *Crisis Consultant* costs are limited to fees or costs incurred within the *Crisis Coverage Period*.

3.3. **Exclusions specific to this Extension:**

The Insurers are not liable for the payment of any loss directly or indirectly caused by or resulting from:

- (a) circumstances that affect the industry in which the Insured conducts its business activities;
- (b) governmental regulations which affect another country or the industry in which the Insured conducts its business activities;
- (c) changes in population, customer tastes, economic conditions, seasonal sales variations, or competitive environment;
- (d) any fraudulent act committed by any of the Insured's senior executives.

3.4. **Definitions specific to this Extension:**

- (a) *Adverse Publicity* means any negative reporting of an *Insured Event* in local, regional or national media (including but not limited to radio, television, newspaper and/or magazines) which has potential to cause a *Material Interruption*.
- (b) *Crisis* means any decisive, unstable or crucial time in the Insured's affairs or business resulting from an *Insured Event* that:
 - (i) has directly caused a *Material Interruption*; or
 - (ii) has the potential to cause:
 - (A) imminent *Financial Loss*; or
 - (B) *Adverse Publicity*;
for the Insured if left unmanaged.
- (c) *Crisis Consultants* means the independent crisis consultants previously approved by the Insurers for use by the Insured in connection with a *Crisis*.
- (d) *Crisis Coverage Period* means the period of time commencing when the *Crisis* is first reported to the Insurers and ending not later than 30 days thereafter.

Comment [E1]: Wording moved to paragraph 5 – under heading Requirements.

- (e) **Financial Loss** means:
 - (i) within a 48 hour period, the price per share of the Insured's common stock decreases by 10% net of the change in the Standard & Poor's Composite Index or any other comparable index used to measure the stock exchange in which the Insured lists its common stock; or
 - (ii) a decrease greater than 20% in the consolidated revenues of the Insured.
- (f) **Insured Event** means an occurrence that in the good faith opinion of the Insured comprises of an event or circumstance which in the absence of crisis containment management could potentially give rise to a claim under this Policy.
- (g) **Material Interruption** means a disruption or break in the continuity of the Insured's normal business operations, which:
 - (i) requires the direct involvement of all of the Insured's board of directors or senior executives and diverts their concentration from their normal operating duties; and
 - (ii) is likely to have a significant negative impact on the Insured's revenues, earnings or net worth.

3.5. Additional General Provisions applicable to this Extension

Changes in risk during the Period of Insurance

If during the Period of Insurance:

- (i) the Insured consolidates with or merges into, or sells all or substantially all 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, whether individually or together with any other person or persons, entity or entities acquires an amount of the outstanding shares representing more than 50% of the voting power for the election of directors of the Insured, or acquires the voting rights of such an amount of such shares;

(either of the above events herein referred to as the "*Transaction*"),

then the cover provided under this Extension is amended so as to apply only to *Crisis* committed prior to the effective date of the *Transaction*.

The Insured shall give the Insurers written notice of the *Transaction* as soon as practicable but not later than 30 days after the effective date of the *Transaction*.

3.6. Requirements

Subject to the specific requirements set out in the paragraph below the Insured will, as a condition precedent to the obligations of the Insurers under this Extension of the Policy, give immediate notice to the Insurers of any *Crisis* by telephoning the CRISIS CENTRE HOTLINE available globally twenty-four hours a day, seven days a week at the following numbers:

UK / Europe / Rest of World: (free phone) **001-713-260-5500**

USA / Canada: (toll free) **1-866-926-8457**

Any event that meets the following conditions will be reported to the Insurers in the time period indicated:

- (i) any event that results in regional or national media coverage (print, radio or television) and relates to an *Insured Event*, must be reported to the Insurers within 24 hours of the media coverage, if the Insurers has not previously been notified of the event by the Insured;
- (ii) any event that results in the filing of a claim or litigation against the Insured and relates to an *Insured Event*, must be reported to the Insurers within 48 hours of the claim/litigation filing, if the Insurers has not previously been notified of the event by the Insured.

Reporting of an event does not guarantee that it will be considered an Insured Event. In all cases, when the initial reporting of the event under this Policy is made verbally, written notification containing a complete description of the event must be submitted, when requested by the Insurer, by writing to The Contingency Claims Manager, AIG UK Limited, 2-8 Altyre Road, Croydon CR9 2LG

SIGNED FOR AND ON BEHALF OF THE INSURERS

DATE:

AIG UK Limited

This insurance is underwritten by AIG UK Limited (FSA number: 202628) which is authorised and regulated by the Financial Services Authority. Registered in England: company number 1486260. Registered address: The AIG Building, 58 Fenchurch Street, London EC3M 4AB. This information can be checked by visiting the FSA website (www.fsa.gov.uk/register). AIG UK Limited is a member company of American International Group, Inc. (AIG) and a member of the Association of British Insurers

COMPLAINTS

Every effort is made to ensure you receive a high standard of service. If you are not satisfied with the service you have received, you should contact:-

Customer Relations Manager

AIG UK Limited

2-8 Altyre Road

Croydon

CR9 2LG

Email: uk.customer.relations@aig.com

To help us to deal with your comments quickly, please quote your Policy/Claim Number and Policyholder/Insured Name

We will do our best to resolve any difficulty directly with you, but if we are unable to do this to your satisfaction you may be entitled to refer any dispute to the Financial Ombudsman Service who will review your case. The address is:

Financial Ombudsman Service

South Quay Plaza

183 Marsh Wall

London

E14 9SR