

# Commercial Management Liability Insurance



**QBE INSURANCE (MALAYSIA) BERHAD** welcomes you as a policyholder and we take this opportunity to recommend that you thoroughly examine this Document which sets out the benefits and limitations of the insurance. Please store it in a safe place.

Should you have any query, please contact your Registered Agent/Broker or our QBE office, especially if the insurance is not completely in accordance with your intentions.

**'WE WOULD REMIND YOU THAT YOU MUST DISCLOSE TO US, FULLY AND FAITHFULLY, THE FACTS THAT YOU KNOW TO BE RELEVANT TO OUR DECISION ON WHETHER TO ACCEPT THE RISK OR NOT AND THE TERMS TO BE APPLIED, OR A REASONABLE PERSON IN THE CIRCUMSTANCE COULD BE EXPECTED TO KNOW TO BE RELEVANT OR OUGHT TO KNOW, OTHERWISE YOU MAY NOT RECEIVE ANY BENEFITS FROM YOUR POLICY.'**

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**THIS IS A 'CLAIMS MADE' INSURANCE (WITH COSTS AND EXPENSES INCLUDED IN THE LIMIT OF LIABILITY).**

In consideration of the payment of *premium*, **QBE** and the **insured** each agrees as follows:

## Section 1 - insuring agreements

**QBE** will, subject to the terms of this insurance, including any applicable **retention**:

- |                                    |     |   |
|------------------------------------|-----|---|
| INSURED PERSON                     | 1.1 | pay on behalf of an <b>insured person</b> any <b>loss</b> resulting from a <b>claim</b> first made against an <b>insured person</b> during the <b>policy period</b> except to the extent that the <b>company</b> has indemnified the <b>insured person</b> for such <b>loss</b> ;   |
| COMPANY REIMBURSEMENT              | 1.2 | reimburse, or pay on behalf of, the <b>company</b> any <b>loss</b> resulting from a <b>claim</b> first made against an <b>insured person</b> during the <b>policy period</b> for which the <b>company</b> has indemnified, or agreed to indemnify, any <b>insured person</b> but only to the extent that <b>insured person</b> would otherwise have cover under the <i>Insured person insuring agreement 1.1</i> above; |
| INVESTIGATION COSTS                | 1.3 | pay on behalf of an <b>insured person</b> any <b>costs and expenses</b> incurred in an <b>investigation</b> commenced during the <b>policy period</b> , subject to the <i>sub-limit of liability</i> shown under <i>Item 4 (i)</i> of the <i>schedule</i> ;   |
| COMPANY SECURITIES CLAIM           | 1.4 | pay on behalf of the <b>company</b> any <b>loss</b> resulting from a <b>company securities claim</b> first made against the <b>company</b> during the <b>policy period</b> , subject to the <i>sub-limit of liability</i> shown under <i>Item 4 (ii)</i> of the <i>schedule</i> ;   |
| COMPANY EMPLOYMENT PRACTICES CLAIM | 1.5 | pay on behalf of the <b>company</b> any <b>loss</b> resulting from an <b>employment practices claim</b> first made against the <b>company</b> during the <b>policy period</b> , subject to the <i>sub-limit of liability</i> shown under <i>Item 4 (iii)</i> of the <i>schedule</i> .   |

## Section 2 - extensions

**QBE** will, subject to the terms of this insurance, including any applicable *sub-limit of liability* shown under *Item 6* of the *schedule*:

- |  |     |  |
|--|-----|--|
| DERIVATIVE DEMAND INVESTIGATION COSTS      | 2.1 | pay the <b>costs and expenses</b> incurred by an <b>insured person</b> for their response to a <b>derivative investigation</b> .   |
| PUBLIC RELATIONS COSTS                     | 2.2 | pay the <b>costs and expenses</b> incurred by an <b>insured person</b> for the retaining of a reputable public relations firm to rebut, contain or limit the potentially adverse effects or publicity resulting from a <b>claim</b> or potential <b>claim</b> notified to <b>QBE</b> in accordance with the <i>Notice of claims general condition 7.1</i> .  |
| PRE-INVESTIGATION AND SELF-REPORTING COSTS | 2.3 | pay the <b>costs and expenses</b> incurred by an <b>insured person</b> following a request made during the <b>policy period</b> to provide documents or evidence or attend an interview as part of an <b>investigation</b> conducted by: <ul style="list-style-type: none"><li>(i) an <b>official entity</b> into the affairs of the <b>company</b> or into the conduct of another <b>insured person</b>; or</li><li>(ii) the <b>company's</b> external lawyers for the purpose of reporting to an <b>official entity</b> a potential breach of regulation or law by an <b>insured</b> and any subsequent co-operation with that <b>official entity</b>.</li></ul> |

Routine regulatory supervision, inspection or compliance reviews, or any investigation or thematic review focusing on an industry rather than an **insured** will fall outside of the scope of this *extension*.

REGULATORY CRISIS COSTS

2.4 pay the **costs and expenses** incurred by an **insured person** for the retaining of counsel following a raid during the **policy period** of the **company's** or **insured person's** premises by an **official entity** where the **insured person** requires advice and assistance in responding to a request to hand over or release confidential documents or to be interviewed.

Routine regulatory supervision, inspection or compliance reviews, or any investigation or thematic review focusing on an industry rather than an **insured** will fall outside of the scope of this *extension*.

MITIGATION COSTS

2.5 pay any **costs and expenses** incurred by an **insured** and pay reasonable compensation to a third party necessary to prevent, settle or compromise a potential **claim** by that third party, provided that:

- (i) the payment arises out of facts or circumstances that have been notified to **QBE** in accordance with the *Notice of claims general condition 7.1*;
- (ii) had the **claim** been made, **QBE** would have had a greater liability under this **policy** than the amount of the proposed mitigation payment;
- (iii) the payments will be in excess of the applicable **retention(s)** shown under *Item 4 of the schedule*; and
- (iv) **QBE** has absolute discretion in providing its consent to the payments.

**QBE** will have no liability under this *Mitigation costs extension 2.5* for any potential **claim** brought by the **company** against an **insured person**.

EMERGENCY COSTS

2.6 where, by virtue of the urgency of the situation, it is not reasonably possible for an **insured person** to obtain **QBE's** prior written consent to **costs and expenses** incurred pursuant to:

- (i) *Public relations costs extension 2.2*;
- (ii) *Pre-investigation and self-reporting costs extension 2.3*;
- (iii) *Regulatory crisis costs extension 2.4*;
- (iv) *Prosecution costs extension 2.7*;
- (v) any **extradition proceeding**,

then **QBE** will give retrospective approval for such **costs and expenses** provided they would otherwise be covered under this **policy** and the **insured person** has sought such consent no later than thirty (30) calendar days from when such **costs and expenses** were first incurred. With respect to the **costs and expenses** incurred pursuant to the *Pre-investigation and self-reporting costs extension 2.3*, to the extent that the **insured person** is prohibited from disclosing the existence or any details of the **investigation**, such non-disclosure will not prejudice the **insured's** rights under the **policy** provided that the **insured person** shall notify **QBE** as soon as practicable once they are legally able to do so.

PROSECUTION COSTS

2.7 pay the **costs and expenses** incurred by an **insured person** to bring legal proceedings for the discharge or revocation of:

- (i) an order issued during the **policy period** disqualifying such **insured person** from holding office as a director or officer; or
- (ii) an interim or interlocutory order issued during the **policy period**:
  - (a) confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of such **insured person**;
  - (b) imposing a charge over real property or personal assets of such **insured person**;
  - (c) imposing a restriction of the **insured person's** liberty; or
  - (d) for the deportation of an **insured person** following revocation of an

otherwise proper, current and valid immigration status for any reason other than the **insured person's** finally adjudicated conviction for a crime;

provided always that such orders were not made in **claims** that were first made prior to the inception of this **policy**.

#### DEPRIVATION OF ASSETS EXPENSES

2.8 in the event of the assets of an **insured person** being confiscated, suspended or frozen by an interim or interlocutory order in connection with a **claim** as described under the *Prosecution costs extension 2.7*, part (ii)(a), **QBE** will pay the following fees as part of **costs and expenses** directly to the provider of any such services to the **insured person**:

- (i) schooling;
- (ii) housing;
- (iii) utilities; and
- (iv) personal insurances,

provided always that such expenses will only be payable:

- (a) provided that any personal allowances directed by the court to meet such expenses has been exhausted;
- (b) after thirty (30) calendar days following the date of the order and will remain payable up to a maximum period of twelve (12) months; and
- (c) subject to the *sub-limit of liability* shown under *Item 6* of the *schedule*.

#### DAMAGE TO AN INSURED PERSONS REPUTATIONAL COSTS

2.9 pay the **costs and expenses** incurred by an **insured person** for the retaining of a reputable public relations firm to mitigate the adverse effect on that **insured person's** reputation by disseminating findings made in a final adjudication of that **claim** notified to **QBE** in accordance with the *Notice of claims general condition 7.1* which exonerates the **insured person** from any fault, liability or culpability.

#### SHAREHOLDER COSTS

2.10 pay the **costs and expenses** incurred by any shareholder of the **company** in pursuing a **claim** against an **insured person** on behalf of the **company** in the event and to the extent that the **company** is legally liable to pay any such **costs and expenses** pursuant to a court order.

#### ADDITIONAL PROTECTION FOR PARENT COMPANY BOARD DIRECTORS' AND NON-EXECUTIVE DIRECTORS

2.11 pay on behalf of any **parent company director** or any **non-executive director** any **loss** arising out of an **unrelated claim** first made against them during the **policy period** up to the **additional protected limit of liability**, but only where:

- (i) the **limit of liability**;
- (ii) the limits of liability of all other applicable commercial management liability (D&O) insurance, whether or not specifically written to apply in excess of this **policy**;
- (iii) all other sources of indemnification available to any such **parent company director** or **non-executive director**,

have all been exhausted.

#### CIVIL FINES AND PENALTIES

2.12 pay any civil fines and penalties for which an **insured person** is legally liable resulting from a **claim** first made against any **insured person** during the **policy period** unless uninsurable as a matter of applicable law.

#### RUN-OFF PERIOD FOR RETIRED INSURED PERSONS

2.13 automatically provide one hundred and twenty (120) months **discovery period** for any **retired insured person** if this insurance is not renewed or replaced with an equivalent insurance, and providing that all *premiums* have been fully paid to **QBE**.

#### DISCOVERY PERIOD

2.14 where this insurance is not renewed or replaced with an equivalent insurance

and all *premiums* have been fully paid to **QBE**, provide to the **insured** an:

- (i) automatic **discovery period** of ninety (90) calendar days; or
- (ii) option for the **insured** to purchase an optional **discovery period** for a longer period as shown under *Item 6* of the *schedule*, if:
  - (a) **QBE** receives, no later than thirty (30) calendar days after the end of the **policy period**, written notice from the **parent company** of the **insured's** intention to purchase the **discovery period**; and
  - (b) **QBE** receives, no later than forty-five (45) calendar days after the end of the **policy period**, any applicable additional *premium* required in respect of this optional **discovery period**.

References to the **policy period** in *Section 1 - Insuring agreements* and in *Section 2 - extensions* will include the **discovery period**, where invoked.

Once the additional *premium* has been paid the **discovery period** will not be cancellable.

PERSONAL LIABILITY OF INSURED PERSONS FOR CORPORATE TAXES	2.15	pay on behalf of an <b>insured person</b> the <b>loss</b> arising from a <b>claim</b> first made against that person during the <b>policy period</b> asserting the <b>insured person</b> has a personal liability for the unpaid taxes of the <b>company</b> following the appointment of a receiver, administrator, administrative receiver, liquidator or any equivalent in another jurisdiction, unless uninsurable under applicable law.
INTERPRETIVE COUNSEL COSTS	2.16	pay the <b>costs and expenses</b> incurred by an <b>insured person</b> residing outside of the <b>insured persons</b> home jurisdiction for counsel to interpret and apply advice received from a local counsel in a foreign jurisdiction in response to any <b>securities claim</b> alleging a violation of any securities laws of such other jurisdiction.
TRAVEL AND ACCOMMODATION COSTS	2.17	pay the <b>costs and expenses</b> incurred by an <b>insured person</b> in attending an <b>investigation</b> first made during the <b>policy period</b> if the <b>investigation</b> is in a country that they do not normally reside in, but only to the extent that the <b>company</b> is unable to indemnify the <b>insured person</b> for such costs as a result of insolvency or legal or regulatory prohibition.
REINSTATEMENT OF LIMIT OF LIABILITY ( <i>if recovery</i> )	2.18	in the event that, <b>QBE</b> recovers any amount paid under this <b>policy</b> , <b>QBE</b> will reinstate the <b>limit of liability</b> and any appropriate <i>sub-limit of liability</i> to the extent of such recovery, less <b>QBE's</b> costs and expenses incurred in administering and obtaining any such recovery. <b>QBE</b> assumes no duty to seek a recovery of any amount paid under this <b>policy</b> . <b>QBE</b> , in its sole and absolute discretion, will determine the amounts to be credited. Any amount recovered in excess of <b>QBE's</b> total amount payment will be restored to the <b>parent company</b> less the cost and expenses to <b>QBE</b> for any such recovery.
LIBERALISATION FOR CLAIMS IN A FOREIGN JURISIDCTION	2.19	in the event that, <b>loss</b> arising from a <b>claim</b> maintained solely in a <b>foreign jurisdiction</b> or to which the law of a <b>foreign jurisdiction</b> is applied, but only to the extent permitted by law or regulation, <b>QBE</b> will apply the same terms and conditions of this <b>policy</b> as amended to include the terms and conditions of the <b>foreign policy</b> in the <b>foreign jurisdiction</b> should the terms and conditions of the <b>foreign policy</b> be more favourable to an <b>insured person</b> than the terms and conditions of this <b>policy</b> , provided that the <i>foreign liberalisation extension 2.19</i> will only apply to <i>Section 1 - insuring agreements</i> and <i>Section 10 - definitions</i> and will specifically not apply to any policy terms addressing limits of liability ( <i>whether primary or excess</i> ), sub-limits of liability, retentions or deductibles, other insurance, non-renewal, duty to defend, defence costs in addition or within limits of liability, taxes, conformance to law or excess liability coverage, any claims made and dispute resolutions provisions, any <i>endorsements</i> to this <b>policy</b> that limits or excludes coverage for any specific events, litigation or that specifically states that it will have worldwide effect.

## Section 3 - exclusions

The conduct of any **insured person** will not be imputed to another **insured person** to determine the application of any of the following *Exclusions*.

**QBE** will have no liability to make payments for **loss** in connection with a **claim**, or under any of the *Extensions* of this **policy**:

### CONDUCT

- 3.1 arising out of, based upon, contributed or attributable to any:
- (i) deliberately dishonest or deliberately fraudulent act or omission of the **insured** or any wilful breach or violation by the **insured** of any law or regulation. For the purpose of determining the applicability of this *Conduct exclusion 3.1 (i)* to the **company**, only knowledge or information possessed by the Chairman, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or their functional equivalents of the **company** shall be imputed to the **company**; or
  - (ii) personal profit or remuneration gained by an **insured** to which such **insured** was not legally entitled. Except, to the extent permitted by law, this *Conduct exclusion 3.1 (ii)* shall not apply to such allegations in a **claim** against any **insured person** under *Sections 11, 12 or 15(a)* of the *Securities Act of 1933 (USA)*,

provided that this *Conduct exclusion 3.1* will apply only if it is established by a judgment or other final adjudication, after final appeal thereof, whether in the underlying action or in a separate action or proceeding, or any formal written admission by or on behalf of such **insured** that such conduct did in fact occur.

### EXISTING CLAIMS OR CIRCUMSTANCES

- 3.2 arising out of, based upon or attributable to any fact, circumstance, event, source, transaction or **wrongful act** which:
- (i) forms part of the subject matter or allegations in any prior or pending **investigation**, court or arbitration proceeding or criminal, administrative or regulatory proceeding, which was brought prior to the *Pending and prior litigation date* shown under *Item 8* of the *schedule*; or
  - (ii) was notified to the insurer(s) of any other insurance covering the same subject matter as this insurance for a preceding policy period, but this *exclusion* will not apply if:
    - (a) the **insured** has maintained continuous insurance with **QBE** from the inception date of that preceding insurance to the end of this **policy period**; and
    - (b) **QBE** has not previously accepted that earlier notification as valid under such preceding insurance.

### BODILY INJURY OR PROPERTY DAMAGE

- 3.3 for any actual or alleged bodily injury, sickness, disease or death of any person; or any damage to or destruction of any tangible property including loss of use thereof; or the cost of any testing for, abating, monitoring, cleaning up, recycling, removal, reconditioning, reclaiming, containing, treating, detoxifying or neutralising arising from or associated with any actual or alleged **environmental violation**.

This *bodily injury or property damage exclusion 3.3* will not apply to:

- (i) any allegation of mental anguish or emotional distress relating to an **employment practices claim**; or
- (ii) **costs and expenses** of an **insured person** in relation to:
  - (a) any alleged **environmental violation** as a consequence of alleged breach of any environmental legislation in any jurisdiction;
  - (b) either of the *Public relations costs extension 2.2* or the *Pre-investigation and self-reporting costs extension 2.3*;



- (c) any **investigation** or criminal, administrative or regulatory proceedings arising from an alleged breach of health and safety legislation including any legislation relating to manslaughter or corporate manslaughter; or
- (d) any **non-indemnifiable loss** of an **insured person**.

## PENSIONS

- 3.4 arising out of, based upon or attributable to any **insured** acting as a trustee, fiduciary or administrator of the **company's** own pension, profit sharing or employee benefits programme, including any actual or alleged breach or violation of the *Employee Retirement Income Security Act of 1974 ('ERISA')* (USA), the *Pensions Act of 1995 (UK)*, the *Employees Provident Fund Act 1991 (Malaysia)* or any successor, amending or subordinate legislation of either, or any similar or equivalent law or regulation in any other jurisdiction.

## COMPANY VERSUS INSURED PERSON

- 3.5 brought against an **insured person** by, on behalf of, or at the direction of the **company** or an **outside entity** in the United States of America, its territories or possessions, except and to the extent that such **claim** is brought:
- (i) derivatively by a security holder of the **company** or an **outside entity** who is acting independently of, and without the solicitation, assistance, participation or intervention of, an **insured person** (other than an **insured person** engaged in whistleblowing), the **company** or any **outside entity**;
  - (ii) by any receiver, administrator or other insolvency practitioner (or equivalent in any other jurisdiction) of the **company** or an **outside entity** or any assignee of such person;
  - (iii) **costs and expenses**.

## OFFERINGS OF SECURITIES IN THE UNITED STATES OF AMERICA

- 3.6 arising out of, based upon, contributed or attributable to any issuance, offering or placement of **securities** in the United States of America, unless **QBE** at its sole discretion agrees in writing to provide such additional cover and the **insured** accepts the terms, conditions, limitations and additional *premium* imposed by **QBE**.



## Section 4 - changes in risk

If, during the **policy period**:

### NEW SUBSIDIARIES

4.1 the **company** acquires any new **subsidiary**, this insurance will provide cover in respect of that **subsidiary** for any **claim** made during the **policy period** arising from conduct or **wrongful acts** committed after the completion of such acquisition.

If, however, the newly acquired **subsidiary**:

- (i) exceeds thirty five percent (35%) of the total assets of the **company**, as represented in the **company's** most recent audited consolidated financial statements;
- (ii) is incorporated, domiciled or has equity **securities** issued or traded on any exchange in the United States of America, other than SEC Rule 144A listing,

then this insurance will only provide cover for the newly acquired **subsidiary** in respect of any **claim** made within a period of ninety (90) calendar days from that acquisition (and within the **policy period**).

**QBE** may provide cover after expiry of the ninety (90) calendar day period if **QBE** receives written notice from the **insured** containing full details of the acquisition and:

- (i) the **insured** accepts the terms, conditions, limitations and additional *premium* imposed by **QBE**; and
- (ii) **QBE** gives written notice of the provision of such additional cover.

If **QBE** does not receive written notice in accordance with this clause, any cover provided under this clause will automatically lapse on expiry of the ninety (90) calendar day period.

### CHANGE IN CONTROL

4.2 there is a **change in control**, this insurance will only provide cover for any **claim** in respect of conduct or **wrongful acts** committed up to the date of the **change of control**, provided that:

- (i) all *premiums* will be deemed earned and become fully payable immediately upon the **change of control**; and
- (ii) **QBE** may agree to provide a **discovery period** to **insured persons** for up to eight-four (84) months from the expiry of the **policy period** in respect of conduct or **wrongful acts** committed up to the date of the **change in control**. The provision of any such **discovery period** and the terms, conditions, limitations and other provisions relating to it, including the level of any additional *premium*, will be in **QBE's** sole discretion.

### DISPOSAL

4.3 any entity ceases to be a **subsidiary**, the cover provided by this insurance will continue to apply to the **insured persons** who, because of their service with such **subsidiary**, were covered by this insurance, but only for conduct or **wrongful acts** that occurred prior to the time such entity ceased to be a **subsidiary**.

### NEW OUTSIDE DIRECTORSHIPS

4.4 the **insured** requests an **insured person** serves as an **outside director**, then this insurance will automatically provide cover in respect of any such position, but only for **wrongful acts** that occurred after the appointment as an **outside director** to the **outside entity**, such indemnity will not extend to any other director or officer of the **outside entity**.

4.5 the **company** undertakes an issuance, offering or placement of **securities** outside of the United States of America where the total value of any such issuance, offering or placement of **securities**:

- (i) does not exceed or is equal to the amount stated in *Item 7* of the *schedule*, then this insurance will automatically provide cover in respect of any such issuance, offering or placement of **securities**.
- (ii) exceeds the amount stated in *Item 7* of the *schedule*, then this insurance will automatically provide cover in respect of any such issuance, offering or placement of **securities** in respect of any **claim** made within a period of sixty (60) calendar days from the effective date of the issuance, offering or placement of **securities** (and within the **policy period**).

**QBE** may provide cover after the expiry of the sixty (60) calendar day period if **QBE** receives written notice from the **insured** containing full details (including a copy of any prospectus, information memorandum or other regulatory filing as soon as it becomes publicly available, together with any other information) relating to the issuance, offering or placement of **securities**) and:

- (i) the **insured** accepts the terms, conditions, limitations and additional *premium* imposed by **QBE**; and
- (ii) **QBE** gives written notice of the provision of such additional cover.

If **QBE** does not receive written notice in accordance with this clause, any cover provided under this clause will automatically lapse on expiry of the sixty (60) calendar day period.

## Section 5 - limit of liability, indemnification and retentions

LIMIT OF LIABILITY	5.1	<p>The amount shown under <i>Item 3</i> of the <i>schedule</i> will be <b>QBE's</b> maximum aggregate <b>limit of liability</b> under this insurance. The <b>limit of liability</b> will be reduced to the extent of each payment made by <b>QBE</b> and once it is exhausted <b>QBE</b> will have no further liability under this <b>policy</b> except only to the extent the <i>Additional protection for parent company board directors' and non-executive directors extension 2.11</i> applies.</p> <p>Where the <i>Additional protection for parent company board directors' and non-executive directors extension 2.11</i> applies, <b>QBE's</b> maximum aggregate liability to indemnify the <b>parent company directors</b> or any <b>non-executive director</b> becomes the <b>additional protected limit of liability</b>. The <b>additional protected limit of liability</b> will be reduced to the extent of each payment made by <b>QBE</b>.</p> <p>Except where the <i>Additional protection for parent company board directors' and non-executive directors extension 2.11</i> applies, the <i>sub-limits of liability</i> shown in <i>Item 6</i> of the <i>schedule</i> are part of and not in addition to the <b>limit of liability</b>.</p> <p>The granting of a <b>discovery period</b> does not in any way reinstate or otherwise affect the <b>limit of liability</b> and if applicable the <b>additional protected limit of liability</b>.</p>
INSURER'S LIABILITY EXCESS OF RETENTION	5.2	<p>Save as set out in any applicable <i>sub-limit of liability</i>, <b>QBE</b> will pay the amount of <b>loss</b> in excess of the applicable <b>retention(s)</b> shown under <i>Item 5</i> of the <i>schedule</i> up to the <b>limit of liability</b>.</p>
RETENTION - COMPANY REIMBURSEMENT	5.3	<p>The <b>retention</b> applicable to the <i>Company reimbursement insuring agreement 1.2</i> will apply to any <b>loss</b> for which the <b>company</b> or <b>outside entity</b> is legally required or permitted to provide indemnification to <b>insured persons</b>, regardless of whether indemnification is actually provided, except that no <b>retention</b> will apply if the <b>company</b> or <b>outside entity</b> does not provide an indemnity solely by reason of its insolvency.</p>
INDEMNIFICATION BY THE COMPANY	5.4	<p>The certificate of incorporation, charter, by-laws, memorandum, articles of association, or other organisational or constitutional documents of the <b>company</b> and each <b>outside entity</b> will be deemed to permit the <b>company</b> or <b>outside entity</b> to indemnify the <b>insured persons</b> to the fullest extent allowable by law.</p>
NO INDEMNIFICATION	5.5	<p>If a payment is made by <b>QBE</b> to any <b>insured person</b> as to which indemnification by the <b>company</b> or <b>outside entity</b> was legally permitted but not made, the <b>company</b> agrees to pay to <b>QBE</b> the amount of the <b>retention</b> pursuant to the <i>Company reimbursement insuring agreement 1.2</i>. <b>QBE</b> will be entitled to set off such amounts against any sums due from <b>QBE</b> to the <b>company</b>.</p>
RETENTION - SECURITIES CLAIM	5.6	<p>Solely with respect to a <b>securities claim</b>, no <b>retention</b> will apply to such <b>claim</b> and <b>QBE</b> will reimburse those <b>costs and expenses</b> incurred by the <b>insured</b> if:</p> <ul style="list-style-type: none"><li>(i) the <b>securities claim</b> is dismissed, or there is an agreement to dismiss the <b>securities claim</b> and without any payment by the <b>insured</b>; or</li><li>(ii) there is a final judgment in favour of the <b>insured</b>, including, by reason of a motion to dismiss or summary judgment, after the exhaustion of all appeals.</li></ul> <p>Any reimbursement under this provision shall be paid ninety (90) calendar days after the date of such dismissal, stipulation or final judgment of no liability. The <b>insured</b> will reimburse such funds if the <b>securities claim</b> is reinstated (or a <b>securities claim</b> containing interrelated <b>wrongful acts</b> is made) after the ninety (90) calendar day period.</p>

SEPARATE  
RETENTIONS

- 5.7 If different **retentions** apply to different parts of any **loss**, the applicable **retention** will be applied separately to each part of such **loss**, and the sum of the **retentions** will not exceed the largest applicable **retention** shown under *Item 5* of the *schedule*.

## Section 6 - defence, settlement and allocation of loss

- DUTY TO DEFEND** 6.1 It will be the duty of the **insured** to defend any **claim**. **QBE** shall have the right and be given the opportunity to participate with each **insured** in the defence and settlement of any **claim** that appears likely to involve **QBE**.
- CONSENT TO COSTS AND EXPENSES** 6.2 Except as provided for in the *Emergency costs extension 2.6*, **QBE** shall be liable to pay **costs and expenses** only once **QBE** has provided prior written consent to those **costs and expenses** being incurred, such consent not to be unreasonably withheld, delayed or denied.
- NO ADMISSION BY THE INSURED** 6.3 **QBE** will not be liable to pay in connection with any liability admitted by the **insured**, nor any settlement agreed by the **insured**, unless **QBE** has provided prior written consent to the liability being admitted or settlement being agreed, such consent not to be unreasonably withheld, delayed or denied.
- COSTS AND EXPENSES ADVANCED** 6.4 Upon receipt by **QBE** of a written request by the **insured**, **QBE** shall advance **costs and expenses** on a current basis in excess of any applicable **retention**, before the disposition of the **claim**. If it is finally determined that the **loss** incurred is not covered by this insurance, the **insured** shall repay such **costs and expenses** to the extent that **QBE** has paid them to or on behalf of the **insured**.
- REFUSAL TO INDEMNIFY** 6.5 If the **company** or the **outside entity** confirms in writing that either refuses to indemnify the **insured persons**, though legally required or permitted to do so, **QBE** shall advance **costs and expenses** to any relevant **insured person** pursuant to the *Costs and expenses advanced clause 6.4*. The **company** shall then be liable to pay those amounts to **QBE** pursuant to the *No indemnification clause 5.5*.
- ALLOCATION OF LOSS** 6.6 If both **loss** covered by this insurance and **loss** not covered by this insurance are incurred, either because a **claim** made against the **insured** contains both covered matters and matters not covered by this insurance, or because a **claim** is made against both the **insured** and others (including the **company** other than for a **company securities claim**) not insured under this insurance, the **insured** and **QBE** shall determine a fair allocation of **loss** to be paid by this insurance, taking into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defence or settlement of the **claim** by the **insured**.
- If **QBE** and the **insured** cannot agree as to an allocation of the **loss**, **QBE** shall advance that portion of **loss** which the **insured** and **QBE** agree is not in dispute until a final amount is agreed upon or determined pursuant to the *Governing law and arbitration clause 7.16*.

## Section 7 - general conditions

### NOTICE OF CLAIMS

- 7.1 The **insured** shall give **QBE** written notice of any **claim** first made against the **insured** during the **policy period**, as soon as practicable and, in any event, within sixty (60) calendar days of the end of the **policy period**. If the **insured** does not give notice to **QBE** in compliance with this clause, **QBE** will have no liability under this insurance in respect of that **claim**.

Where there is an applicable **discovery period**, the **insured** shall give **QBE** written notice of any **claim** first made in that **discovery period** as soon as practicable and, in any event before the expiry of the **discovery period**. Where such notice is given, such **claim** shall be deemed to have been first made in the **discovery period**.

During the **policy period**, the **insured** may also notify **QBE** of any fact or circumstance which may reasonably give rise to a **claim**. The **insured** shall set out in such notice the reasons why the **insured** reasonably anticipates that the fact or circumstance may give rise to a **claim** and provide full particulars.

Any **claim** made after expiry of the **policy period** which alleges, arises out of, or is attributable to such fact or circumstance notified to **QBE** in accordance with this *Notice of claims general condition 7.1*, will be deemed by **QBE** as having been first made and notified during the **policy period**.

The **insured** shall send all notices to the contact shown under *Item 10* of the *schedule*.

### INTERRELATED CLAIMS

- 7.2 Two or more **claims** arising from the same originating cause, circumstance, event, fact, source, transaction or series of casually connected causes, events, facts, circumstances, sources, transactions or from related **wrongful acts** shall be deemed to constitute a single **claim** notwithstanding that they might involve different claimants, **insured's** and causes of action. Only one **retention** shall apply to that single **claim** (in accordance with the *Separate retentions condition 5.7*).

Further, all such **claims** shall be deemed to have been first made when the first of them was made or deemed made, provided that first **claim** was notified to **QBE** in accordance with the *Notice of claims general condition 7.1*.

### OTHER INSURANCE

- 7.3 Any **loss** payable under this insurance will be specifically excess of and will not contribute to or with any other insurance, including any insurance that would have been valid and collectable in the absence of this insurance. The provisions of this insurance will not be affected or amended by the terms of any other insurance policy.

The cover under this **policy** for **loss** from **claims** made against the **insured persons** while acting in their capacity as an **outside director** will be excess of and will not contribute to or with any other insurance or indemnification available to such **insured person** from such **outside entity** or its insurers.

### PRIORITY OF PAYMENTS

- 7.4 If **loss**, is payable under more than one of the *insuring agreements* or *Extensions*, **QBE** shall, to the extent practicable and subject at all times to the **limit of liability** shown under *Item 3* of the *schedule*, pay such **loss** in the following priority:
- (i) first, under the *Insured person insuring agreement 1.1*;
  - (ii) second, under the *Company reimbursement insuring agreement 1.2*;
  - (iii) third, under the *Investigation costs insuring agreement 1.3*;
  - (iv) fourth, under the *Company securities claim insuring agreement 1.4*; or

(v) any other relevant *insuring agreement* or *Extension*.

## CANCELLATION

7.5 **QBE** may cancel this insurance for non-payment of *premium*. **QBE** will provide no less than twenty (20) calendar days written notice stating the reason for cancellation. If cancelled, this insurance will be of no effect from the inception date. **QBE** will send notice of cancellation to the **parent company**. If the *premium* is paid during the twenty (20) calendar days' notice period, the notice of cancellation will be revoked and this insurance will remain in force.

The **parent company** may cancel this insurance, and subsequent to, receipt by **QBE** of written instructions for such cancellation. A pro-rata refund of unexpired *premium* will apply unless such cancellation is within the first three (3) months of the **policy period**, in which case, **QBE** short-period rates will apply.

## REMEDIES FOR MISREPRESENTATION AND NON-DISCLOSURE

7.6 **QBE** irrevocably waives any and all rights and remedies it may have in relation to an **insured person** as a result of any misrepresentation or non-disclosure made by that person, including, but not limited to, any right **QBE** has to rescind or avoid this insurance, but **QBE** retains all such remedies with respect to:

- (i) an **insured person** who was personally fraudulent in the misrepresentation or non-disclosure in question; or
- (ii) the **company** in connection with the *Company securities claim insuring agreement 1.4*.

## NO IMPUTATION

7.7 The **proposal** will be construed as a separate **proposal** by each **insured**. With respect to the information and statements contained in such **proposal** or otherwise provided to **QBE** when this insurance was effected, or in the context of any mid-term amendment, any:

- (i) statement provided or acts committed by; or
- (ii) knowledge or omissions of,

any one **insured person** shall not be imputed to any other **insured person** for the purpose of determining the availability of cover under this insurance.

## ASSISTANCE AND COOPERATION

7.8 The **insured** shall provide **QBE** with all information, assistance and cooperation that **QBE** may reasonably request and undertakes to do nothing which increases **QBE's** exposure under this insurance or in any way prejudices **QBE's** potential or actual rights of recovery.

## SUBROGATION

7.9 If **QBE** makes any payment under this insurance, **QBE** shall be subrogated to all of the **insured's** potential or actual rights of recovery. The **insured** shall do all things that **QBE** may require to secure such rights of recovery and shall provide any assistance and cooperation to **QBE** as it may reasonably require.

## EXHAUSTION

7.10 If the **limit of liability** and any additional limits of liability pursuant to any *Extension*, are exhausted:

- (i) the *premium* for this insurance will be deemed earned and become fully payable; and
- (ii) all **QBE's** obligations under this insurance will be fully discharged, and **QBE** will have no further obligation under this insurance.

## SANCTIONS LIMITATION

7.11 **QBE** will have no liability nor be liable to pay any **claim** or provide any benefit hereunder to the extent that the provision of such cover, payment of such **claim** or the provision of any such benefit under this insurance would expose **QBE** or any member of the **QBE** group of companies to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.



ALTERATION AND ASSIGNMENT

7.12 **QBE** will not be bound by any change in, modification of, or assignment of interest under this insurance, unless where **QBE** has given its prior written consent and which is signed and approved by an authorised **QBE** employee.

AUTHORISATION, NOTICES AND AMENDMENTS TO THE POLICY

7.13 **QBE** will accept the authority of the **parent company** to act on behalf of the **company** and the **insured persons** with respect to:

- (i) the payment of *premium*;
- (ii) the provision notices to **QBE**;
- (iii) the receipt of any benefit under this insurance; and
- (iv) the receipt of notices from **QBE**.

This does not preclude an **insured person** from notifying **QBE** in accordance with the *Notice of claims general condition 7.1*.

Notice to any agent of **QBE** or knowledge possessed by any agent or other person acting on behalf of **QBE** will not affect **QBE's** rights nor prevent **QBE** from asserting any of its rights under this insurance.

The terms, conditions, limitations and other provisions of this insurance may be varied or amended by *endorsement* only.

CONFIDENTIALITY

7.14 **QBE** will treat as confidential all information provided to it by the **insured** in connection with this insurance and will not, without the prior consent of the **parent company**, disclose any such information to any third party but **QBE** will, without the consent of the **parent company**, be entitled to disclose any confidential information to:

- (i) any director, officer, employee, agent, reinsurer or adviser of **QBE** or its group companies in connection with this insurance;
- (ii) any person in order to comply with any legal or regulatory requirement; and
- (iii) as required by any court, mediator or arbitrator.

**QBE** will not be required to treat as confidential any information provided to it by an **insured** if that information:

- (i) is in the public domain, other than by means of **QBE** having disclosed it; or
- (ii) was in **QBE's** possession prior to it being provided by the **insured**.

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

7.15 A person who is not a party to this contract has no right under this contract of insurance.

GOVERNING LAW AND ARBITRATION

7.16 This **policy** will be governed by and construed in accordance with the laws of Malaysia.

All matters in difference between the parties arising under, out of or in connection with this insurance, including formation and validity, and whether arising during or after the **policy period**, shall be referred to arbitration. The seat and place of arbitration shall be Malaysia.

The arbitration shall be conducted in accordance with the latest Rules of the *Kuala Lumpur Regional Centre for Arbitration ('KLRC')* published at the time that arbitration is commenced by the claimant (the party requesting arbitration), unless the rules conflict with this *Governing law and arbitration clause 7.16*, in which case this *Governing law and arbitration clause 7.16* will prevail.

The Arbitral Tribunal shall consist of three arbitrators, one to be appointed by the Claimant, one to be appointed by the Respondent, and a third to be appointed by the two party-appointed arbitrators.

The third member of the Arbitral Tribunal shall be appointed no later than twenty-eight (28) calendar days after the appointment of the second party-appointed arbitrator. The Arbitral Tribunal shall be constituted upon the appointment of the third arbitrator.

If a party fails to appoint an arbitrator within fourteen (14) calendar days of being called upon to do so, or if the two party-appointed arbitrators fail to appoint a third within twenty-eight (28) calendar days of the appointment of the second then, upon application by either the Claimant or the Respondent, the Chairman of the KLRCA will appoint an arbitrator to fill the vacancy.

The Arbitral Tribunal may in its sole discretion make such orders and directions as to procedural matters as it considers to be necessary for the final determination of the matters in dispute. The Tribunal shall have the widest discretion permitted under the KLRCA Rules and law governing the arbitral procedure when making such orders or directions

Unless the parties otherwise agree the arbitration tribunal shall consist of persons (including those who have retired) with not less than ten (10) years' experience of insurance or reinsurance as persons engaged in the industry itself or as lawyers or other professional advisers.

## Section 8 - complaints

### WHAT THE INSURED SHOULD DO

**QBE** strives to provide an excellent service to all its customers but occasionally things can go wrong. **QBE** takes all complaints seriously and endeavours to resolve all customers' problems promptly. If the **insured** has a question or complaint about this insurance or the conduct of its broker, they should contact that broker in the first instance.

Alternatively, if the **insured** wishes to contact **QBE** directly the **insured** should write to the complaints address shown under *Item 10* of the *schedule* quoting the **policy** or **claim** reference applicable.

## Section 9 - Privacy and the Personal Data Protection Act 2010

All personal information provided in connection with this insurance will be processed and held in accordance with the *Personal Data Protection Act 2010*.

Where personal information is provided about another person, the **insured** is required to inform that person of **QBE's** identity, and why their personal information will be processed and disclosed. The **insured** is also required to obtain their written consent to the processing of their personal information in this way and provide, on request, such consent to **QBE**.

It may be necessary for **QBE** to provide information to other organisations that supply services or products associated with this **policy**. **QBE** may also share information provided with other organisations and public bodies, including law enforcement agencies, in order to verify the information provided and prevent and detect fraud. If you have any questions in relation to your personal information held by **QBE**, or the way **QBE** uses or holds your personal information you can write to **QBE's Data Protection Officer** at the address set out below.

*Data Protection Officer / Compliance Officer*

QBE Insurance (Malaysia) Berhad

No. 638, Level 6, Block B1, Pusat Dagang Setia Jaya (Leisure Commerce Square)

No. 9 Jalan PJS 8/9

46150 Petaling Jaya

Selangor Darul Ehsan

## Section 10 – definitions

In this insurance the following words will have the meanings as shown below:

### ADDITIONAL PROTECTED LIMIT OF LIABILITY

means the amount shown in the *schedule*, applying in accordance with the *Additional protection for parent company board directors' and non-executive directors extension 2.11*.

### CHANGE IN CONTROL

means the merger or acquisition of the **parent company**, or of all or substantially all of its assets by another entity such that the **parent company** is not the surviving entity.

### CLAIM

- (i) in relation to an **insured person**:
  - (a) a written demand for monetary or non-monetary relief;
  - (b) any civil proceeding;
  - (c) any criminal proceeding which is commenced by an indictment or similar process;
  - (d) any regulatory or administrative proceeding;
  - (e) a **securities claim**;
  - (f) an **employment practices claim**;
  - (g) an **extradition proceeding**,alleging a **wrongful act** on the part of the **insured person**; or
  - (h) any **investigation**.
- (ii) in relation to a **company**:
  - (a) a **company securities claim**;
  - (b) an **employment practices claim**.

### COMPANY

means the **parent company** and any **subsidiary** created or acquired on or before the inception date shown under *Item 2* of the *schedule* or during the **policy period**, subject to the provisions under the *New subsidiaries clause 4.1*.

### COMPANY SECURITIES CLAIM

means a written demand for monetary or non-monetary relief (other than an **investigation** or administrative or regulatory proceedings) commenced against the **company** arising from a **securities wrongful act** that is brought by:

- (i) by any person (other than an **official entity**) based upon, arising out of, directly or indirectly resulting from, or in any way involving the purchase or sale of, or offer to purchase or sell, **securities** of the **company**; or
- (ii) by a security holder of the **company** with respect to either:
  - (a) such security holder's interest in the **securities** of the **company**;
  - (b) derivatively on behalf of the **company**.

### COSTS AND EXPENSES

means reasonable professional fees, costs and expenses that are necessarily incurred with **QBE's** prior written consent by:

- (i) an **insured person** for the principal purpose of preparing for and attending an **investigation**;
- (ii) an **insured person** for the investigation, defence and appeal of any **claim**, including bail bond and civil bond costs (but not any collateral);
- (iii) an **insured** or **insured person** as applicable in connection with *extensions 2.1 to 2.7 and 2.9 to 2.10* inclusive;
- (iv) an **insured person** as applicable in connection with *extension 2.8*;
- (v) an **insured person** as applicable in connection with *extension 2.16*;

- (vi) an **insured person** for reasonable travel and accommodation costs as applicable in connection with *extension 2.17*;
- (vii) the **company** for the investigation, defence and appeal of any **company securities claim**.

**Costs and expenses** do not include the **company's** overhead expenses or any salaries, wages, fees, or benefits of its directors, officers or employees.

**DERIVATIVE DEMAND** means a written demand by any shareholder of the **company** upon the board of directors (or an equivalent management body) of the **company** requesting the **company** to bring civil proceedings in a court of law against an **insured person** for a **wrongful act**.

**DERIVATIVE INVESTIGATION** means an internal investigation conducted by the **insured** for the purpose of the **company** to determine whether the **company** should bring a civil action against an **insured person** in a court of law for a **wrongful act** relating to a **derivative demand**.

**DISCOVERY PERIOD** means a period following the end of the **policy period** during which this insurance will provide cover:

- (i) for a **claim** (first made during such period);
- (ii) for any other matter for which this insurance provides cover (occurring during such period),

but only in respect of a **wrongful act** or conduct occurring prior to the expiry of the **policy period**. References to the **policy period** in *Section 1 - Insuring agreements* and in *Section 2 - extensions* will include the **discovery period**, where invoked.

**EMPLOYMENT PRACTICES CLAIM** means a **claim** alleging an **employment practices wrongful act**.

**EMPLOYMENT PRACTICES WRONGFUL ACT** means any actual or alleged tortious act or omission, breach of statutory provision, breach of common law, or other violation relating to any individual's actual or prospective employment with the **company**.

**ENVIRONMENTAL VIOLATION** means the actual or alleged discharge, dispersal, release, escape, seepage, transportation, emission, treatment, removal or disposal of pollutants, contaminants, or waste of any kind, including nuclear material or nuclear waste or any actual or alleged direction, or request to test for, abate, monitor, clean up, recycle, remove, recondition, reclaim, contain, treat, detoxify or neutralise pollutants, contaminants or waste of any kind including nuclear material or waste.

**EXTRADITION PROCEEDING** means any proceeding against an **insured person** including any related appeal, any judicial review applications or any challenge or appeal of any extradition decision by any governmental authority, or any application to the Courts of Malaysia, or similar court in respect of any proceedings to remove an **insured person** to another territory against their will.

**FINANCIAL INSTITUTION** means any bank (including any merchant or investment bank), building society, credit union, clearing house or agent, insurance or reinsurance company, investment firm, asset management company, fund manager, private equity or venture capital company, stock broking company or any entity established for the purpose of carrying on commodities, futures or foreign exchange trading or any other similar entity.

**FOREIGN JURISDICTION** means any jurisdiction other than the jurisdiction where this **policy** was issued.

## FOREIGN POLICY

means the standard directors' & officers' liability policy (including any mandatory endorsements, if any) which is approved by **QBE** at the inception date of this **policy** for use within a **foreign jurisdiction** that provides cover on the same or equivalent terms and conditions purchased by the **insured** for the **policy period**. **Foreign policy** will not include any association, casualty, crime, partnership, private company management, pension trustees, professional liability or professional indemnity, nor any manuscript or bespoke policy(ies).

## INSURED

means the **insured persons** and the **company**.

## INSURED PERSON

means:

- (i) any past, present or future director or officer, member of the board of directors, or **non-executive director** of the **company**, or the equivalent in any jurisdiction;
- (ii) any past, present or future de facto or shadow director while acting in a capacity as a director or officer of the **company** as defined under *section 4(1)* of the *Malaysian Companies Act 1965 (Act 125)* (or equivalent in any other jurisdiction), other than a person acting in the capacity of external auditor, administrative receiver, administrator, receiver or liquidator;
- (iii) any past or present employee of the **company** to the extent:
  - (a) the subject **claim** is a **securities claim**;
  - (b) the subject **claim** is an **employment practices claim**;
  - (c) such employee is acting in a managerial or supervisory capacity;
  - (d) such employee is named as a co-defendant along with an **insured person** as defined in sub-sections (i) or (ii) of this definition of **insured person**;
- (iv) any **outside director** if the **company** indemnifies such **outside director**;
- (v) any lawful spouse or domestic partner of any **insured person** but only to the extent the spouse or domestic partner is a party to any **claim** solely in their capacity as a spouse or domestic partner of such **insured person** and only for the purposes of any **claim** seeking damages recoverable from, or in respect of, marital community property, property jointly held or transferred by any such **insured person** and the spouse or domestic partner;
- (vi) in the event of the death, incapacity or bankruptcy of an **insured person**, any **claim** first made during the **policy period**, against the estate, heirs or legal representatives,

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 in sub-sections (i) to (iv) above of this definition of **insured person**.

## INVESTIGATION

means any formal or official civil, criminal or regulatory investigation conducted by an **official entity** into the conduct or **wrongful acts** of an **insured person** whilst acting as such and shall be considered to be made by the service of a formal notice, including a notice to attend an interview, or in the case of a SEC investigation (*USA*) by way of a subpoena or Wells notice.

## LIMIT OF LIABILITY

means the amount shown under *Item 3* of the *schedule*.

## LOSS

means an amount in excess of the **retention** up to the **limit of liability** which the **insured** is liable to pay as:

- (i) awards of damages, including punitive and exemplary damages and the multiplied portion of an award for compensatory damages;
- (ii) costs and interest when associated with an award for damages;
- (iii) settlements made with **QBE's** prior written consent; and
- (iv) **costs and expenses**.

**Loss** will not include:

- (i) criminal fines or penalties, or taxes, except for punitive or exemplary damages and as provided for under the *Civil fines and penalties 2.12 extension* and *Personal liability of insured persons for corporate taxes 2.15 extension*;
- (ii) any employment-related compensation, remuneration or benefits;
- (iii) any pensions-related compensation;
- (iv) any costs or expenses incurred in cleaning up, removing, containing, treating, testing for or monitoring pollutants or restoring natural resources or property to their original state;
- (v) any remuneration of any **insured person** of the **company**, the cost of their time or costs or overheads of any **company**;
- (vi) any other amounts which are uninsurable under applicable law.

**QBE** will not assert that **loss** attributable to allegations of violations of *Section 11* or *12* of the *Securities Act of 1933 (USA)* constitute uninsurable **loss**.

**NON-EXECUTIVE DIRECTOR**

means any natural person who serves as a director of the **company** and who is not an employee of the **company**.

**NON-INDEMNIFIABLE LOSS**

means any **loss** for which the **company** or **outside entity** is not legally required or permitted to indemnify the **insured person**.

**OFFICIAL ENTITY**

means any regulator, government body, government agency or equivalent, or a person empowered on their behalf, to investigate the affairs or conduct of an **insured**.

**OUTSIDE DIRECTOR**

means any natural person who at the specific request of the **company** is serving, as at the date of the inception of this **policy**, as a director, officer, trustee, regent or governor of an **outside entity** or in an elected or appointed position of an **outside entity** having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **insured person** of the **company**, regardless of the name or title by which such position is designated.

**OUTSIDE ENTITY**

means any entity other than:

- (i) the **company** to which an **outside director** is appointed to and which is not incorporated, domiciled or has its **securities** traded on any exchange in the United States of America, other than a SEC Rule 144A listing;
- (ii) a **financial institution**,  
unless listed by *endorsement* as an **outside entity** by **QBE**.

**PARENT COMPANY**

means the entity shown under *Item 1* of the *schedule*.

**PARENT COMPANY DIRECTOR**

means any natural person who is, was or during the **policy period** becomes a director or officer of the **parent company** (as determined by the applicable law of the jurisdiction in which the **parent company** is domiciled) including the functional equivalents such as members of the executive or supervisory board of directors.

**POLICY**

means this document, its *schedule* and any *endorsements* amending either or both which together set out this insurance.

**POLICY PERIOD**

means the period shown under *Item 2* of the *schedule*.

**PROPOSAL**

means:

- (i) the **proposal** attached to and forming part of this **policy**; and/or
- (ii) any materials submitted to **QBE** prior to placement, which will be retained on file by **QBE** and will be deemed to be physically attached to this **policy**.



QBE	means the insurer shown under <i>Item 10</i> of the <i>schedule</i> , being QBE Insurance (Malaysia) Berhad (registered in Malaysia under registration number 161086-D: Home state - Malaysia). Authorised and regulated by the Central Bank of Malaysia.
RETENTION	means the amounts shown under <i>Item 5</i> of the <i>schedule</i> .
RETIRED INSURED PERSON	means an <b>insured person</b> who, prior to expiry of the <b>policy period</b> , has ceased to act in their <b>insured</b> capacity for reasons other than (i) disqualification, on grounds of fitness or propriety, from holding office or from managing a company; (ii) a <b>change in control</b> ; or (iii) the insolvency of the <b>parent company</b> or any <b>subsidiary</b> ; and does not subsequently resume their position.
SECURITIES	means any equity or debt instrument issued including any bond, debenture, future, note, option, share, stock or other equity or security for debt.
SECURITIES CLAIM	means a <b>claim</b> arising from a <b>securities wrongful act</b> .
SECURITIES WRONGFUL ACT	means the actual or alleged violation of any laws, rules or regulations regulating the purchase or sale of <b>securities</b> or the offering (or the soliciting of an offering) to purchase or sell <b>securities</b> or the registration of <b>securities</b> committed (or allegedly committed) by the <b>insured person</b> (in their capacity as such) or <b>company</b> (in its capacity as issuer of such <b>securities</b> ) during or prior to the <b>policy period</b> .
SUBSIDIARY	<p>means any entity during any time in which the <b>parent company</b>, directly or through one or more <b>subsidiary</b>(ies):</p> <ul style="list-style-type: none"> <li>(i) owns more than fifty percent (50%) of the issued and outstanding share capital;</li> <li>(ii) controls more than fifty percent (50%) of the voting rights;</li> <li>(iii) controls more than fifty percent (50%) of the right to vote for the election or removal of such entity's directors.</li> </ul> <p>The cover provided under this <b>policy</b> with respect to any <b>subsidiary</b> will only apply with respect to <b>wrongful acts</b>, events or conduct occurring or committed during the time when such entity was a <b>subsidiary</b> of the <b>company</b>.</p>
UNRELATED CLAIM	means any <b>claim</b> first made during the <b>policy period</b> against a <b>parent company director</b> or any <b>non-executive director</b> which neither alleges any <b>wrongful acts</b> alleged in nor arises from the same originating cause, circumstance, event, fact, source, transaction or series of casually connected causes, circumstances, events, facts, sources or transactions of a <b>claim</b> previously made against an <b>insured</b> and in respect of which payments have been made under this <b>policy</b> or any policies written specifically in excess of this <b>policy</b> .
WRONGFUL ACT	means any act, error, omission, misstatement, misleading statement, neglect, or breach of duty actually or allegedly committed, attempted or proposed to be committed by any <b>insured person</b> while acting in their capacity as an <b>insured person</b> , including any <b>employment practices wrongful act</b> or any <b>securities wrongful act</b> , occurring prior to the expiry of the <b>policy period</b> .