

**IMPORTANT**

This Policy is incomplete without the Schedule bearing the same policy number as above and all endorsements.

This Policy and its Conditions should be examined, and if incorrect returned at once for alteration.

Every change affecting the risks Insured by this Policy must be immediately advised to the Company. Failure to do this might result in the insurance ceasing to be in effect.

The policy is not transferable from the insured to any other person until the Company’s written consent has been obtained.

**DIRECTORS AND OFFICER’S LIABILITY INSURANCE POLICY**

POLICY NO : {POLICYNO}

INSURED : {INSUREDNAME}

NAICOM UID:   :{NAICOMUID}

In the event of any loss or damage notice should be given **IMMEDIATELY** to:

**CORNERSTONE INSURANCE PLC**

**Block D Plot 21, Water Corporation Drive, Oniru Extension, P.O.BOX 75370(off Ligali Ayorinde Street) Victoria Island, Lagos.**

Followed by such further steps as are required by the Conditions of this policy.

**DIRECTORS AND OFFICER’S LIABILITY INSURANCE POLICY**

**OPERATIVE CLAUSE**

In consideration of the payment of the premium and subject to all the provisions of the Policy, the Insurer and the Insured agree as follows: -

1. **INSURING AGREEMENTS**

A: **DIRECTORS AND OFFICERS LIABILITY**

The Insurer shall pay the Loss of each Insured Person resulting from any Claim first made against an Insured Person during the Policy Period or an applicable Discovery Period for any Wrongful Act in the Insured Person’s capacity as a director, officer or employee of the company except for and to the extent that the Company has indemnified the Insured Person.

B: **CORPORATE REIMBURSEMENT**

The Insurer shall pay the Loss of any Company resulting from any Claim first made against an Insured Person during the Policy Period or an applicable Discovery Period for any Wrongful Act in the Insured Person’s capacity as a director, officer or employee of the Company but only when and to the extent that the Company has indemnified the Insured Person for the Loss.

**C: THIRD PARTY REIMBURSEMENT**

The Insurer shall pay the loss of the Company resulting from: -

* Any employment practice claim brought by any employee of the Insured.
* 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.
* Any shareholder derivative action brought by or maintained on behalf of the Insured without the solicitation, assistance or participation of the Insured or the Company.
* Any claim brought or maintained by a liquidator, receiver or administrative receiver either directly or derivatively on behalf of the insured without the solicitation, assistance or participation of any Insured or the Company.
* Any claim brought or maintained by any director, officer or employee of the Insured

1. **DEFINITIONS**

2.1 Associates Company means

any company of which the Policyholder owns on or before the inception of the Policy Period more than 20 percent but less than or equal to 50 per cent of the issued and outstanding voting shares either directly or indirectly through one or more of its subsidiaries.

2.2 Claims means

1. any suit or proceeding, including any counterclaim or appeal, brought by any person or organization against an Insured for monetary damages or other relief, including non-pecuniary relief, 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, any criminal prosecution brought against an Insured.
2. Any administrative or regulatory proceeding or official investigation regarding any specified Wrongful Act of an Insured.
3. Any Employment Practice Claim

Any Claim or Claims arising out of based upon or attributable to a single Wrongful Act or 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) shall be considered to be a single Claim for the purposes of this Policy.

2.3 Company

Means the Policyholder specified in the schedule and any subsidiary, division, sector, region, product group or other internal company structure or segment detailed in an organization 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 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.

2.5 Discovery Period

Means the period of time 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.

2.6 Employee

Means any natural person employed by the Company in the ordinary course of the business of any Company and whom any Company compensates by way of salary or wages and has the right to govern and direct performance of that person’s duties.

2.7 Employment Practice claim

Means a Claim or series of related Claims relating to Employees of the Company and arising out of;-

1. Any actual or alleged unfair or wrongful dismissal, discharge or termination, either actual or constructive of employment in a manner which is against the law;
2. employment-related misrepresentation;
3. wrongful failure to employ or promote, wrongful deprivation of career opportunities, wrongful discipline, failure to furnish accurate job references;
4. failure to grant tenure or negligent employee Evaluation;
5. 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,
6. failure to provide adequate employee policies and procedures

2.8 Full Annual Premium

Means the annual premium level in effect immediately prior to the end of the Policy Period.

2.9 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 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.

1. a director, shadow director, officer, secretary, general partner, managing general partner, member of the board of directors of the Company or Fund Entity; or
2. a member of any advisory committee or investment committee; or
3. the lawful spouse of any natural person in (a) or (b) above (whether this status is derived by reason of statutory law, common law, customary law, or otherwise of any applicable jurisdiction in the world) and in the event of their death, incapacity or bankruptcy, their estates, heirs, legal representatives or assigns.
4. any person appointed to act in the capacity of a director, shadow director, officer, trustee, executive director, board observer or similar position of any Outside Entity where such service is at the request of the Company, Fund Entity or Special Purpose Vehicle.
5. any Employee of the Company or Fund Entity, but only for a Claim or Claims alleging Wrongful Act(s) committed by the Employee in a managerial or supervisory capacity; or with respect to an Employment Practice Claim; or who is named as a co-defendant with a person described in (a) or (b) above in a Claim in which such Employee is alleged to have participated or assisted in the Commission of a Wrongful Act..

2.13 Insurer

Means Cornerstone Insurance Plc and Co-insurers as per schedule

2.14 Interrelated Wrongful Acts

Means more than one Wrongful Act which have as a common nexus any fact, circumstance, situation, event or transaction or series of facts, circumstances, situations, events or transactions.

2.15 Loss

Means damages, judgments, settlements and Defence Costs, including claimant’s costs incurred by any Insured, which they are legally liable to pay on account of any Claim; however, Loss shall not include criminal fines or penalties imposed by law, non-compensatory damages including punitive or exemplary damages (other than exemplary damages awarded for defamation), 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.

2.16 No Liability

Means

1. A final judgment of no liability obtained prior to trial in favour of all Insured Persons by reason of a motion to dismiss or a motion for summary judgment after the exhaustion of all appeals: or
2. A final judgment of no liability obtained after trial in favour of all Insured, 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.

2.17 Not for profit entity

Means any entity registered under the companies act or any similar entity organized under the laws of any other jurisdiction, or a trade association which for the purpose of this Policy shall mean a body of persons whether incorporated or not, which is formed for the purpose of furthering the trade interest of its members, or of persons represented by its members.

2.18 Outside entity

Means any associated company, any not-for-profit entity or any other corporation, partnership, joint venture or other organization that is specifically insured by virtue of an endorsement.

2.19 Policyholder

Means the organization specified in the schedule.

2.20 Policy Period

Means the period of time from the inception date to the expiry date specified in the Schedule or its earlier cancellation date, if any.

2.21 Senior Lawyer

Means a senior lawyer to be mutually agreed upon by the Policyholder and the Insurer.

2.22 Single Wrongful Act means

A wrongful act which causes or contributes to the same loss, 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.

2.23 Subsidiary

Means companies in which the Policyholder, either directly or indirectly through one or more of its subsidiaries; controls the composition of the board of directors; or controls more than half of the voting power; or holds more than half of the issued share capital.

It includes any joint venture or entity over which the Policyholder exercises effective management and control.

Subsidiary does not mean any corporation or partnership or limited liability company in which any Fund Entity maintains or proposes to maintain an equity investment and/or board representation or board adviser/board observer status.

2.24 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.

2.25 Wrongful Act

means any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, act, omission, breach of confidentiality, breach of warranty of authority or other act in respect of which civil liability arises committed or attempted by:

1. the Company or any person or third party for whom the Company is responsible while acting in its capacity as a general partner, managing general partner, management company or functional equivalent of a Fund Entity;
2. the Company while advising regarding investment in, formation, capitalization or disposition of or rendering of management or advisory services to an Outside Entity pursuant to a written agreement for such activities;
3. any Insured Person acting in an Insured Capacity;
4. any Insured Person while acting in their capacity as a director, shadow director, officer, trustee, executive director, board observer or similar position of an Outside Entity where such service is at the behest of or with the knowledge and consent of a Company.
5. **EXCLUSIONS**

The Insurer shall not be liable to make any payment for Loss in connection with any Claim made against the insured.

* 1. arising out of, based upon or attributable to any dishonest, fraudulent or criminal act or omission by any insured Person or the gaining in fact of any personal profit or advantage to which the Company was not legally entitled,
  2. arising out of, based upon or attributable to thefacts alleged or to the same or related to Wrongful Act(s) alleged or contained in any Claim which has been reported or could have been reported, or in any circumstances of which notice was given or could have been given, under any policy of which this Policy is a renewal or replacement or which it may succeed in time;
  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 9(i) of the Schedule, which an Insured had notice or alleging or deriving from the same or essentially the same facts as alleged in the pending or prior litigation, regardless of the legal theory upon which such Claim is predicated;

Notwithstanding 3.2 and 3.3 above, cover is provided under this Policy for any Claim or circumstance, which could or should have been notified under an earlier Policy, provided always:

1. The Claim or circumstance, could and should have been notified after the Continuity Date; and
2. The cover provided under this clause shall be in accordance with all the terms, conditions, exclusions and limitations of the Policy under which the Claim or circumstance, could and should have been notified.
   1. which are brought by or on behalf of any Insured; provided, however, that this exclusion shall not apply to;
3. Any Employment Practice Claim brought by any Insured Person;
4. Any Claim brought or maintained by any Insured in the form of cross –claim, counter-claim, third party claim or other proceeding for contribution or indemnity, if the Claim is part of and directly results from another Claim covered under this Policy;
5. Any shareholder derivative action brought or maintained on behalf of the Insured without the solicitation, assistance or participation of any director or officer of Insured;
6. Any Claim brought or maintained by a liquidator, receiver or administrative receiver either directly or derivatively on behalf of the Insured without the solicitation, assistance or participation of any Director or Officer of Insured;
7. Any Claim brought or maintained by any former director, officer or employee of the company;
8. Any Claim brought by a Fund Entity;
9. Any Claim brought derivatively or maintained on behalf of the Insured by one or more persons who when such Claim is first made, are acting independently of all Insured;
10. Any claim brought by a member of any advisory committee or board if making the Claim in their capacity as a member, shareholder or limited partner of any Fund Entity;
11. The Defence Costs of an Insured Person.
    1. Arising out of, based upon or attributable to or in any way involving directly or indirectly, the actual, alleged or threatened seepage, pollution, contamination, discharge, dispersal, release or escape of pollutants; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, nuclear materials or nuclear waste or respond to or assess the effects of Pollutants.

Provided, however, that this exclusion shall not apply to Defence Costs which are payable for any Claim brought against an Insured Person in connection with the discharge, dispersal, release or escape of pollutants and provided further that this exclusion shall not apply to any claim made against an Insured by any shareholder of the Company or Fund Entity either directly or derivatively, alleging damage to the Company or its shareholders, unless on or before the Pollution Continuity Date specified in Item 9 (ii) of the Schedule, the Company, an Insured person or any employee of the Company with managerial responsibility over environmental affairs, control or compliance, knew or could have reasonably foreseen that there existed any situation, circumstances or Wrongful Act which could have given rise to a Claim against an Insured.

* 1. Arising out of, based upon or attributable to an actual or alleged violation of the responsibilities, obligations, or duties of a trustee, administrator or fiduciary, imposed by law (statutory or non-statutory including common) with respect to a pension, profit sharing or employee benefits program.
  2. Based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the service of any Insured Person in any position or capacity in any entity other than the Company, Fund Entity or Outside Entity.
  3. For bodily injury, sickness, disease, death or emotional shock 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 and shall not apply to Defence Costs which are payable for any Claim brought against an Insured Person in connection with a breach of an occupational health and safety law or regulation.

3.9 against any Company or any Subsidiary based upon, arising out of, directly or

indirectly resulting from, in consequence of, or in any way involving:

1. any Wrongful Act occurring prior to the date such entity became a Subsidiary or subsequent to the date such entity ceased to be a Subsidiary, or
2. any Wrongful Act occurring while such entity was a Subsidiary which, together with a Wrongful Act occurring prior to the date such entity became a Subsidiary, would· constitute Interrelated Wrongful Acts;

3.10 based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any Wrongful Act actually or allegedly committed subsequent to a Transaction;

* 1. based upon. arising out of, directly or indirectly resulting from, in consequence of, or in any way involving, any Wrongful Act which any Company or Insured Person had knowledge of prior to the inception of this Policy where such Company or Insured Person had reason to believe at the time that such known Wrongful Act could reasonably be expected to give rise to a Claim;
  2. based upon, arising out of, directly or indirectly resulting from fees, profits,

commissions, costs or other charges paid or payable to any Company or Insured Person to which such Company or Insured Person was not legally entitled;

* 1. any actual money laundering or related financial crime which the Company or

Insured Person knew or reasonably should have known constituted money laundering or related financial crime. For the purposes of this exclusion, “money laundering or related financial crime” has the meaning given to that term (or the term used for an equivalent office) under any statute, law, rule, regulation, or international treaty, convention or accord pertaining to the movement of illicit cash or cash equivalent proceeds.

For the purpose of determining the applicability of these exclusions, the Wrongful Act, statements, or information or knowledge 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;

**4 EXTENSIONS**

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

4.1 **Representation at investigation and examinations**

This policy shall provide cover for any reasonable and necessary fees costs and expenses incurred with prior written consent of the Insurer, which shall not be unreasonable delayed or withheld, resulting from any legally required attendance by any director, officer or employee of the Company or Fund Entity at any official investigation, examination, inquiry or other similar proceeding in relation to the affairs of the Company or Fund Entity.

If the director, officer or employee of the Company or Fund Entity believe that as a result of any 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 of Claim, with full particulars as to dates and persons involved in accordance with general provision 5.5

4.2. **Discovery Period**

4.2.1 If this Policy is neither renewed nor replaced with Directors and Officers Liability Insurance at the expiry of the Policy Period, the Policyholder shall be entitled to a Discovery Period of:

1. 30 days, granted automatically, with no additional premium payable; or
2. 12 months, upon payment of an additional premium of 100% of the annual premium in effect immediately prior to the expiry of the Policy Period; or

Provided that if the Policyholder elects to purchase a Discovery Period further to clause 4.2.1(ii) above, the 30 day Discovery Period mentioned in clause 4.2.1(i) shall be part of and not in addition to the purchased Discovery Period.

4.2.2 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.

4.2.3 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 of up to 72 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.

4.2.4 No Discovery Period of any length is available in the event of this Policy being cancelled due to the non-payment of premium.

**4.3 Advance Payment**

The Insurer shall advance Defence Costs within a reasonable time after the Insurer’s receipt of invoices detailing same.

5 **GENERAL PROVISIONS**

5.1 Representation and Severability

In granting 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 consisting part of this Policy.

The Proposal shall be construed as a separate proposal by each of the Insured. With respect to statements and particulars in the Proposal, no statements made or knowledge possessed by any Insured shall be imputed to any other Insured to determine whether cover is available for any Claim made against such other Insured.

5.2 Changes in Risk during Policy Period

1. 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. The Policyholder shall give the Insurer written notice of the Transaction as soon as practicable but not later than 30 days after the effective date of the Transaction.
2. If, during the Policy Period, the Company decides to make an initial offering of its securities in any jurisdiction, whether its securities are already traded or not, by any means, public or private, 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 increase 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.

Limit of Liability

The Limit of Liability specified in item 7 of the Schedule is the total aggregate limit of the Insurer’s liability for all Loss, arising out of all Claims made against all Insured’s under all insurance covers under this Policy combined. The Limit of Liability for the Discovery Period shall be part of and are not payable 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 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.

5.3 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 8 of the Schedule with regard to all Loss under all insurance covers under this Policy. 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 related, continuous, repeated or 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;

1. a determination of No Liability of all Insured, or
2. 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 5.3 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 5.3) is brought after such 90 day period.

In the event and to the extent that the Company is permitted or required to indemnify any Insured Person in respect of a Claim, but for whatever reason fails or refuses to do so, then the Insurer shall pay on behalf of the Insured Person any Loss arising such Claim. In such event, the Retention applicable to ‘Company Reimbursement; cover shall be paid by the Company to the Insurer. In the event that the Company is placed in liquidation (other than voluntary liquidation) no Retention shall pally.

5.4 How to Give Notice and Report a Claim.

1. Notice of a Claim or of circumstances which may result in a Claim shall be given in writing to Cornerstone Insurance (Nigeria) Plc, 1, Idowu Taylor Street, Victoria Island, Lagos, or by fax to 2806526-7. If posted the date of posting shall constitute the date that notice was given, and proof of posting shall be sufficient proof of notice.
2. 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:
3. Anytime during the Policy Period or during the Discovery Period; or
4. Within 30 days after the end of the Policy Period or the Discovery Period, as long as such Claim(s) is reported not later than 30 days after the date such Claim was first made against an Insured.
5. 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 further 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.
6. If during the Policy Period or during the Discovery Period, any of the Insured shall become aware of any circumstances which may reasonably be excepted to give rise to a Claim being made against an Insured, such an Insured 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. 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.
7. Any Claim made after the expiry of the Policy Period or applicable Discovery period which alleges, arises out of, is based upon or attributable to any fact alleged in, or Wrongful Act which is pertinent to a Claim first made during the Policy Period (or applicable Discovery Period) or circumstance reasonably expected to give rise to a Claim, which was notified to the Insurer during the Policy Period, (or applicable Discovery Period) will be accepted by the Insurer as having been made at the same time as the previously notified Claim was made , and notified at the same time as the previously notified Claim or circumstance.

Advancement of Costs

The Insurer shall advance to the Insured 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 Insured, severally according to their respective interests, in the event and to the extent that the Insured shall not be entitled to payments 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 Persons 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 8 of the Schedule shall be repaid by the Company to the Insurer, unless the Company is insolvent.

5.5 How Defence will be conducted

The Insured shall have the right and duty to defend and contest any Claim made against them. The Insurer shall have the right to effectively associate with the Insured in the defence and settlement of any Claim that appears reasonably likely to involve the Insurer making payment under the Policy, 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 that 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 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 none of the Insured shall be required to contest any legal proceedings unless a Senior Lawyer or equivalent (to be mutually agreed by the Policyholder and Insurer) shall advise that the proceedings should be contested. The cost of the Senior Lawyer shall be borne by the Insurer.

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

Settlement Disputes

If the Insurer recommends that a Claim should be settled, the Insured may elect to continue the defence of that Claim without the Insurer’s prior written consent provided that the Insurer’s Liability for Loss arising from that Claim shall not exceed the amount for which that Claim could have been settled plus the Defence Costs incurred to the date such settlement was recommended in writing to the Insured.

A Senior Lawyer shall determine the amount for which that Claim could have been settled, taking into account the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely costs of defence and the prospects of the Insured successfully defending the action. The costs of the Senior Lawyer’s determination shall be borne by the Insurer.

5.6 Allocation

1. Where, as between any Insured and any other Person, any Loss has been jointly or jointly and severally incurred, the Insurer’s liability under this policy is limited to the proportion of the Loss which represents a fair and equitable allocation between the Insured and those other persons taking into account the relative legal and financial exposures of, and the relative benefits obtained by the Insured and those other Persons.
2. In the event that any Claim involves both covered matters and matters not covered under this Policy, the Insurer’s liability under this Policy is limited to the proportion of the Loss which represents a fair and proper allocation of a loss.
3. any Defence Costs, judgments and/or settlements between 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.
4. Where the Insurer’s liability under this Policy is limited under this clause, the Insured and the Insurer must use their best endeavors to agree upon the allocation to be adopted by them as the fair and equitable allocation.
5. If the parties are unable to agree, then the fair and equitable allocation is to be determined by a Senior Lawyer.

The Senior Lawyer is to determine the fair and equitable allocation as an expert, not as an arbitrator. The Policyholder and the Insurer may make submissions to the Senior Lawyer. The Senior Lawyer is to take account of the parties’ submissions but the Senior lawyer is not to be fettered by such submissions and is to determine the fair and equitable allocation in accordance with his or her own judgment and opinion. The Senior Lawyer’s determination shall be final and binding. The costs of the Senior Lawyer’s determination are to be borne by the Insurer.

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. The fair and equitable allocation finally agreed or determined shall be applied retrospectively to any Defence Costs or other costs incurred prior to agreement or determination.

5.7 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 Insured’s rights of recovery in respect of the payment, 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 any of the Insured.

Any amount recovered in excess of the Insurer’s total payment shall be restored to the Insured less the cost to the Insurer of such recovery.

5.8 Bankruptcy or Insolvency

The bankruptcy of an Insured shall not relieve the Insurer of any obligations under this Policy.

5.9 Other Insurance

Unless otherwise required by law, any insurance as is provided under this Policy shall apply only as excess over any other valid collectible insurance.

5.10 Notice and Authority

It is agreed that the Policyholder shall act on behalf of its Subsidiaries and all Insured with respect to the giving and receiving of notice under this Policy, including the giving of notice of Claim or circumstance, 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.

5.11 Assignment

This Policy and any rights or obligations hereunder cannot be assigned without written consent of the Insurer and the Policyholder.

5.12 Cancellation

The Policyholder may cancel this Policy by providing written notice to the Insurer in which case, the Insurer shall retain the customary short rate proportion of the premium. The Insurer may cancel this Policy as and in the manner permitted by law and shall be entitled to retain the pro-rata proportion of the premium.

5.13 Foreign Currency Settlements

All amounts under this Policy are expressed and payable in United States Dollars. If judgment is rendered, settlement is denominated or other element of Loss under this Policy is stated in a currency other United States Dollars, payment under this Policy shall be made in United States Dollars at the cash rate of exchange issued for the purchase of United States Dollars issued by the Central Bank of Nigeria on the date the final judgment is reached or in the event of a settlement, the date upon which the amount of settlement is agreed upon.

5.12 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 Nigeria.

The parties agree to submit to the exclusive jurisdiction of the Federal High Court of Nigeria.

5.13 Interpretation

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

1. Headings are descriptive only, not an aid to interpretation;
2. Singular includes the plural, and vice versa
3. The male includes the female and neuter;
4. All references to specific legislation include amendments to and re-enactments of such legislation;
5. References to positions, offices or titles shall include their equivalents in any jurisdiction in which a Claim is made

**SCHEDULE**

1. POLICY NUMBER: {POLICYNO}

2. POLICY HOLDER: {INSUREDNAME}

3 POLICYHOLDER’S ADDRESSES: {INSADDRESS}

4. POLICY PERIOD: FROM {StartDate} to {EndDate}

(BOTH DATES INCLUSIVE)

5. RENEWAL DATE: {RenDate}, ANNUALLY

6. LIMIT OF INDEMNITY: PER DIRECTOR/ OFFICER ~~N~~{LimitAnyone}

7. AGREGATE LIMIT

OF LIABILITY:

[A] ANYONE CLAIM ~~N~~ {LimitAnyone}

[B] ANYONE PERIOD

8. EXCESS: N000.00 or 10% OF EACH AND EVERY CLAIM, WHICHEVER IS GREATER

9. PREMIUM: N{BasicPremium}

10. THE INSURED:

(a). **THE COMPANY/POLICY HOLDER**

DIRECTORS & OFFICERS INDIVIDUAL COVER

DATED THIS DAY **{EntryDate}**

EXAMINED: {SubmitBy}

\_\_\_\_\_\_\_\_\_\_**{Signature}**

**FOR: CORNERSTONE INSURANCE PLC**

**COMPLAINTS PROCEDURE**

We always aim to meet and exceed your expectation as our well-cherished customer. However, if you are not satisfied with our service, you may lodge your complaints to us in writing through your Broker/Agent or directly {if there is no Broker/Agent} to:

The Group Head, Customer Experience Group,

Customer Services Department

CORNERSTONE INSURANCE PLC

Block D Plot 21, Water Corporation Drive,

Oniru Extension, P.O.BOX 75370

(off Ligali Ayorinde Street)

Victoria Island, Lagos.

Contact Customer Service on:

* Telephone No: 0700 Cornerstone (0700 26763778663)
* Email: [enquiries@Cornerstone.com.ng](mailto:enquiries@Cornerstone.com.ng)

**Information to be provided with the complaint**

Name, address, contact details, and description of the complaint.

**How complaints are handled.**

* Once a complaint is received, the Customer Services Team shall acknowledge receipt of the complaint within 2 days.
* All complaints will be resolved within 3 working days.
* For exceptional cases where a complaint takes a longer time to be resolved, the Customer Services Team will keep the complainant informed of the status on a regular basis.
* In the event of an inability to resolve the complaints, the Complaint Co-Ordinator will ensure compliance with the Arbitration clause spelled out in the policy document.

**The following other options are available for the client/complainant in case the resolution is not satisfactory:**

Arbitration Committee of the Nigerian Insurers Association [NIA] at no extra cost to you.

Address: No 42, Saka Tinubu Street, Victoria Island, Lagos.

Telephone Number: 08029908531

E-mail - [info@nigeriainsurers.org](mailto:info@nigeriainsurers.org)

The Complaint Bureau of the National Commission

Address: Plot 1239, Ladoke Akintola Boulevard

Garki II, PMB 457, Garki, Abuja, Nigeria

Telephone Number: +**234 (09) 875-6021**

E-mail: [contact@naicom.gov.ng](mailto:contact@naicom.gov.ng).

Where the above processes fail to produce the desired result, customers have the right to the competent court of Jurisdiction as the final arbiter.

Thank you for choosing Cornerstone Insurance Plc as your preferred Insurance Company.