

Gur Insurance Group & Amwins Global Risks Israel QB Wording V 5.0
Directors & Officers Liability

In consideration of the payment of the premium, the insurer agrees as follows:

1. Insurance Cover

A: Directors and officers liability

The insurer shall pay the loss of each insured resulting from any claim first made against the insured during the policy period and notified to the insurer during the policy period for any wrongful act in the insured's capacity as a director or officer of the company except for and to the extent that the company has indemnified the insured.

B: Corporate reimbursement

The insurer shall pay the loss of the company resulting from any claim first made against the insured during the policy period and notified to the insurer during the policy period for any wrongful act in the insured's capacity as a director or officer of the company but only when and to the extent that the company is permitted or required by the law, to indemnify the insured for the loss.

Subject to the terms and conditions of this policy, the insurer shall advance defence costs resulting from any claim before its final resolution.

2. Definitions

2.1 Associated Company means any company of which the policyholder owns on or before the inception of the policy period more than 20 per cent but less than 50 per cent of the issued and outstanding voting shares either directly or indirectly through one or more of its subsidiaries.

2.2 Claim means:

(i) any suit or proceeding brought by any person or organisation against an insured for monetary damages or other relief, including non-pecuniary relief;

(ii) any written demand from any person or organisation that it is the intention of the person or organisation to hold an insured responsible for the results of any specified wrongful act;

(iii) any criminal prosecution brought against an insured;

(iv) any administrative or regulatory proceeding or official investigation regarding any specified wrongful act of an insured;

any claim or claims arising out of, based upon or attributable to a single wrongful act shall be considered to be a single claim for the purposes of this policy.

2.3 Company means the policyholder specified in Item 1 of the Schedule and any subsidiary, division, sector, region, product group or other internal company structure or segment detailed in an organisation chart or similar document and which has been granted this status by the policyholder or any subsidiary before the date of the wrongful act.

2.4 Continuity date(s) means the date(s) specified in Item 6 of the Schedule or if unknown then the pending and prior litigation continuity date shall be the date from which the policyholder has maintained uninterrupted cover with the insurer, or with any other insurer

2.5 Defence costs means reasonable and necessary fees, costs and expenses incurred with the written consent of the insurer (including premiums for any appeal bond, attachment bond or similar bond, but without obligation to apply for or furnish any bond) resulting solely from the investigation, adjustment, defence and appeal of any claim but shall not include the salary of any insured.

2.6 Director or officer means any natural person duly appointed or elected as a director, general manager, managing director, deputy general manager, or vice general manager of the company, and any other manager who is directly subject to the authority of the general manager, and any other natural person who fulfils a function mentioned above, even if his title differs therefrom.

- 2.7 Discovery period means the period of time specified in Extension 4.4, immediately following the termination of this policy during which written notice may be given to the insurer of any claim first made against the insured during such period of time for any wrongful act occurring prior to the end of the policy period and otherwise covered by this policy.
- 2.8 Employment practice claim means any claim or series of related claims relating to a past present or prospective employee of the company and arising out of any actual or alleged unfair or wrongful dismissal, discharge or termination, either actual or constructive, of employment, employment-related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunities, wrongful discipline; failure to furnish accurate job references; failure to grant tenure or negligent employee evaluation; or sexual or workplace or racial or disability harassment of any kind (including the alleged creation of a harassing workplace environment); or unlawful discrimination, whether direct, indirect, intentional or unintentional, or failure to provide adequate employee policies and procedures, provided that the cause of action stipulated in the claim does not arise under or derive from infringement of any specific Labour Law, or any stipulation in a group agreement which the company is subject to.
- 2.9 Full annual premium means the annual premium level in effect immediately prior to the end of the policy period.
- 2.10 Insured means any natural person who was, is, or shall become a director or officer of the company. Cover will automatically apply to any natural person who becomes a director or officer after the inception date of this policy.
- 2.11 Insurer means Endurance Worldwide Insurance Limited.
- 2.12 Loss means damages, judgments, settlements and defence costs; however, loss shall not include civil or criminal fines or penalties imposed by law, non-compensatory damages including punitive or exemplary damages (other than damages awarded for libel and slander), taxes, any amount for which the insured is not legally liable or matters which may be considered uninsurable under the law pursuant to which this policy shall be construed. Damages, judgments, settlements and defence costs incurred in more than one claim against the insured but resulting from a single wrongful act shall constitute a single loss.
- 2.13 No liability means:
- (i) a final judgment of no liability obtained prior to trial in favour of all insureds by reason of a motion to dismiss or a motion for summary judgment after the exhaustion of all appeals; or
 - (ii) a final judgment of no liability obtained after trial in favour of all insureds, after the exhaustion of all appeals.
- In no event shall the term no liability apply to a claim made against an insured for which a settlement has occurred.
- 2.14 Not-for-profit entity means an entity registered in the Not For Profit Registrar according to the Israeli Not For Profit Entity Law, 1980, or any similar entity organised under the laws of any other jurisdiction, or a trade association which for the purposes of this policy shall mean a body of persons, whether incorporated or not, which is formed for the purpose of furthering the trade interests of its members, or of persons represented by its members.
- 2.15 Outside entity means any associated company, any not-for-profit entity or any other corporation, partnership, joint venture or other organisation which has been listed by endorsement to this policy.
- 2.16 Policyholder means the organisation specified in Item 1 of the Schedule.
- 2.17 Policy period means the period of time from the inception date to the expiry date specified in Item 2 of the Schedule.
- 2.18 Pollutants include (but are not limited to) any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes (but is not limited to) material to be recycled, reconditioned or reclaimed.
- 2.19 Security means any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security of the company, and shall include any certificate of interest or participation in, receipt for, warrant or other right to subscribe to or purchase, voting trust certificate relating to, certificate of deposit for, or other interest in any of the foregoing.

2.20 Single wrongful act means a wrongful act or any related, continuous or repeated wrongful acts, whether committed by the insured individually or by more than one insured and whether directed to or affecting one or more than one person or legal entity.

2.21 Subsidiary means companies in which the policyholder, either directly or indirectly through one or more of its subsidiaries;

(i) controls the composition of the board of directors; or

(ii) controls 50% or more of the voting power; or

(iii) holds 50% or more of the issued share capital.

Cover for any claim against any of the directors, officers and employees of any subsidiary shall apply only for wrongful act(s) committed while such company is a subsidiary of the policyholder.

However, upon written request by the policyholder, the insurer shall consider, after assessment and evaluation of the increased exposure, granting cover for wrongful act(s) committed prior to the acquisition of the subsidiary by the policyholder.

2.22 Transaction means any one of the following events:

(i) the policyholder 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 per cent of the voting power for the election of directors of the policyholder, or acquires the voting rights for such an amount of the shares.

2.23 Wrongful act means any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission, breach of warranty of authority or other act by the insured in their respective capacities as a director or officer of the company or as a director or officer of any outside entity, or any matter claimed against them solely because of their status as a director or officer of the company.

2.24 Non-executive Director means any independent director or external director who is a member of the board of directors of the company but is not a member of the executive management team. Non-executive Directors are not employees of the company and are not affiliated with the company in any other way.

3. Exclusions

The insurer shall not be liable to make any payment for loss in connection with any claim made against the insured:

3.1 arising out of, based upon or attributable to:

(i) the gaining in fact of any personal profit or advantage to which the insured was not legally entitled;

(ii) profits in fact made from the purchase or sale by the insured of securities of the company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 (USA) and any amendments thereto or similar provisions of any state statutory law;

(iii) the committing in fact of any dishonest or fraudulent act.

For the purpose of determining the applicability of these exclusions, the wrongful act of any insured shall not be imputed to any other insured. These exclusions shall only apply if it is established through a judgment, or any other final adjudication adverse to the insured, or any admission by an insured that the relevant conduct did in fact occur;

3.2 arising out of, based upon or attributable to the facts alleged or to the same or related wrongful act(s) alleged or contained in any claim which has been reported or in any circumstances of which notice has been given under any policy of which this policy is a renewal or replacement or which it may succeed in time;

- 3.3 arising out of, based upon or attributable to any pending or prior litigation as of the pending and prior litigation continuity date specified in Item 6 (i) of the Schedule, or alleging or deriving from the same or essentially the same facts as alleged in the pending or prior litigation;
- 3.4 which are brought by or on behalf of any insured or the company; provided, however, that this exclusion shall not apply to:
- (i) any employment practice claim brought by any insured;
 - (ii) any claim brought or maintained by an insured for contribution or indemnity, if the claim directly results from another claim otherwise covered under this policy;
 - (iii) any shareholder derivative action brought or maintained on behalf of the company without the solicitation, assistance or participation of any insured or the company;
 - (iv) any claim brought or maintained by a liquidator, receiver or administrative receiver either directly or derivatively on behalf of the company without the solicitation, assistance or participation of any insured or the company;
 - (v) any claim brought or maintained by any former director or officer of the company.
- 3.5 arising out of, based upon or attributable to or in any way involving, directly or indirectly, the actual, alleged or threatened discharge, dispersal, release or escape of pollutants; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise pollutants, nuclear material or nuclear waste.
- Provided, however, that this exclusion shall not apply to any claim made against the insured by any shareholder of the company either directly or derivatively, alleging damage to the company or its shareholders, unless on or before the pollution continuity date specified in Item 6 (ii) of the Schedule, the company, the insured or any employee of the company with managerial responsibilities over environmental affairs, control or compliance, knew or could have reasonably foreseen that there existed any situation, circumstance or wrongful act which could have given rise to a claim against the company, or the insured.
- 3.6 in a capacity as trustee or fiduciary under law (statutory or non-statutory including common) or administrator of any pension, profit sharing or employee benefits programme, including but not limited to an actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (USA) or the Pensions Act 1995 (UK) and any amendments thereto or any similar provisions of the law, common or statutory, of any state, territory, jurisdiction, or political subdivision thereof;
- 3.7 arising out of, based upon or attributable to any act or omission in the insured's capacity as a director or officer of any entity other than the company, or by reason of the insured's status as a director or officer of the other entity, other than as provided in Extension 4.3;
- 3.8 for bodily injury, sickness, disease, death or emotional distress of any person, or damage to or destruction of any tangible property, including loss of use thereof; provided, however, that any claim for emotional distress shall not be excluded with respect to an employment practice claim.

4. Extensions

Subject to all of the terms and conditions of this policy, cover is extended as follows:

4.1 Representation at Investigations and Examinations

This policy shall provide cover for any reasonable and necessary fees, costs and expenses incurred with the prior written consent of the insurer resulting from any legally required attendance by any director or officer of the company at any official investigation, examination, inquiry or other similar proceeding in relation to the affairs of the company.

If the director or officer of the company believes that as a result of such official investigation, examination, inquiry or other similar proceeding, circumstances exist which may reasonably be expected to give rise to a claim, notice must be given to the insurer of the circumstances and the reasons for

anticipating a claim, with full particulars as to dates and persons involved in accordance with General provision 5.5.

4.2 New Subsidiaries

Cover under this policy is extended to any subsidiary which the policyholder acquires or creates after the inception date of this policy provided that the subsidiary:

- (i) has total gross assets which are less than the amount specified in Item 7 of the Schedule either in the United States of America or Canada;
and
- (ii) does not have a listing of any of its securities on any exchange in the United States of America or Canada.

If a newly acquired or created subsidiary fails to meet conditions (i) and (ii) above the policyholder may request an extension of this policy for such subsidiary provided that the policyholder shall give the insurer sufficient details to permit the insurer to assess and evaluate the insurer's potential increase in exposure. The insurer shall be entitled to amend the policy terms and conditions, during the policy period, including by the charging of a reasonable additional premium.

Unless otherwise agreed, cover as is afforded to the directors or officers of any subsidiary by virtue of this extension shall only apply for wrongful act(s) committed while such company is or was a subsidiary of the policyholder.

4.3 Outside Directorships

Cover includes loss arising from any claim made against any insured who was, is or may become, at the specific request of the company, a director or officer of any outside entity for any wrongful act in the insured's capacity as a director or officer of the outside entity.

This cover shall be specifically excess of any insurance in force in respect of the outside entity as well as any indemnification provided by the outside entity. If the other insurance is provided by the insurer or any member company of Endurance Worldwide Insurance Limited (or would be provided except for the application of the retention amount or the exhaustion of the limit of liability), then the total aggregate limit of liability for all loss covered by virtue of this extension shall be reduced by the limit of liability specified in the schedule of the other Endurance Worldwide Insurance Limited insurance provided to the outside entity.

The cover provided by this clause shall not apply in connection with any claim made against any insured by the outside entity, any of its directors or officers or any shareholder of the outside entity holding more than 20 per cent of the issued and outstanding voting share capital of the outside entity.

4.4 Discovery Period

If the policyholder refuses to renew this policy, then the policyholder shall have the right, upon payment of an additional premium of 25 per cent of the full annual premium to a discovery period of 12 months following the effective date of non-renewal.

If the insurer refuses to offer any terms or conditions to renew this policy, then the policyholder shall have the right upon payment of an additional premium of 25 percent of the full annual premium to a discovery period of 12 months following the effective date of non-renewal.

The insured shall be entitled to a 60 day discovery period at no additional premium if this policy is not renewed by either the policyholder or the insurer. If the policyholder elects to purchase a discovery period, this 60-day discovery period shall be part of and not in addition to the purchased discovery period.

To purchase the discovery period, the policyholder must request its purchase in writing within 15 days of the termination date of the policy and must tender the additional premium within 30 days of the termination date.

The additional premium is not refundable and the discovery period is not cancellable.

If a transaction takes place, then the policyholder shall not have the right to purchase a discovery period as set out above. However, the policyholder shall have the right within 30 days of the end of the policy

period to request an offer from the insurer of a discovery period for up to 72 months. The insurer shall offer a discovery period with terms, conditions and premium as the insurer may reasonably decide.

4.5 Heirs, Estates and Legal Representatives

If an insured dies, becomes incompetent, insolvent or bankrupt, this policy shall cover loss arising from any claim made against the estate, heirs, or legal representatives of the insured for any wrongful act of such insured.

4.6 Joint Property Liability

This policy shall cover loss arising from any claim made against the lawful spouse (whether that status is derived by reason of the statutory law, common law or otherwise of any applicable jurisdiction in the world) of an insured for any claim arising out of his or her status as the spouse of an insured including any claim that seeks damages recoverable from marital community property or property jointly held by the insured and the spouse; provided, however, that this extension shall not afford cover for any claim for any wrongful act of the spouse and that this policy shall apply only to wrongful act(s) of an insured.

4.7 Personal Liberty and Property Costs

Insurers agree to pay up to a limit of USD 100,000 in respect of a claim made against any Insured in their capacity as a director or officer of the Company or the equivalent in any other jurisdiction for:

- (a) Any bail bond premium or civil bond premium in respect of any proceedings to prohibit the Insured from holding the office of a director or of proceedings to deport insured or to restrict the Insureds liberty to a specified domestic property; and
- (b) The reasonable fees, costs and expenses incurred by the Insured in respect of any proceedings to confiscate property to suspend or freeze the Insureds rights of property ownership of either real or personal property or to impose a charge over the insureds real property or personal property; and
- (c) The reasonable fees, costs and expenses incurred by the Insured in respect of any proceedings to prohibit the Insured from holding the office of a director or of proceedings to deport the Insured or restrict the Insureds liberty to a specified domestic property.

Provided that the Insured has complied with General Provisions 5.5 which is a condition precedent to the Insureds liability under this policy.

4.8 Interpretive Counsel

Insurers agree to pay;

- (a) The reasonable costs, fees and expenses incurred by the Insured when appointing counsel in the jurisdiction you are based to interpret any advice received from counsel in a foreign jurisdiction for a Wrongful Act in respect to a Claim made in that jurisdiction; and
- (b) The reasonable costs of any translation needed to obtain such advice.

Provided that the Insured obtains the Insurers consent before appointing such counsel and the Insured has complied with General Provisions 5.5 which is a condition precedent to the Insureds liability under this policy.

4.9 Environmental Claims Extension

Insurers agree to pay up to the Limit of Liability of this policy in the aggregate defence Costs incurred by the Insured in accordance with the terms of this policy in relation to any environmental Claim first made against the Insured during the policy period.

An environmental Claim is one which;

- (a) Involves the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants including greenhouse gasses; or
- (b) Involves a direction by a regulator to test for, monitor or clear up Pollutants including greenhouse gases.

Provided always that the Claim arises from a Wrongful Act

4.10 Bribery Proceedings

If the Insured is subject of prosecution under the Bribery Act 2010 or any similar statutory provision in any other jurisdiction the Insurer agrees that they will pay the reasonable costs (incurred with the Insurers written consent) of any lawyer retained by the Insured with the Insurers consent directly in relation to the defence of those proceedings up to the Limit of Liability in the aggregate. The Insurer will not pay any fine or penalty imposed as a result of such proceedings.

Insurer's agree they will pay reasonable costs incurred by any member of the Insureds immediate family for travel and hotel expenses to be near the Insured during the prosecution, in the Insureds capacity as such, and any consequent trial up to USD 10,000 per prosecution against the Insured.

Provided that the Insured has complied with General Provisions 5.5 which is a condition precedent to the Insureds liability under this policy.

4.11 Corporate Manslaughter Extension

Insurers agree they will pay the Loss of the insured with respect to any proceeding brought against the Insured for Corporate Manslaughter.

5. General provisions

5.1 Representation

In granting cover to any one insured, the insurer has relied upon the material statements and particulars in the proposal together with its attachments and other information supplied. These statements, attachments and information are the basis of cover and shall be considered incorporated and constituting part of this policy.

5.2 Changes in Risk During Policy Period

- (i) If during the policy period a transaction takes place, then the cover provided under this policy is amended to apply only to wrongful act(s) committed prior to the effective date of the transaction.
- (ii) If during the policy period, the company decides to make an offering of its securities in any jurisdiction, whether its securities are already traded or not, by any means, public, then as soon as the information is publicly available, the company shall provide the insurer with any prospectus or offering statement for the insurer's evaluation and assessment of the increased exposure of the insured and the insurer shall be entitled to amend the terms and conditions of this policy and/or charge a reasonable additional premium reflecting the increase in exposure.

At the policyholder's request, prior to the public announcement of such securities offering, the insurer shall evaluate and assess the increased exposure and advise of all necessary amendments to the terms and conditions of this policy and additional premium.

In this event and at the request of the policyholder, the insurer will enter into a confidentiality agreement with the policyholder relating to any information provided regarding the proposed securities offering.

5.3 Limit of Liability

The limit of liability specified in Item 3 of the Schedule is the total aggregate limit of the insurer's liability for all loss, arising out of all claims made against all insureds under all insurance covers under this policy combined. The limit of liability for the discovery period shall be part of and not in addition to the total aggregate limit of liability for the policy period. Loss arising from any claim which is made subsequent to the policy period or discovery period which pursuant to General provision 5.5 is considered made during the policy period or discovery period shall also be subject to the same total aggregate limit of liability. Defence costs are not payable by the insurer in addition to the total aggregate limit of liability. Defence costs are part of loss and are subject to the total aggregate limit of liability for loss.

Notwithstanding the above, where this Policy covers Claims filed against the Insured, and the Loss, including Defence Costs, exceeds the Limit of Liability, the Policy shall cover reasonable defence costs exceeding the Limit of Liability, in accordance with Section 66 of the Insurance Contract Law – 1981.

5.4 Retention

The insurer shall only be liable for the amount of loss arising from a claim which is in excess of the retention amount specified in Item 4 of the Schedule with regard to all loss under all insurance covers under this policy for which the company has indemnified or is permitted or required to indemnify the insured. The retention amount is to be borne by the company and shall remain uninsured. A single retention amount shall apply to loss arising from all claims alleging a single wrongful act.

Provided, however, that no retention shall apply and the insurer shall thereupon reimburse any defence costs paid by the company, in the event of:

- (i) a determination of no liability of all insureds, or
- (ii) a dismissal or a stipulation to dismiss the claim without prejudice and without the payment of any consideration by any insured.

Provided, however, that in the case of (ii) above, such reimbursement shall occur 90 days after the date of dismissal or stipulation as long as the claim is not re-brought (or any other claim which is subject to the same single retention by virtue of this General provision 5.4 is not brought) within that time, and further subject to an undertaking by the company in a form acceptable to the insurer that such reimbursement shall be paid back by the company to the insurer in the event the claim (or any other claim which is subject to the same single retention by virtue of this General provision 5.4) is brought after such 90 day period.

5.5 How to Give Notice and Report a Claim

- (i) Notice of a claim or of circumstances which may result in a claim shall be given in writing to Sigal Schlimoff Adv, Gross, Orad, Schlimoff & Co., Incorporated Law Firm, 7 Menachem Begin Road, Ramat-Gan, 52681, Israel. If posted the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.
- (ii) The company or the insured shall, as a condition precedent to the obligations of the insurer under this policy, give written notice to the insurer of any claim made against an insured as soon as practicable and either:
 - (a) any time during the policy period or during the discovery period;
 - or
 - (b) within 30 days after the end of the policy period or the discovery period, as long as such claim(s) is reported no later than 30 days after the date such claim was first made against an insured.
- (iii) If, during the policy period or during the discovery period written notice of a claim against an insured has been given to the insurer pursuant to the terms and conditions of this policy, then any claim arising out of, based upon or attributable to the facts alleged in the claim previously notified to the insurer or alleging a single wrongful act which is the same as or related to any wrongful act alleged in the previously notified claim, shall be considered made against the insured and reported to the insurer at the time the first notice was given.
- (iv) If during the policy period or during the discovery period, the company or the insured shall become aware of any circumstances which may reasonably be expected to give rise to a claim being made against an insured and shall give written notice to the insurer of the circumstances and the reasons for anticipating a claim, with full particulars as to dates and persons involved, then any claim which is subsequently made against an insured and reported to the insurer arising out of, based upon or attributable to the circumstances or alleging any wrongful act which is the same as or related to any wrongful act alleged or contained in those circumstances, shall be considered made against the insured and reported to the insurer at the time the notice of the circumstances was first given.

5.6 Advancement of Costs

The insurer shall advance to the insured or the company defence costs under all insurance covers under this policy before the final disposition of the claim.

The advance payments by the insurer shall be repaid to the insurer by the company or the insured, severally according to their respective interests, in the event and to the extent that the company or the insured shall not be entitled to payment of the loss under the terms and conditions of this policy.

In the event and to the extent that the company is permitted or required to indemnify the insured but for whatever reason fails to do so, the insurer will advance all defence costs to the insured on behalf of the company. In this case, however, the retention amount specified in Item 4 of the Schedule shall be repaid by the company to the insurer, unless the company is insolvent.

5.7 How Defence Will Be Conducted

The insured shall have the right and duty to defend and contest any claim. The insurer shall have the right to effectively associate with the insured and the company in the defence and settlement of any claim that appears reasonably likely to involve the insurer, including but not limited to effectively associating in the negotiation of any settlement.

The insured shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment or incur any defence costs without the prior written consent of the insurer as a condition precedent to the insurer's liability for loss arising out of the claim.

Only those settlements, stipulated judgments and defence costs which have been consented to by the insurer shall be recoverable as loss under the terms of this policy. The insurer's consent shall not be unreasonably withheld, provided that the insurer shall be entitled to effectively associate in the defence and the negotiation of any settlement of any claim in order to reach a decision as to reasonableness.

The company and the insured shall give the insurer full co-operation and all information as it may reasonably require as a condition precedent to the insurer's liability for loss arising out of the claim. In the event that a dispute arises between the insurer and the insured regarding whether or not to contest any legal proceedings, neither the insured nor the company shall be required to contest any legal proceedings unless a Queen's Counsel or equivalent (to be mutually agreed by the policyholder and the insurer) shall advise that the proceedings should be contested. The cost of the Queen's Counsel shall be borne by the insurer.

5.8 Allocation

- (i) The insurer has no obligation under this policy for defence costs incurred by the company, or any judgments rendered against or settlements by the company, or any obligation to pay loss arising out of any legal liability that the company has to the third party claimant. Accordingly, with respect to:
 - (a) defence costs jointly incurred by;
 - (b) any joint settlement made by; and/or
 - (c) any adjudicated judgment of joint and several liability rendered againstthe company and any insured, the company and the insured and the insurer agree to use their best efforts to determine a fair and proper allocation of the amounts as between the company and the insured and the insurer, taking into account the relative legal and financial exposures of and the relative benefits obtained by the insured and the company.
- (ii) In the event that any claim involves both covered matters and matters not covered under this policy, a fair and proper allocation of any defence costs, judgments and/or settlements shall be made between the company, the insured and the insurer taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this policy.
- (iii) In the event that a determination as to the amount of defence costs to be advanced to the insured under this policy cannot be agreed to, then the insurer shall advance defence costs which the insurer states to be fair and proper until a different amount shall be agreed upon or determined pursuant to the provisions of this policy and applicable law.

5.9 Cancellation Clause

This policy may be cancelled by the policyholder at any time only by mailing written prior notice to the insurer or by surrender of this policy to the insurer or to its authorised agent. This policy may also be cancelled by or on behalf of the insurer by delivering to the policyholder, or by mailing to the

policyholder, by registered, certified, or other first class mail, at the policyholder's address as shown in Item 1 of the Schedule, written notice stating when, not less than sixty (60) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The policy period terminates at the date and hour specified in such notice, or at the date and time of surrender.

If this policy shall be cancelled by the policyholder, the insurer shall retain the customary short rate proportion of the premium hereon.

If this policy shall be cancelled by the insurer, the insurer shall retain the pro rata proportion of the premium hereon.

Payment or tender of any unearned premium by the insurer shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable.

5.10 Subrogation

In the event of any payment under this policy, the insurer shall be subrogated to the extent of such payment to all of the company's and the insured's rights of recovery in respect of the payment, and the company and the insured shall execute all papers required and shall do everything that may be necessary to secure any rights including the execution of any documents necessary to enable the insurer effectively to bring suit in the name of the company and/or the insured.

5.11 Other Insurance

Any insurance as is provided under this policy shall apply only as excess over any other valid and collectible insurance.

5.12 Notice and Authority

It is agreed that the policyholder shall act on behalf of its subsidiaries and all insureds with respect to the giving and receiving of notice under this policy, including the giving of notice of claim, the payment of premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy and the exercising or declining to exercise any right to a discovery period.

5.13 Assignment

This policy and any rights hereunder cannot be assigned without written consent of the insurer.

5.14 Jurisdiction and Governing Law

Any interpretation of this policy relating to its construction, validity or operation shall be made in accordance with the laws of Israel.

The parties agree to submit to the exclusive jurisdiction of the courts in Israel.

5.15 Plurals and Titles

The titles of these paragraphs are for convenience only and do not lend any meaning to this contract. In this policy words in italics have special meaning and are defined.

5.16 Unintentional Non-Disclosure and Late Notification

In the event of non-disclosure or misrepresentation of information to the Insurer, then Insurers can agree not to void this Policy unless such non-disclosure or misrepresentation was fraudulent or with intent to deceive.

However, in the absence of any such fraud or intent to deceive Insurers shall be entitled to amend the terms, conditions and premium for this Policy upon review of any information that has not (but should have) been disclosed to Insurers or upon review of any information that has been represented to the Insurers.

In the event that the Insured or the Company fail to comply with the provisions of General Provisions 5.5 then Insurers agree not to repudiate a Claim provided that Insurers believe that such failure has prejudiced Insurers right to effectively associate with the Insured and/or the Company in the defence and settlement of any Claim, then Insurers reserves the right to deduct from any Loss an amount that the Insurer believes would have been payable had such prejudice not occurred.

In such event, Insurers will agree with the Insured that Insurers shall both use best efforts to agree upon a fair and proper amount of the proportion of any Loss that shall be deducted. If, however, such an amount cannot be agreed then it shall be determined by a Bar Counsel (or any equivalent or like person) to be mutually agreed upon or, in default of agreement, to be nominated by the then Chairperson of the Bar Counsel (or any equivalent like person). Such determination will be based upon written submissions only and will be final and binding.

The costs of any reference to a Bar Counsel under this clause shall be borne by Insurers.

Gur Insurance Group QB Wording Amendments V 5.0

Discovery BILATERAL 12 months

It is hereby understood and agreed that 4. Extensions 4.4 is deleted in its entirety and replaced by the following:

4.4 Discovery Period

If the insurer refuses to offer any terms or conditions to renew this policy, or the policyholder refuses to renew this policy, then the policyholder shall have the right to a discovery period of 12 months following the effective date of non renewal:

- (i) provided the policyholder cannot renew or replace this policy with or cannot purchase, effect or otherwise acquire, any other policy affording directors and officers liability or similar liability cover, and
- (ii) upon payment of an additional premium of:
12 Months at 125% of the full annual premium.

The insured shall be entitled to a 60 day discovery period at no additional premium if this policy is not renewed by the insurer or the Insured. If the policyholder elects to purchase a discovery period, this 60 day discovery period shall be part of and not in addition to the purchased discovery period.

To purchase this discovery period, the policyholder must request its purchase in writing within 15 days of the termination of the policy and must tender the additional premium within 30 days of the termination date. The additional premium is not refundable and the discovery period is not cancellable.

If a transaction takes place, then the policyholder shall not have the right to purchase a discovery period as set out above. However, the policyholder shall have the right within 30 days of the end of the policy period to request an offer from the insurer of a discovery period up to 84 months. The insurer shall have the right but not the duty to offer a discovery period with terms, conditions and premium as the insurer may reasonably decide.

No discovery period of any length is available in the event of this policy being cancelled due to the non-payment of premium.

The offer by the insurer of terms, conditions, limits of liability or premiums different from those of the expiring policy shall not constitute a refusal to renew.

Subject otherwise to all of the terms, conditions and exclusions of this policy.

Annex - Policy wording amendments

1. Preamble

The Preamble of the Policy will be deleted and replaced with the following: "In consideration of and/or subject to the undertaking to pay the premium, the insurer agrees as follows".

2. Insurance Cover

The expression "and notified to the Insurer during the Policy Period" appearing in clauses A & B & C - Entity Cover is amended to read "and notified to the Insurer during the Policy Period or within 45 days of expiry thereof."

Definitions:

3. It is hereby understood and agreed that the Definition of Associated Company (2.1) is deleted in its entirety and replaced by the following:

- 2.1 Associated Company means any company:
- (i) of which the policyholder owns at the inception of the policy period more than 5 per cent but less than 50 percent of the issued and outstanding voting shares either directly or indirectly through one or more of its subsidiaries; and
 - (ii) does not have a listing of any of its securities on any exchange in the United States of America or Canada; and
 - (iii) is not incorporated in the United States of America or Canada.

4. Definition 2.2 Claim is deleted and replaced with the following:

Claim means:

- (i) any suit or proceeding or any liability claim, brought by any person or organization against an insured for monetary damages or other relief, including non pecuniary relief; Claim will also include arbitration proceedings and mediation proceedings with the prior consent of the insurers.
- (ii) any written demand from any person or organization that it is the intention of the person or organization to hold an insured responsible for the results of any specified wrongful act;
- (iii) any criminal proceedings or prosecution brought against an insured;
- (iv) any administrative or regulatory proceeding or official investigation regarding any specified wrongful act of an insured;

any claim or claims arising out of, based upon or attributable to a single wrongful act shall be considered to be a single claim for the purposes of this policy.

5. Definition 2.6 Director or officer is amended by the addition of the following:

"Director or Officer shall also mean, all persons who were, now are, or shall be duly elected or appointed directors (including observers to the board of directors) and/or officers of the company, and all persons who were, now are, or shall be construed to be directors and/or officers of the company within the meaning of any applicable statutes, bylaws, memorandum and articles of associations or other law or regulations governing such matters, within the jurisdiction of the domiciled of the company, as well as internal auditors, including but not limited to, president, general manager, chief executive officer, deputy general manager, vice general manager, chief Financial Officer, internal legal adviser, controller, secretary of the company,, director of finance, and any other manager directly subordinate to the president, general manager or chief executive officer, or any person who fulfils one of the said positions in the company even if his title is different.

Director or officer shall also mean any employee of the Company, but only for a claim or claims alleging wrongful act(s) committed by the employee in a supervisory role or managerial capacity and any natural person in his capacity as a non salaried director and/or officer of the policyholder and / or any of it's subsidiaries that receives the payment for the service of the natural person under an invoice. The term director also means any observer to the board of directors, provided that they are entitled to the same indemnification rights as other director and officers.

The Term Director also means any natural person named as a prospective director in any listing particulars all members of the Audit, compensation and investments committee and any other equivalent.

6. Definition 2.8 Employment Practice Claim

is amended by the addition of the words "or unlawful discrimination of candidates, whether direct, indirect, intentional or unintentional."

The final paragraph of definition 2.8 reading "provided that the cause which the company is subject to", is deleted.

7. Definition 2.9 Full annual premium is deleted and replaced with the following:

Full annual premium means the amount specified in item 5 of the schedule, under full annual premium clause.

8. Definition 2.10 Insured is deleted and replaced with the following:

Insured means any natural person who was, is, or shall become a director or officer of the company. Cover will automatically apply to any natural person who becomes a director or officer after the inception date of this policy.

Insured shall include, any employee of the Company, but only for a claim or claims alleging wrongful act(s) committed by the employee in a managerial or supervisory capacity.

With respect to an employment practice claim only, insured shall include, any past, present or future employee of the company.

9. Definition 2.12 Loss is amended by replacing the words "or matters which may be considered uninsurable" with the words "or matters which are uninsurable."

Subject to other terms and conditions of this Policy, loss is specifically extended to include punitive and exemplary damages. It is hereby understood and agreed that this extension shall not apply to an employment practice claim, except for employment related defamation.

10. Definition 2.21 Subsidiary is amended by adding the following:

"The term Subsidiary, will also include any subsidiary of subsidiary and its subsidiary etc. as described in the above subsections".

11. Definition 2.23 Wrongful Act is amended by adding the following as a final paragraph:

"Without derogating from the generality of the foregoing, a wrongful act shall also include :

- A. any act performed by an insured in his capacity as a director or officer of the company, giving rise to a liability which the company may enter into a contract to insure, pursuant to Article 261 of the Israeli Companies Law 5759-1999, including sub-paragraphs 1-3 thereof."
- B. The term Wrongful Act shall include any employment practice violation.
- C. A breach of duty of care towards the company or any other person
- D. A breach of fiduciary duty towards the company, provided that the insured acted in good faith and had reasonable grounds to believe that such act should not prejudice the interests of the company.
- E. Financial obligations imposed upon an insured in favour of a third party in respect of any act performed by virtue of his position as a director or officer of the Company.
- F. Breach of contract, libel, slander, defamation.

Exclusions:

12. Exclusion 3.1 – The final sentence of exclusion 3.1 is amended to read as follows:

However , this Exclusion shall not apply to the violation of section 11 and 12 of the Securities Act 1933. It is expressly agreed that in the event of a Securities claim in connection with the violation of the Securities Act of 1933 as amended, the Securities Act 1934 as amended or regulations promulgated thereunder or any other similar federal or state law enacted within the United States of America or

Canada (Whether statutory, regulatory or common law) , the insurer shall be estopped (both under the Policy and under the Entity Cover Endorsement (Securities claim Worldwide)) from alleging that the claim is uninsurable in accordance with Article 263 of the Companies Law 5759-1999 (Recklessness).

13. Exclusion 3.4 is deleted and replaced with the following:

Which are brought by or on behalf of any insured or the company; provided, however, that this exclusion shall not apply to:

- (i) any employment practice claim brought by any insured;
 - (ii) any claim brought or maintained by an insured or the Company for contribution or indemnity, if the claim directly results from another claim otherwise covered under this policy;
 - (iii) any shareholder derivative action brought or maintained on behalf of the company without the voluntary solicitation, assistance or participation of any insured or the company;
 - (iv) any claim brought or maintained by a liquidator, receiver or administrative receiver or manager or trustee or any other manager appointed by a state or appointed by a public authority or by a court of law either directly or derivatively on behalf of the company without the solicitation, voluntary assistance or participation of any insured or the company;
 - (v) any claim brought or maintained by any former director, officer or employee of the company.
 - (vi) filing any claim either directly or indirectly under any law affording 'whistleblower' protection; including but not limited to the Public Interest Disclosure Act (UK), False claims Act (USA), or Sarbanes Oxley or equivalent laws or regulations;
 - (vii) Claims that are initiated as a result of orders of public authorities or public supervisory bodies.
 - (viii) Claims that are the result of a 'Third Party Complaint' issued by the Company, or a Director or Officer following an action initiated by a Third Party against any of the above, for which the Director or Officer would have been legally liable had the said Third Party initiated the action against the said Director or Officer".
- (IX). Defence Costs incurred by an Insured Person;

The exclusion shall only apply to a claim brought or maintained within the jurisdiction of, or based upon any laws of the United States of America and/or Canada, their estates, localities, territories or possessions.

14. Exclusion 3.5 - Pollution Exclusion - shall not apply to shareholder claims, in addition, shall not apply in respect of un- indemnified (side A) Defense Costs up to 10% of limit of liability.

15. Exclusion 3.8 - The final sentence of exclusion 3.8 is amended to read as follows:

provided, however, that any claim for emotional distress shall not be excluded with respect to an employment practice claim or any claim for libel or slander.

16. War and Civil War Exclusion

The policy shall not apply to any loss or damage directly or indirectly occasioned by, happening through or in consequence of war, innovation, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, lock-out, military rising, insurrection, rebellion, military or usurped power, martial law or loot, sack or pillage in connection therewith, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority or any act or condition incident to any of the above.

Furthermore, this policy shall not apply to any loss or damage directly or indirectly occasioned by, happening through or in consequence of any act of any person or persons acting on behalf of or in connection with any organization the objects of which are to include the overthrowing or influencing of any de jure or de facto Government by terrorism or any violent means.

All other terms and conditions remain unchanged.

Extensions:

17. Extension 4.1 Representation at Investigations and Examinations - The first paragraph of this clause is amended to read as follows:
- “The policy shall provide cover for any reasonable and necessary fees, costs, and expenses incurred with the written consent of the Insurer, which shall not be unreasonably withheld or unduly delayed, resulting from any legally required attendance by any Director, Officer or employee of the Company at any official investigation, examination, inquiry, or other similar proceeding in relation to the affairs of the company or any other attendance required of the insured by virtue of his position as a director , officer or employee of the company which does not qualify as a claim under definition 2.2 (iv) of this Policy
18. Extension 4.2 New Subsidiaries – Item (i) is deleted and replaced with the following:
- “has total gross assets which are less than 30%, of the Company’s total gross assets specified in item 7 of the schedule either in the United States of America or Canada”.
19. It is further agreed that 4. Extensions 4.3 Outside Directorships is deleted in its entirety and replaced by the following:
- 4.3 Outside Directorships
- The cover provided by this clause shall not apply in connection with any claim made against any insured by the outside entity, any of its directors, officers, trustees, governors or equivalent or any shareholder of the outside entity holding more than 30% of the issued and outstanding voting share capital of the outside entity.
- Cover under this extension 4.3 shall not apply in connection with any claim made against an insured arising out of a wrongful act committed by the insured prior to the continuity date specified in Item 6(i) of the Schedule, if on or before that date the insured knew or ought reasonably to have foreseen that such wrongful act would or could lead to a claim being made against them.
20. Extension 4.7 Crisis Communication Cover – the following extension is added to Section 4. Extensions:
- “If the Company reasonably considers that urgent action is needed in order to avert or mitigate a loss for which coverage would apply, the policy holder shall be entitled to employ the services of a Public Relations Consultancy for that purpose provided that notification has been given to the insurer and that the insurer has given his written agreement that coverage applies and this shall be deemed to be sufficient notice to insurer provided that written notice of claim or circumstances which may give rise to a claim together with details of any action taken or to be taken by or in conjunction with the Public Relations Consultancy is given to the insurer as soon as is reasonably practicable and in any event within 30 days of the policy holder first becoming aware of the matter. Any fees or costs reasonably incurred by the policy holder for the employment of the Public Relations Consultancy will be reimbursed by insurer subject to a maximum limit of liability USD 150,000 any one claim and in the aggregate for all claims (even if the limit of liability specified in Item 3 of the Schedule attached hereto is thereby exceeded)”
21. Extension 4.8 Risk Management Extension - the following extension is added to Section 4. Extensions:
- The DIRECTORS and OFFICERS shall be entitled to request advice from the INSURERS upon giving notice of any circumstances which in their opinion might subsequently give rise to a CLAIM for which coverage would apply, as to their legal position and any steps which may be appropriate to avert or minimize the risk of such a CLAIM. The INSURERS agree to bear the cost of obtaining advice in relation to any such circumstances up to a limit of USD25,000 per DIRECTOR or OFFICER any one request and in the aggregate and USD250,000 in the aggregate for all requests made under this provision. Any costs borne by INSURERS under this provision will be paid separately from any payment which may become due hereunder upon a CLAIM being made in respect of such circumstances and

INSURERS retain the right to appoint or approve any lawyers or other advisors from whom advice is to be taken.

22. Extension 4.9 - Retired Directors, Officers and Employees Extension

The following extension (No. 4.9) will be added :

If the "policyholder" does not renew or replace this policy with any other policy affording directors and officers liability cover and a discovery period is not elected under extension 4.4, an unlimited discovery period after the date of such non renewal will be provided under this policy during which time written notice may be given to the "Insurer "of any claim first made against any director, officer or employee of the Company who retired dismissed, fired or resigned before the date of non renewal and which claim is otherwise covered by this Policy .

23. Extension 4.10 Run Off Cover for External Directors

"The policy is extended to cover claims made against external directors (as they are defined in the Israeli Corporate Law), whose term of office has ended during the course of the present policy period, in respect of a wrongful act was made and notified to the insurer during the unlimited period following the termination of the policy period

24. Extension 4.11 Expert and Advisors Witness Extension - the following extension is added to Section 4. Extensions:

The policy is extended to cover events in which the appointed law firm will decide that the services of expert and advisors witnesses are required, in order to contest a claim, with the prior consent of the insurers, the costs and or fees of the said expert will be borne by the insurers.

25. Extension 4.11 Emergency Costs - If, due to an emergency, the insurer's written consent cannot reasonably be obtained before defence costs are incurred with respect to any claim, the insurer will give retrospective approval for such defence costs of up to, in the aggregate, 10 per cent of the limit of liability.

26. Extension 4.12 Self report Extension: The Insurer will pay up to sub limit of USD 150,000 as part of the limit of Liability, the reasonable and necessary fees costs and Expenses incurred by any insured Person with the insurers prior written consent to retain legal advisors for the purpose of representing an insured person once they are made the subject of, required to participate or attend a self report procedure. Such expenses shall not include the remuneration of any insured person, cost of their time or cost of overhead of any company.

27. Extension 4.13 Derivative shareholder clause: This Policy is extended to provide cover to the company for the fees, costs and expenses incurred by any shareholder of the company in pursuing a derivative 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 such fees, costs and expenses pursuant to a court order and provided that such derivative claim constitute a covered claim under this Policy – Up to sub limit of USD 250,000 as part of the limits of liability.

28. Extension 4.14 "Foreign Corrupt Practices Act" Extension: The insurer shall pay civil fines and penalties assessed against any insured person pursuant to a claim alleging a violation of the "Foreign Corrupt Practices Act" 15USC section 78dd-2(g)(2)(B) and section 78ff-(c)(2)(B) as amended by the International Anti Bribery and Fair Competition Act of 1998 ("Foreign Corrupt Practices Act") of the United States of America.

29. Extension 4.15 – Pre Agreed Allocation - In addition to Provision 5.8 the following will be added:

It is hereby understood and agreed that a pre agreed allocation of 100% will apply to the Company and/or the Insured Person as may applicable. This is in relation to defence costs only.

General provisions

30. 4.1 REPRESENTATIONS AT INVESTIGATIONS – AMENDED WORLDWIDE

It is hereby understood and agreed that:

1. With respect to any:
 - (i) administrative or regulatory proceeding; or
 - (ii) official investigation, examination, inquiry or other similar proceeding into the affairs of the company or other attendance required of an insured by virtue of his position as a director, officer or employee of the company which is initiated and/or pursued and/or required in the United States of America, Extension 4.1 is deleted in its entirety, and Definition 2.2 (iv) is deleted in its entirety and replaced by the following:
 - 2.2 (iv) any civil, criminal, administrative or regulatory investigation of an insured:
 - (a) once such insured is identified in writing by such investigating authority as a person against whom a:
civil, criminal, administrative, regulatory or arbitration proceeding for monetary, non-monetary or injunctive relief which is commenced by:
 - (i) service of a complaint or similar pleading;
 - (ii) return of an indictment, information or similar document (in the case of a criminal proceeding); or
 - (iii) receipt or filing of a notice of charges may be commenced; or
 - (b) in the case of an investigation by the SEC or a similar state government authority, after the service of a subpoena upon such insured.

For the avoidance of doubt the insurer shall only pay for that amount of reasonable fees, costs and expenses which is in excess of the Retention specified in Item 4 of the Schedule. Item 4 of the Schedule and any reference to Retention in this policy (including but not limited to General provision 5.4) is deemed to apply also to fees, costs and expenses which are the subject of this endorsement.

31. **FIRST SETTLEMENT OFFER ENDORSEMENT**

It is noted and agreed that **5. General Provisions 5.4** Retention is amended by adding the following paragraph to the end of this provision:

If the Insured consents to the first settlement offer by the claimant that is supported and recommended by the Insurer with regard to a Claim which results in a settlement of the Claim, then the applicable Retention amount shall be retroactively reduced by fifteen (15%) percent provided that the Insured agrees to such settlement offer within thirty (30) days of the settlement offer first being recommended by the Insurer.

32. General provisions 5.7 How Defence will be Conducted

The words "as a condition precedent to the Insurers liability for Loss arising out of the Claim" appearing in the second and third paragraph of this clause are deemed deleted.

The words "The Insurers consent shall not be unreasonably withheld" appearing in the second paragraph of this clause are amended to read "The Insurer's consent shall not be unreasonably withheld or unduly delayed".

In the event that there is a conflict of interests, between the insureds, separate lawyers will be appointed, with the prior consent of the insurers.

32. General provisions 5.8 Allocation

The following paragraph will be added at the end of Item No (iii) as follows:

In the absence of agreement, such allocation is determined by a member of the Israeli Bar Council or local equivalent to be mutually agreed upon by the Insurer and the Directors & Officers or in the default of such agreement, to be nominated by the Chairman of the Israeli Bar Council or local equivalent. Such determination will be final and binding.

33. General provisions 5.9 Cancellation Clause is amended to read as follows:

"It is hereby expressly agreed that this policy may neither be cancelled by the Policyholder nor by Insurer during Policy Period except in accordance with article 15 of the Insurance Contract Law 5741-1981, in the event of failure to pay the premium as agreed.

However the Insurer may give notice of cancellation of coverage, in accordance with articles 6(c), 17(b)3, 25&26 to the Insurance Contract Law 5741-1981 with regard to any of the Insured who had knowledge of, or was a party to the grounds for cancellation as noted in the said articles.

34. General provisions 5.10 Subrogation

The following additional paragraph is added to this clause:

"The Insurer waives right of subrogation against any of the Insured or against any employee of the Company; provided however that this waiver shall not inure to the benefit of any person that has convicted of a deliberate criminal act, or been determined to have committed a deliberate fraudulent act, or obtained any profit or advantage to which such insured or employee was not legally entitled".

35. General provisions 5.14 Jurisdiction and Governing Law is amended to read as follows:

This policy interpretation, including its terms is governed by the Laws of Israel.

For the avoidance of doubt, the liability of the Insured shall be determined under the applicable Law for the Jurisdiction wherein the claim arises.

36. **SEVERABILITY CLAUSE ENDORSEMENT**

It is noted and agreed that **5. General Provisions** is amended by the addition of the following:

5.16 Severability of the Proposal Form and Non-Rescission of the Policy

In granting cover under this Policy the Insurer has relied upon the Proposal. In respect of the declarations, statements and financial information of the Proposal:

- i no statement in the Proposal, made by any Insured or knowledge (including knowledge of any misrepresentation or non-disclosure with regard to the Proposal) possessed by any Insureds shall be imputed to any Insured Persons for the purpose of determining the availability of cover under this Policy; and
- ii for the purposes of Covers 1.3 and 1.9 , only the statements in the Proposal made by, and the knowledge (including knowledge of any misrepresentation or non-disclosure with regard to the Proposal), possessed by any past, present or future Chief Executive Officer and/or Chief Financial Officer (or equivalent executive or management position) of the Company shall be imputed to that Company, and the knowledge of the same officers of the Policyholder shall be imputed to all Companies.

Non-Rescission of the Policy for Insured Persons

The Insurer further agrees that it shall not seek to rescind or avoid this Policy, or any severable part of this Policy, with respect to cover under the Policy for any Insured Person who did not make any wrongful statement or did not have knowledge of any wrongful statement or misrepresentation or non-disclosure with regard to the Proposal.

Non-Rescission of the Policy Resulting from Innocent or negligent Non-Disclosure

The Insurer further agrees that it shall not seek to rescind or avoid this Policy, or any severable part of this Policy, where the Insurer's remedy of rescission or avoidance arises solely as a result of innocent or negligent non-disclosure or innocent or negligent misrepresentation by an Insured Person.

37. **EXCESS LIMIT OF LIABILITY FOR NON-EXECUTIVE DIRECTORS ENDORSEMENT**

It is hereby understood and agreed that **5. General Provisions** is amended by the addition of the following:

38. **5.17 EXCESS LIMIT OF LIABILITY FOR NON-EXECUTIVE DIRECTORS**

The **Insurer** will pay on behalf of any **Non-Executive Director** such **Financial Loss** as arises from or is a consequence of any **Claim** first made against him or her either jointly or severally during the **Period of Insurance** by reason of a **Wrongful Act**; provided that the coverage provided by this extension shall be specifically excess of, and shall not drop down to be primary insurance until the exhaustion of: (i) the **Limit of Liability** of this Policy; (ii) the limit of liability of all other applicable directors and officers or management liability or indemnity insurance policies written as specific excess over this Policy, or otherwise; and (iii) all other indemnification for **Financial Loss** available to any **Non-Executive Director**.

The **Limit of Liability** for cover under this extension shall be the **Non-Executive Director Excess Limit of Liability** indicated in the Schedule, and such **Non- Executive Director Excess Limit of Liability** shall be a separate **Limit of Liability** for each individual **Non-Executive Director**. All **Non-Executive Director Excess Limits of Liability** shall be subject to the maximum **Aggregate Non-Executive Director Limit of Liability** as indicated in the Schedule which shall be for all such **Financial Loss** under this Extension, in the aggregate for all **Non-Executive Directors** together.

39. **ADDITIONAL LIMIT FOR PERSONAL REPUTATION RESTORATION EXPENSES**

It is hereby understood and agreed that **5. General Provisions** is amended by the addition of the following:

5.18 Personal reputation restoration expenses

"Personal Reputation Restoration Expenses Cover The Insurer shall pay the Personal Reputation Restoration Expenses of an Insured Person (and of the Company to the extent the Company has indemnified such Insured Person for such Financial Loss); subject to and not to exceed a sub-limit of USD150,000 in the aggregate.

Personal Reputation Restoration Expenses shall mean the reasonable and necessary fees, costs, charges and expenses incurred, with the Insurer's prior written consent (such consent not to unreasonably withheld or delayed) by a public relations/crisis management consultant (who shall not be a law firm) retained solely, and independently from the Company, by the Insured Person within thirty (30) days of the Personal Reputation Crisis of such Insured Person to specifically mitigate the adverse publicity to such Insured Person's professional reputation as a direct result of the Personal Reputation Crisis. A Personal Reputation Crisis shall conclude once the public relations/crisis management consultant advises the Policyholder or such Insured Person that such Personal Reputation Crisis no longer exists or when the additional limit stated in Item 3(iii) of the Schedule has been exhausted.

Personal Reputation Crisis shall mean any negative statement specifically regarding and mentioning an Insured Person made by any individual authorized to speak on behalf of an Official Body that is

included in any press release or published in any print or electronic media outlet. The Personal Reputation Crisis must be first made against the Insured Person during the

Period of Insurance. A Personal Reputation Crisis shall be deemed to be "first made" against an Insured Person when such press release or such publication was first released or syndicated to a Third Party.

40. **ORDER OF PAYMENTS**

It is hereby understood and agreed that in the event of loss exceeding the remaining total aggregate limit of liability for the policy period, the indemnity payable under this policy shall be effected in the following order:

- (i) Firstly, payment of indemnity pursuant to article 1(A) – Directors and Officers Liability;
- (ii) Thereafter, the remaining amount of the limit of liability (if any) shall be paid pursuant to article 1(B) – Corporate Reimbursement.
- (iii) (Thereafter, the remaining amount of the limit of liability (if any) shall be paid pursuant to any Entity Cover Endorsement attached to the policy.

The bankruptcy or insolvency of any organization and/or entity Insured and/or any insured person shall not relieve the Insurer of any of its obligations to prioritize payment of covered Loss under this policy pursuant to this Clause.

41. **INSURED PERSON ADDITIONAL PROTECTION COVER**

It is hereby noted and agreed that **1. Insurance Cover** is amended by the addition of E: Insured Person Additional Protection Cover:

E: The Insurer shall pay the: (1) Asset and Liberty Protection Costs; (2) Civil or Bail Bond Fee; and (3) Prosecution Costs, of an Insured Person.

In consideration of the above **2. Definitions** are amended by the addition of 2.28 Asset and Liberty Protection Costs, 2.29 Civil or Bail Bond Fee:

2.28 Asset and Liberty Protection Costs shall mean reasonable and necessary fees, costs, charges and expenses incurred with the prior written consent of the Insurer (such consent not to be unreasonably withheld or delayed) by an Insured Person in defending a Deprivation of Asset and Liberty Proceeding against such Insured Person.

2.29 Civil or Bail Bond Fee shall mean only the commercially reasonable and necessary fee arrangement (and only that which is available at reasonable commercial rates) to obtain a bond or other similar financial instrument in respect of an Insured Person's contingent obligations as to a specific security or collateral placed upon the Insured Person by a court in connection with any covered **Claim**; and excluding any form of actual security or collateral for funding for the bond or other guarantee, for the bond or other guarantee itself, or the equivalent to any of the same.

2.30 Prosecution Costs shall mean reasonable and necessary fees, costs, charges and expenses incurred, with the prior written consent of the Insurer (such consent not to be unreasonably withheld or delayed), by an Insured Person in bringing a proceeding for a declaration and/or injunction to oppose any Official Body seeking a Deprivation of Asset and Liberty Proceeding.

42. **KIDNAP RESPONSE ENDORSEMENT**

It is hereby noted and agreed that **1. Insurance Cover** is amended by the addition of C: Kidnap Response:

C: Kidnap Response

The Insurer shall pay Kidnap Response Costs of an insured person (and of the Company to the extent the Company has indemnified such insured person for such Financial Loss) in case of a Kidnapping Event; subject to and not to exceed this cover's additional limit stated in Item 3(iv) of the Schedule.

In consideration of the above **2. Definitions** are amended by the addition of 2.23 Kidnap Response Costs and 2.24 Kidnapping Event:

- 2.23 Kidnap Response Costs shall mean reasonable and necessary fees, costs, charges and expenses incurred with the prior written consent of the Insurer, (such consent not to be unreasonably withheld or delayed), by or on behalf of an Insured Person directly in response to a Kidnapping Event anywhere in the world.
- 2.24 Kidnapping Event shall mean any event or connected series of events of seizing, detaining or carrying away by force or fraud an insured person, while acting in the course of employment by a Company, but solely for the purpose of demanding ransom monies. A Kidnapping Event shall be deemed to be "first made" against an insured person when the insured person is first so seized, detained or carried away by force or fraud.

43. **EXTRADITION COSTS COVER ENDORSEMENT**

It is hereby noted and agreed that **1. Insurance Cover** is amended by the addition of D: Extradition Costs Claim:

D: Extradition Costs Cover

The Insurer shall pay Extradition Costs of an Insured Person arising from an Extradition Claim made against such Insured Person.

In consideration of the above **2. Definitions** are amended by the addition of 2.25 Extradition

- 2.25 Extradition shall mean any formal process by which an Insured Person located in any country is surrendered to any other country for trial or otherwise to answer any criminal accusation resulting directly from another Claim (other than an Extradition Claim) that is covered under this Policy.
- 2.26 Extradition Claim shall mean an official request for Extradition, or the execution of a warrant for arrest where such execution is an element of the Extradition.
- 2.27 Extradition Costs shall mean reasonable and necessary fees, costs, charges and expenses incurred, with the prior written consent of the Insurer (such consent not to be unreasonably withheld or delayed) resulting solely from:
- 2.27.1 an Insured Person lawfully: (i) opposing, challenging, resisting or defending any Extradition Claim; or (ii) appealing any order or other grant of Extradition of that Insured Person;
 - 2.27.2 an accredited crisis counsellor and/or tax advisor and/or a public relations consultant retained by the Insured Person exclusively and directly in connection with the Extradition of that Insured Person, provided that the maximum aggregate limit of the Insurer for all such fees, costs, charges and expenses under this Policy for all Insured Persons, combined, shall be USD 250,000; or
 - 2.27.3 overseas travelling costs (one round trip) and accommodation for the Insured Person, his/her lawful spouse or domestic partner and any children under the age of eighteen, directly in connection with the Extradition of such Insured Person. Provided, that the maximum aggregate limit of the Insurer for all such fees, costs, charges and expenses under this Policy for all Insured Persons, spouses/partners and children, combined, shall be USD 50,000.

SERVICE OF SUIT CLAUSE (ISRAEL)

This Insurance shall be governed by Israeli law and the Israeli Courts shall have jurisdiction in any dispute arising hereunder.

In this event Ms Sigal Schlimoff Rechtman of Gibor Sport Building, 7 Menachem Begin Road, Ramat Gan 52521, Israel, Lloyd's Representative in Israel, is authorised to accept service of suit on behalf of Underwriters.

20/01/11
NMA2349A

Future Coin Offering Exclusion

This policy excludes *Loss* for *Claims* arising from, or attributable to any *Coin Offering* made during the policy period.

Coin Offering means any solicitation or raising of funds or capital, and/or the offering, selling, issuing, releasing or using of crypto-currencies or crypto-tokens or any virtual or digital currency, asset or security which are disseminated using distributed ledger or blockchain or similar technology.

Except otherwise stated provided in this endorsement, all terms, provisions and conditions of this Policy shall have full force and effect.

Entity Cover for Employment Practice Claim (Israel Only)

The *insurer* shall indemnify the *company* for *loss* incurred as a result of an *employment practice claim* brought in Israel and first made against it and reported to the *insurer* during the *policy period*, for a *wrongful act* of the *company*, which occurred during the *policy period* or after the date stated in the schedule for the purpose of this cover.

Director and/or Officer indemnification shall always precede *company's* indemnification.

The cover in respect of this clause is sub-limited to a liability of USD 1,000,000.

This is also subject to a USD 100,000 deductible.

No coverage is provided for Claims brought outside of Israel

PREMIUM PAYMENT CLAUSE

Notwithstanding any provision to the contrary within this contract or any endorsement hereto, in respect of non payment of premium only the following clause will apply.

The (Re)Insured undertakes that premium will be paid in full to (Re)Insurers within 90 days of inception of this contract (or, in respect of instalment premiums, when due).

If the premium due under this contract has not been so paid to (Re)Insurers by the 90th day from the inception of this contract (and, in respect of instalment premiums, by the date they are due) (Re)Insurers shall have the right to cancel this contract by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to (Re)Insurers on a pro rata basis for the period that (Re)Insurers are on risk but the full contract premium shall be payable to (Re)Insurers in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this contract.

It is agreed that (Re)Insurers shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to (Re)Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the contract shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

30/09/08

LSW3001

Interlocking clause (EEA and Non-EEA Stamps)

Neither the total amount payable by the (Re)Insurer(s) under the applicable limits of this contract of (re)insurance, nor the total amount(s) retained by the (Re)Insured under this contract of (re)insurance, will be increased through the use by the (Re)Insurer(s) of more than one stamp to identify EEA and Non-EEA licences or exposures, or split or allocated premiums.

Privacy Notice for Insurance Applicants and Policyholders

At Sompo International we are committed to protecting your personal information and respecting your data protection and privacy rights you have under applicable law and regulations.

When you submit any information to us for the purpose of requesting information from us about, or obtaining, our products or services or otherwise, including any personal information, we will use the information in our insurance business to conduct our business and perform our legal obligations, including:

- (i) verifying your identity;
- (ii) preventing, investigating or reporting fraud or potential fraud, money laundering, terrorism, misrepresentation, security incidents, sanctions violations or any crime, all in accordance with applicable law and regulations;
- (iii) assessing, establishing and managing claims and arranging or entering into any appropriate settlements;
- (iv) managing, reporting and auditing our business operations;
- (v) recovering debt;
- (vi) developing, improving and protecting our products, services, website, systems and relationships with you;
- (vii) research, risk management and statistical analyses;
- (viii) establishing, exercising or defending legal claims; and
- (ix) meeting regulatory and compliance requirements.

With your permission, we may also use your contact details (including email address) to send you information about our products and services or other products and services provided by us or one of our group companies.

We may share your information for the purposes outlined above with:

- (i) our group companies;
- (ii) brokers, other insurers and underwriters;
- (iii) healthcare professionals;
- (iv) law enforcement authorities;
- (v) other government authorities;
- (vi) fraud prevention agencies; and
- (vii) third parties involved in any aspect of claims management including surveyors, loss adjusters, claims agents, solicitors and private investigators;
- (viii) parties that may have a financial interest in the insurance policy or claim;
- (ix) other service providers that may process your personal information on our behalf (for example, IT service providers that host or support our business and may have data that includes your personal information); and
- (x) otherwise with your consent or in accordance with applicable law and regulations.

If you have provided information about another person, in doing so you confirm that you have such person's consent to provide the personal information to us, that you have told such person that you have provided the information to us, and how we will use the personal information as described in this notice.

To the extent you have provided your consent, and your consent provides the basis for our use of the information, you may withdraw your consent at any time by contacting us as described below.

More details about how we use your personal information may be found on our website at www.sompo-intl.com. The website also provides additional information about your data protection rights, how you may access and update your personal information and other choices you have about how we use your personal information (including how to object to processing or withdrawing your consent at any time). If you have any questions regarding this notice, please contact us at:

Attn: Chief Compliance Officer
Sompo International
4 Manhattanville Rd.
Purchase, NY 10577
privacy@sompo-intl.com

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall 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 provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100
15 September 2010