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Directors, Statutory Auditors and Officers Liability Insurance Policy (D&O)

This insurance policy is entered into between

EUROPEAN UNIVERSITY INSTITUTE
Via dei Rocettini, 9
50014 San Domenico di Fiesole (FI) – Italy
Tax Code: 800020410488

and

Insurance Company

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Agency

.....

Duration of the contract
From 24.00 del: 30/06/2026
to 24.00 del: 30/06/2030

With annual insurance periods expiring at
24.00 on each 30/06

DIRECTORS', STATUTORY AUDITORS' AND OFFICERS' LIABILITY INSURANCE POLICY (D&O)

Declared activity: University education
Date of Incorporation: 19 April 1972
Turnover (last consolidated balance sheet) €78,839,601.00
Limit of Indemnity: €2,500,000.00 per claim and in the aggregate
Deductibel: none
Retroactive date: unlimited

WARNING – CLAIMS MADE BASIS

This insurance is written on a "claims made" basis, meaning that it covers Claims first made against the Insured Person during the Policy Period and notified to the Insurer during the same period, in relation to Wrongful Acts committed not earlier than the agreed retroactive date.

Upon expiry of the Policy Period, all obligations of the Insurer shall cease and no Claims may be accepted thereafter.
(See Articles 11, 16, 28(a), 28(b), 28(c), 31 and 32)

POLICY CONDITIONS

SCOPE OF COVER

Definitions

The terms listed below in alphabetical order, wherever they appear in this Policy and in any schedules or endorsements, whether in the singular or plural, shall have the meanings specified below next to each of them.

For the purposes of this Policy, the terms listed below shall have the meanings set out hereunder, whether used in the singular or plural.

Insurer
The insurance company underwriting the risk.

Wrongful act

Any act or omission that has actually been committed or is alleged to have been committed with **ordinary or gross negligence** by any of the **Insured Persons**, individually or jointly with others, in the performance of their office or duties, and which gives rise to a **Claim** for the purposes and effects of this Policy under **civil law and company law** in force in Italy or in the jurisdiction where the Claim is brought, **but not under criminal law or administrative law** (except in cases of **Administrative Liability and Accounting Administrative Liability**) under Italian law or other applicable legislation.

This definition also includes **"Employment-Related Wrongful Acts"**, which shall mean any actual, alleged or potential violation of employment laws or of any contract or preliminary agreement, involving any past, present, future or potential employee of the Company, including, by way of example and without limitation:

1. dismissal, resignation or termination of employment;
2. unlawful failure to promote, unlawful disciplinary actions, unlawful denial of career opportunities, negligent evaluation; any discrimination or sexual, racial, religious or disability-based harassment occurring in the workplace;
3. insult, slander, defamation, humiliation, invasion of privacy, or statements or advertising relating to employment relationships;
4. violation of privacy and defamation in the workplace.

This extension shall **not apply** with respect to the jurisdiction or laws of the **United States of America and Canada**, including their territories and possessions.

In any event, only **Wrongful Acts committed no earlier than the Retroactive Date** stated in the Policy Schedule shall fall within the scope of this insurance.

Several Wrongful Acts that are related, continuous or repeated, or that are interconnected by a single causal link, shall be deemed to constitute **one single Wrongful Act**.

Insurance Broker
Alpha International Insurance Brokers S.r.l.

Circumstance
A *Circumstance* shall be deemed to exist where one or more of the following situations occur:

- **Any expression of the intention to bring a claim for compensation** against a Chief Executive Officer or the Company;
- **Any direct, written and explicit comment or allegation** concerning the conduct of a Director or the activities of the Company from which a claim for compensation may arise;
- **Any error, omission or fact** of which a Director or the Company is aware, and from which a claim for compensation against a Director or the Company may arise.

Policyholder

The Principal Company, which enters into this insurance both on its own behalf and on behalf of the Insured Persons, in accordance with the terms provided for under this Policy.

The provisions of Article 1891 of the Italian Civil Code shall apply.

Defence Costs

The expenses, fees, legal costs and other related costs reasonably incurred or to be incurred by the Insured Persons, or by the Company on their behalf, with the prior written consent of the Insurer (which consent shall not be unreasonably withheld), in order to defend against a Claim covered under this Policy.

This definition also includes premiums or other consideration paid for the issuance of any bonds, guarantees, sureties or other financial instruments that may be required in connection with appeals filed by any of the Insured Persons in civil proceedings brought against them, provided that the Insurer shall in no case be obliged to procure or arrange such bonds, guarantees, sureties or other instruments.

The term “Defence Costs” shall not include the Company’s general overhead expenses, nor salaries, remuneration, commissions, reimbursements or other compensation payable to the Insured Persons, employees or members of the governing bodies of the Company.

Correspondent

The insurance brokerage company indicated in the Schedule to which the Insurer has entrusted the mandate to receive and transmit correspondence relating to the administration and management of this contract.

Damages

The sums (principal, interest and costs):

a. which the Insured Person is ordered to pay by a final or immediately enforceable arbitral award or court judgment, even if subject to appeal; or

b. which the Insured Person has agreed to pay pursuant to a judicial or out-of-court settlement entered into with the prior written consent of the Insurer.

Employee

Any natural person who works, has worked or may work in the future under the direct authority of the Company under an employment or quasi-employment relationship, on an open-ended or fixed-term basis, or under a collaboration or apprenticeship agreement, including during probationary, training, educational or internship periods.

Where the Company is an association or foundation with charitable purposes, or a company established for non-profit social purposes, this definition shall also include volunteers providing their services thereto.

This definition expressly excludes external consultants, independent professionals, agents and any persons who do not maintain an exclusive employment or collaboration relationship with the Company.

Deductible

The amount not covered by this insurance and which, for each Claim, shall remain for the account of each Insured Person involved or of the Company.

More specifically, the Insurer shall be liable only for amounts exceeding the Deductible and up to the applicable Limit of Indemnity or Sub-limit of Indemnity.

Defence Costs, within the limits and terms provided for under this Policy, shall be payable in addition to the Indemnity and shall be borne by the Insurer without application of any Deductible.

Indemnity

The amount payable by the Insurer under this Policy by way of compensation for Damages.

Pollution

The consequences of the discharge, emission, leakage, dispersal or disposal of polluting substances, any type of contamination, or the failure by the Insured Persons or the Company to comply with directives or lawful requests to carry out inspection, monitoring, purification, removal, containment, treatment, detoxification or neutralisation of polluting substances.

Limit of Indemnity

The maximum liability of the Insurer by way of Indemnity.

The Limit of Indemnity stated in the Schedule and in the Coverage Schedule is an “aggregate Limit of Indemnity” and represents the maximum amount payable by the Insurer in respect of the aggregate of all Claims notified to the Insurer during the entire Insurance Period (and during the Observation Period, where applicable), regardless of the number of injured parties or Insured Persons involved.

Amounts payable in respect of Defence Costs shall be paid by the Insurer in addition to the Limit of Indemnity and shall not be subject to any Deductible.

"Insurance Period"

The period indicated in the Schedule, without prejudice to the provisions of this Policy relating to the payment of premiums to the Insurer.

Observation Period (Optional)

The period during which insurance cover is extended to Claims that are first received by an Insured Person only after the expiry date of the Insurance Period, provided that such Claims relate to Wrongful Acts committed before such expiry, but not prior to the agreed Retroactive Date indicated in the Coverage Schedule.

This extension shall be granted at the request of the Policyholder, in accordance with the procedures and terms set forth in the Policy Conditions, and shall commence from the expiry date of the Insurance Period for a duration to be agreed.

Insured Person

Any natural person who has held, currently holds, or may hold in the future:

(i) the position of Director, Statutory Auditor, Chief Executive Officer, General Manager, Managing Director, Attorney-in-Fact with managerial powers, Member of the Board of Directors, Member of the Management Board, Member of the Supervisory Board, member of the Supervisory Body pursuant to Legislative Decree No. 231/2001, member of the Management Control Committee, internal auditor of the Company where permitted by law, member of the Internal Control Committee or Ethics Code Supervisory Committee (or equivalent bodies, however denominated) established pursuant to Legislative Decree No. 231/2001, executive officer, including the officer responsible for the preparation of corporate accounting documents (Law No. 262/2005), or any other office which, under applicable law, may be deemed substantially equivalent to the above offices in a company incorporated in Italy.

Non-executive directors are included in this definition.

This definition excludes external auditors or statutory auditors, liquidators, bankruptcy trustees, extraordinary commissioners or other persons holding similar functions;

(ii) any other executive or managerial position within the Company;

(iii) the person responsible for personal data processing pursuant to Regulation (EU) 2016/679 (GDPR) and subsequent amendments, provided that such person has been formally appointed as responsible person/administrator;

(iv) an employee contractually classified as a managerial officer or executive employee ("quadro", "funzionario");

(v) an employee who, in practice, performs duties attributable to managerial, executive or senior management positions, or who has been granted general and/or special powers of attorney or delegated authority for the performance of acts attributable to specific roles provided for by law (by way of example and without limitation, Safety Officer, Fire Safety Officer, etc.);

(vi) an employee to whom documented and continuous supervisory and coordination functions over other employees have been formally assigned;

(vii) other persons holding responsibility roles formalised in writing, provided that they are engaged under coordinated and continuous self-employment collaboration relationships, excluding collaborators performing mere consultancy activities.

In addition, in the event of death or legal incapacity of any Insured Person, this definition shall extend to any natural person who, in their capacity as heir, legatee, executor, legal representative or guardian, may be held liable in respect of a Claim covered under this Policy.

Questionnaire

The document through which the Policyholder provides essential information for the purposes of risk assessment by the Insurer, without prejudice to the obligation to disclose all other information known to the Insured Persons that may affect the Insurer's decision to offer insurance coverage, in accordance with Articles 1892, 1893 and 1894 of the Italian Civil Code.

The Questionnaire forms an integral part of this Policy.

Claim

Whichever of the following is first brought to the attention of the Insured Person for the first time during the Insurance Period:

(i) any written communication addressed to the Insured Person and/or the Company alleging that a Wrongful Act has been committed, whether or not accompanied by a formal request for compensation of the alleged damage;

(ii) any judicial investigation initiated against the Insured Person and/or the Company in relation to liabilities covered under this Policy;

(iii) any writ of summons or other legal action notified to the Insured Person and/or the Company for the purposes of arbitration or judicial proceedings, alleging the commission of a Wrongful Act.

In any event, this insurance shall cover only Claims arising from a Wrongful Act committed not earlier than the Retroactive Date indicated in the Coverage Schedule.

For the purposes of this Policy, multiple Wrongful Acts or multiple Employment-Related Wrongful Acts that are related, continuous, repeated or connected by a single causal link shall be deemed to constitute one single Wrongful Act and shall give rise to one single Claim, regardless of the number of injured parties and/or Insured Persons involved.

Schedule

The document attached to and forming an integral part of this Policy, containing the identification of the Policyholder and other general details of the contract.

Coverage Schedule

The document containing the details relating to this insurance and attached to this Policy, forming an integral part thereof.

Company

Both of the following:

a) the Principal Company identified in the Schedule and acting as the Policyholder of this insurance;

b) each and all Subsidiary Companies, as defined below.

Subsidiary Company

Any company in which the Principal Company, whether directly or indirectly:

a. has the power to appoint or remove the majority of the members of the board of directors; or

b. controls the majority of the voting rights at the shareholders' meeting; or

c. owns more than 50% of the share capital.

Sub-limit of Indemnity

The maximum amount of Indemnity payable by the Insurer in respect of a specific category of risk; such amount shall not be in addition to the Limit of Indemnity defined above, but shall form part of the same.

GENERAL CONDITIONS

Article 1 – Declarations Relating to Risk Circumstances
Any inaccurate statements or omissions made by the Policyholder relating to facts or circumstances affecting the assessment of the risk may result in the total or partial loss of the right to **Indemnity**, as well as the termination of the insurance contract (Articles 1892, 1893 and 1894 of the Italian Civil Code).

Article 2 – Amendments to the Insurance – Communications Between the Parties
Any amendment to this Policy must be evidenced by a written document signed by both the Policyholder and the Insurer.
Communications relating to the notification of Claims, termination and any other communication resulting in the cessation of coverage shall be sent to the Insurer by **certified electronic mail (PEC)** or by registered letter with return receipt.
All other communications may also be sent by any other valid and documentable means to the Insurer or to the **Intermediary** indicated in the Coverage Schedule; however, where sent to the Intermediary, such communications shall be effective only if promptly forwarded to the Insurer.

Article 3 – Payment of the Premium
The insurance shall take effect from **24:00 on the date indicated in the Policy**, even if the Premium is paid within the following **30 days**.
The derogation of the payment terms referred to in the first paragraph of this Article shall also apply to any endorsement issued for consideration to amend the contract.

If the Policyholder fails to pay subsequent premiums or premium instalments, the insurance shall be suspended from **24:00 on the 30th day following the relevant due date** and shall resume effect from **24:00 on the day of payment**, without prejudice to subsequent due dates and to the Insurer's right to collect outstanding premiums pursuant to **Article 1901 of the Italian Civil Code**.
Premiums must be paid directly to the Insurance Company.

Article 4 – Increase of Risk
The Policyholder shall notify the Insurer in writing of any increase in risk.
Increases in risk that are not known to or accepted by the Insurer may result in the total or partial loss of the right to Indemnity, as well as the termination of the insurance (Article 1898 of the Italian Civil Code).

Article 5 – Reduction of Risk
If, during the Insurance Period, the Policyholder notifies the Insurer of changes resulting in a reduction of the risk, the provisions of **Article 1897 of the Italian Civil Code** shall apply, and the Insurer hereby waives the corresponding right of withdrawal.

Article 6 – Other Insurance – "Excess Insurance"
(A) Where other insurance policies exist, regardless of by whom they were taken out, covering the same liabilities and the same **Damages**, this insurance shall operate as **excess insurance**, i.e. solely for that part of the Damages and Defence Costs exceeding the amounts payable under such other insurance policies.
(B) The Policyholder or the relevant Insured Person must give written notice to the Insurer of the existence or subsequent conclusion of other insurance policies covering the same liabilities.
(C) In the event of a **Claim**, the Policyholder or the relevant Insured Person must report the Claim, in accordance with the procedures and time limits set out in the respective policies, also to the other insurers concerned, indicating to each of them the names of the others (Article 1910, third paragraph, of the Italian Civil Code).

Article 7 – Tax Charges
Tax charges relating to the insurance shall be borne by the **Policyholder**.

Article 8 – Competent Court and Legal Proceedings
For any disputes relating to the performance of this contract, the **Court of Milan** shall have exclusive jurisdiction.

Article 9 – Reference to Applicable Law
For the interpretation of the provisions of this Policy and for all matters not expressly provided for herein or added by duly executed amendments, reference shall be made exclusively to the laws of the **Italian Republic**, the **Republic of San Marino** and the **Vatican City State**.

Article 10 – Broker Clause
The Policyholder declares that it has entrusted the management of this Policy to **ALPHA International Insurance Brokers S.r.l.**, with registered office in Florence, Viale Don Giovanni Minzoni no. 44, acting as Insurance Broker pursuant to Legislative Decree No. 209/2005.
The Parties mutually acknowledge that all communications relating to the performance of this insurance shall also be effected through the appointed Broker. Accordingly, the Company acknowledges that any communication made by the Policyholder and/or the Insured to the Broker shall be deemed as having been made to the Company itself, and vice versa; likewise, any communication made by the Broker to the Company shall be deemed as having been made by the Policyholder and/or the Insured.

It is specified that, where communications from the Policyholder result in a contractual amendment, such amendment shall be binding upon the Company only upon its written consent.
Exclusively with regard to notices of withdrawal, the Parties (the Policyholder and the Company) shall send such notice directly to one another, copying the appointed Broker for information purposes.
In the event of any discrepancy between communications made by the Broker and those made directly by the Policyholder to the Company, the latter shall prevail.
By virtue of the mandate to collect premiums granted by the Company, payment of the Premium made in good faith to the Broker and to persons for whom the Broker is responsible shall be deemed to have been made directly to the Company pursuant to Article 118, paragraph 2, of Legislative Decree No. 209/2005.
It is understood that such payment shall also have full discharging effect pursuant to Article 1901 of the Italian Civil Code.
The Broker's remuneration shall not be borne by the awarded insurance companies, as the relevant fees shall be borne by the Contracting Authority in accordance with the terms set out in procedure No. **NP/EUI/REFS/2025/005** for the provision of Insurance Brokerage Services.

SPECIAL CONDITIONS

Article 11 – Scope and Form of Insurance ("CLAIMS MADE")
This insurance is issued on a **"Claims Made" basis**, meaning that it applies to any **Claim** first made against any of the **Insured Persons** and notified by them to the Insurer during the **Insurance Period**, as a consequence of a **Wrongful Act**.
Upon expiry of the Insurance Period, all obligations of the Insurer shall cease and no Claim may thereafter be notified.
The insurance is subject to the terms, exclusions, limits and specifications set forth in this Policy, as well as to any special conditions added by endorsement or annex, and to the **Schedule** and/or **Coverage Schedule** attached hereto and forming an integral part hereof.
It is also subject to the **Aggregate Limit of Indemnity**, the **Deductibles** and the **Sub-limits of Indemnity** applicable, as stated in the Coverage Schedule.
On the basis of the declarations made and of the information contained in the **Questionnaire** and any documents attached thereto, and against payment of the Premium referred to in Article 38 and quantified in the Schedule, the Insurer grants the following insurance covers:
Coverage A – In favour of the Insured Persons
The Insurer undertakes to indemnify the Insured Persons against any amounts they are legally required to pay as **Damages** arising from a Claim based on a Wrongful Act committed by them in the performance of any of the offices covered as defined in this Policy.
It is understood that Coverage A does not apply to reimbursement obligations falling within **Coverage B**.
Coverage B – In favour of the Company
The Insurer undertakes to reimburse the Company for any amounts which, by law, by its articles of association or by agreements permitted by law, it is required to pay to third parties as a consequence of a Claim against the Insured Persons based on a Wrongful Act committed by them in the performance of any covered office.
Coverage C – Company Liability (with Sub-limit of Indemnity)
Without prejudice to Coverage B above, the Insurer undertakes to indemnify the Company against Claims brought directly against the Company for Wrongful Acts committed by the Insured Persons, up to a **Sub-limit of Indemnity equal to 20% of the Aggregate Limit of Indemnity**.

Article 12 – Employment-Related Claims
This Policy also indemnifies the Insured Persons in the event of Claims arising from **Employment-Related Wrongful Acts**.

Costs arising from court orders or judgments imposing reinstatement in office or function are excluded from coverage.

Article 13 – Payment or Reimbursement of Defence Costs

The Insurer further undertakes:

a) to pay **Defence Costs** incurred or to be incurred in connection with Claims falling within **Coverage A** under Article 11;

b) to reimburse such Defence Costs to the Company where the Company has advanced them in connection with Claims falling within **Coverage B**;

c) to pay Defence Costs incurred or to be incurred in connection with Claims falling within **Coverage C**.

Where a Claim, or part thereof, does not fall within the scope of this Policy, Defence Costs paid by the Insurer shall be reimbursed to the Insurer by the Insured Persons severally, each to the extent applicable, if and insofar as they are not entitled to Indemnity.

By way of partial derogation from Article 28(e), the Insurer shall indemnify the Insured Person for Defence Costs advanced in connection with investigations or judicial proceedings initiated on allegations of wilful or fraudulent misconduct covered under this Policy, provided that:

i. such investigations are closed without charges against the Insured Person; or

ii. such proceedings result in acquittal or dismissal, or do not reach final judgment due to amnesty, death of the accused Insured Person, or other events extinguishing the alleged offence.

In all cases, the Insurer's maximum payment for Defence Costs shall not exceed **one quarter (25%) of the applicable Limit of Indemnity or Sub-limit of Indemnity**, pursuant to Article 1917 of the Italian Civil Code, and shall be payable **in addition to such Limit or Sub-limit**, without constituting a separate Sub-limit.

Article 14 – Joint and Several Liability

14.a The insurance shall apply also to Damages for which more Insured Persons are jointly and severally liable.

14.b Where an Insured Person is jointly liable with persons not falling within the definition of Insured Persons, this Policy shall apply solely to the portion of liability attributable to the Insured Person.

Article 15 – Territorial Validity

Unless otherwise agreed, this insurance shall apply to Claims brought in any country worldwide, **excluding the United States of America, their territories and jurisdictions, and Canada**.

Article 16 – Optional Observation Period

Where, upon expiry of the Insurance Period, either the Insurer or the Policyholder refuses to renew or extend this contract, the insurance covers provided under the preceding Articles may, upon request of the Policyholder, be extended by the Insurer to the **Observation Period**, subject to all of the following conditions:

1. no Claim has been notified during the Insurance Period;
2. the request for extension is submitted in writing by the Policyholder no later than **30 days after** the expiry date of the Insurance Period;
3. the Policyholder declares that no other insurance is in force or has been taken out covering the same risks, in whole or in part;
4. the agreed additional Premium is paid within **45 days** after the expiry date of the Insurance Period;
5. the Observation Period, if activated, shall be subject to the Deductibles, the Aggregate Limit of Indemnity and all applicable Sub-limits of Indemnity in force as at the expiry of the Insurance Period, and such limits shall apply in the aggregate to all Claims notified during the entire Observation Period, even if it exceeds 12 months.

The procedures and time limits for notification and handling of Claims remain governed by Articles 31, 33, 35, 36 and 37.

Article 17 – Observation Period for Insured Persons Whose Office Has Ceased

Where, during the Insurance Period, the office or appointment of an Insured Person ceases due to natural expiry, resignation or retirement, coverage shall remain in force for such Insured Person until expiry of the Insurance Period and, if agreed, for the Observation Period under Article 16.

Where upon expiry the contract is not renewed and no Observation Period has been requested, the Insurer shall nevertheless grant an Observation Period to such former Insured Persons, provided that no other insurance covering the same risks is in force or concluded.

Such extension shall: a. have a duration of **60 months** from the expiry of the Insurance Period;

b. be subject to the Deductibles, Aggregate Limit of Indemnity and applicable Sub-limits in force at expiry, applying in the aggregate to all Claims notified during the full 60-month period;

c. not apply in the circumstances set out in Article 38.

Articles 31, 33, 35, 36 and 37 remain applicable.

Article 18 – Spouses and Heirs of the Insured Persons

This insurance is extended to cover the **Spouses and Heirs** of the Insured Persons in the event of a Claim.

No coverage shall apply in respect of Wrongful Acts committed by such Spouses or Heirs.

This extension is subject to all conditions applicable to the Insured Persons.

Article 19 – Reputational Damage Mitigation

This insurance is extended to cover the reasonable costs incurred or to be incurred, subject to the Insurer's prior written consent, for the purpose of mitigating any reputational damage suffered by the **Insured Persons** or the **Company** as a result of information disseminated to the public through the media following a **Claim**.

This extension is provided up to the **Sub-limit of Indemnity of €200,000.00**, applicable to the aggregate of all costs incurred or to be incurred for this purpose during the entire **Insurance Period** (and during the entire **Observation Period**, if such extension is agreed upon in accordance with Article 16).

Article 20 – Occupational Health and Safety

This insurance is extended to cover the reasonable costs incurred or to be incurred by the **Insured Persons**, subject to the Insurer's prior written consent, for their defence in civil, criminal or administrative proceedings following a **Wrongful Act** giving rise to a **Claim** attributable to violations of laws and regulations governing occupational health, safety and workplace hygiene.

This extension is provided up to the **Sub-limit of Indemnity of €250,000.00**, applicable to the aggregate of all costs incurred or to be incurred for this purpose during the entire **Insurance Period** (and during the entire **Observation Period**, if agreed in accordance with Article 16), regardless of the number of Claims and Insured Persons involved.

Article 21 – Extension to External Companies

The insurance provided under this Policy is extended in favour of the **Insured Persons** also when, upon appointment and in representation of the **Principal Company**, they hold one of the covered offices in one or more **External Companies**.

For the purposes of this Article, **"External Company"** shall mean:

I. any company in which the Policyholder holds, directly or indirectly, at least **20% of the share capital**, whether or not as beneficial owner;

II. any association or foundation with charitable purposes, or any capital company established for non-profit social purposes ("non-profit"), whose registered office is located within the territorial limits set out in Article 15.

This extension is subject to all Policy conditions, including the **Exclusions** set forth in Article 28, and to each of the following additional conditions:

1. the appointment granted by the External Company to the Insured Person must be evidenced by a duly executed written document;
2. this extension shall not apply where the External Company is already insured for the same risks under one or more policies issued by the same Insurer as this Policy;
3. pursuant to Article 14.b, where a Claim also involves officers of the External Company who do not qualify as Insured Persons under this Policy, the Insurer shall be liable only for the portion directly attributable to the Insured Persons; where such portion cannot be quantified due to principles of joint liability, the Indemnity payable shall be calculated proportionally, based on the ratio between the number of Insured Persons involved in the Claim and the total number of persons involved;
4. pursuant to Article 6, this extension shall operate as **excess insurance** in relation to any other insurance policies taken out with other insurers covering the liabilities of directors, statutory auditors or executives of the External Company;
5. this extension shall not apply to Claims brought against the Insured Persons by any External Company or by third parties on its behalf;
6. this extension shall not apply in the event of bankruptcy, insolvency, controlled administration, compulsory liquidation or similar proceedings affecting the External Company, unless such company falls within category II above;
7. this extension shall not apply where the External Company is incorporated outside Italy;
8. this extension shall not apply where the External Company has part or all of its share capital listed on a stock exchange;
9. this extension shall not apply where the External Company's total gross turnover as per the last approved financial statements exceeds **€100,000,000.00**;
10. this extension shall not apply where the principal activity of the External Company falls within one or more of the following sectors: aviation and related risks, mining and extractive industries, oil and gas, pharmaceutical and healthcare sectors, retail trade (where net assets are less than 20% of total assets), real estate sector (where net assets are less than 20% of total assets), professional sports teams or associations, trade unions, waste disposal, financial institutions or entities subject to supervision by CONSOB, the Bank of Italy, IVASS, the Italian Foreign Exchange Office, or insurance brokers (where net assets are less than 20% of total assets).

Article 22 – Participation in Investigations

For the purposes of this Policy, **"Investigation"** shall mean any inquiry, investigation, interrogation or inspection conducted by an oversight authority, public body or competent trade association.

Where, during the **Insurance Period**, an Investigation is initiated against any of the Insured Persons in relation to the activities carried out by the Company or by the Insured Persons on behalf of the Company, the insurance is extended to cover the costs incurred or to be incurred for attending and responding to such Investigation, including with the assistance of legal counsel and specialists.

The procedures and time limits for notifying an Investigation to the Insurer are governed by Articles 31 and 33.

Where the Insured Person involved reasonably believes that the Investigation may give rise to a Claim falling within the scope of this Policy, such Insured Person shall notify the Insurer in accordance with the procedures and time limits set out in Article 32 (Article 28(b)).

Article 23 – Protection of Assets and Personal Liberty

Where permitted by law, this insurance is extended to cover the procedural costs incurred or to be incurred by any **Insured Person**, subject to the Insurer's prior written consent, in order to obtain the revocation or annulment of a judicial order issued during the Insurance Period which imposes on the Insured Person:
i) confiscation, suspension or freezing of ownership rights in respect of movable or immovable property;
ii) any form of encumbrance over movable or immovable property;
iii) temporary or permanent prohibition from holding office or exercising the role of Director, Statutory Auditor or Executive;
iv) restriction of personal liberty as a result of house arrest or detention;
v) expulsion from national territory following revocation of lawful immigration status for any reason other than a criminal conviction;
vi) extradition.
This extension is provided up to a **Sub-limit of Indemnity of €20,000.00 per Insured Person** and **€40,000.00 in the annual aggregate**, regardless of the number of Insured Persons involved.

Article 24 – Personal Expenses in the Event of Restrictive Orders
The Insurer undertakes to indemnify the **Insured Person** for personal expenses incurred as a result of confiscation, expropriation or control orders, seizure of real estate or personal property, or measures restricting personal liberty.
The following personal expenses shall be covered:

1. school expenses for dependent minors;
2. monthly mortgage instalments or rent for the principal residence;
3. utility costs, including but not limited to water, gas, electricity, telephone and internet services;
4. premiums for personal insurance policies, including but not limited to property, life and health insurance.

This coverage is provided up to an **annual aggregate sub-limit of €5,000.00**.

Article 25 – Private-Law Penalties
This insurance is extended, where permitted by law and subject to the Insurer's prior written consent, to cover **private-law penalties** that an **Insured Person** is legally required to pay as a result of a **Claim**, excluding:
i. penalties reimbursable by or charged to the Company;
ii. penalties contrary to public policy or which, by law or regulation, the Insurer, the Insured Person or the Company is required to pay.
This extension is provided up to a **Sub-limit of Indemnity of €4,000.00 per Insured Person** and **€20,000.00 in the aggregate** for all penalties arising during the entire **Insurance Period** (and the entire **Observation Period**, if such extension is agreed in accordance with Article 16), regardless of the number of Insured Persons involved.

Article 26 – Third-Party Liability Arising from Employee Dishonesty or Fraud
The Insurer undertakes to indemnify the **Defence Costs** incurred by the **Company** arising from Claims for Compensation brought against the Company by a third-party entity, where:
i. such Claim for Compensation is connected with a **Financial Loss** directly suffered by the third party; and
ii. such Financial Loss directly results from any **Wrongful Act or fraudulent act** committed by an **Employee** of the Company acting in collusion with a director, officer, manager, fiduciary or employee of the third-party entity, with the intent of obtaining an unlawful personal gain for the Employee or another person, to the detriment of such third-party entity.
This coverage is provided with a **Sub-limit of Indemnity of €100,000.00 per Claim and in the annual aggregate**.
For the purposes of this extension, it is agreed that the Insurer shall not pay any Indemnity in relation to Financial Losses suffered by third parties:

- that are directly or indirectly attributable to acts of dishonesty committed, in whole or in part, **outside the territory of Italy**;

- that are indirect or consequential losses of any nature arising as a consequence of a loss covered by this extension.

Article 27 – Identity Theft

The Insurer undertakes to pay all fees, costs and expenses reasonably incurred by the **Company** to ascertain the occurrence of a **fraudulent identity theft**, where:

- a person other than an Insured Person enters into an agreement with a third-party entity fraudulently impersonating the Company; and
- the defrauded party challenges such agreement against the Company in order to protect its interests.

This coverage is provided with a **Sub-limit of Indemnity of €50,000.00 per Claim and in the annual aggregate**.

Article 28 – Exclusions

The Insurer shall not be liable to pay Indemnity or Defence Costs in respect of any **Claim**:

(a) made against an Insured Person prior to the effective date of the Insurance Period, regardless of whether such Claim was reported to previous insurers;

(b) arising from situations or circumstances objectively capable of causing Damage, which were already known to any Insured Person prior to the effective date of the Insurance Period, regardless of whether or not they were reported to other insurers;

(c) reported to the Insurer after the expiry date of the Insurance Period, unless the **Observation Period** applies in accordance with Article 16;

(d) caused by, arising from or resulting from a Wrongful Act committed prior to the **Retroactive Date** stated in the Coverage Schedule;

(e) arising from, based upon or attributable, in whole or in part, to wilful or fraudulent acts of an Insured Person, save as provided in the third paragraph of Article 13 with respect to Defence Costs;

(f) asserted in relation to Wrongful Acts committed, or allegedly committed, in a country outside the territorial limits set out in Article 15; accordingly, the Insurer shall not be liable for claims brought, judicially, arbitrally or extrajudicially, in such excluded countries, nor for recognition or enforcement of judgments or arbitral awards based on the laws of such countries;

(g) arising from or attributable, in whole or in part, to circumstances in which the Insured Person has obtained personal profits or advantages or received remuneration to which they were not legally entitled;

(h) seeking the repayment by an Insured Person of any remuneration paid without the prior approval of the Company or its shareholders, where such approval is required by law, the articles of association or Company regulations;

(i) based on failure in the performance of professional services provided by the Insured Person and/or the Company to third parties;

(j) arising from fiduciary management of pension funds, insurance, welfare or employee benefit plans, except as provided under Article 43 where applicable;

(k) arising from the offer, sale or distribution of securities of the Company, a Subsidiary Company or an External Company, as defined in this Policy;

(l) brought by or on behalf of: I. the Company, except as provided under Article 2393 of the Italian Civil Code or equivalent legislation in the jurisdiction of the Claim; or

II. an Insured Person against another Insured Person or against any other Company officer, without prejudice to coverage for Employment-Related Claims brought by or on behalf of Employees pursuant to Article 12 (and Article 43 where applicable).

The following shall not fall within this exclusion: a) Claims against an Insured Person who has ceased office, provided that Claims brought by the Company against such Person are excluded where the Company is not listed;

b) Claims brought by a former Insured Person or former Employee;

c) Claims brought against an Insured Person other than directors or statutory auditors.

(m) covered by other insurance, except as provided under Article 33 and subject to Article 6;
(n) based upon or attributable to bodily injury, physical or mental impairment, illness, injury or death of any person, or to damage or destruction of tangible property, including loss of use, except for emotional or psychological suffering connected with Employment-Related Claims;
(o) based upon or arising from Pollution, except for Defence Costs under Article 41 where applicable, and except for shareholder Claims based solely on diminution of Company value arising from breach of pollution-related duties, subject always to Article 29.2 where applicable;
(p) relating to taxes, fines, penalties, pension or social security contributions, unemployment or welfare contributions, or involving punitive, exemplary or multiple damages;
(q) based upon Administrative Liability (or equivalent) for public financial damage caused with gross negligence in the exercise of authoritative or public functions;
(r) directly or indirectly arising from nuclear radiation, radioactive contamination, nuclear fuel or radioactive waste;
(s) arising from war, invasion, civil war, rebellion, insurrection, coup, or any **act of terrorism**, as defined herein;
(t) based upon infringement of patents, trademarks, copyrights or any other intellectual property rights;
(u) based upon defamation, slander, libel or violation of privacy, whether actual or alleged.

Article 29 – Additional Exclusions Applicable Only if Referred to in the Coverage Schedule

29.1 Insolvency / Bankruptcy Exclusion

No Indemnity or Defence Costs shall be payable for Claims arising from bankruptcy, insolvency, receivership, compulsory liquidation or similar conditions of the Company.

29.2 Majority Shareholder Exclusion

Claims brought by any person or entity holding, directly or indirectly, more than **50% of the share capital** of the Principal Company are excluded.

Article 30 – Automatic Renewal

Upon each annual expiry, this insurance contract shall be **automatically renewed** for a new **Insurance Period of 12 months**, and so on year by year, unless terminated by either Party in accordance with Article 2, with at least **30 days' prior notice** before each annual expiry.

However, automatic renewal shall not apply where any of the following essential conditions occur:

1. notification during the Insurance Period of any Circumstances and/or Claims;
2. listing of the Company on a stock exchange;
3. the Company's actual gross turnover for the last fiscal year falls into a different turnover bracket than that stated in the Coverage Schedule;
4. the last approved financial statements show total assets and/or turnover exceeding **€50,000,000**;
5. the last approved financial statements show a net loss exceeding **20% of shareholders' equity** or negative equity;
6. the Company is insolvent or subject to similar proceedings;
7. the Company's corporate purpose changes;
8. where Article 43 applies, the number of Employees declared in the Questionnaire has increased.

Any renewal endorsement issued by the Insurer shall be null and void if any of the above conditions are not met, and the renewal Premium shall be refunded to the Policyholder net of tax.

Each renewal shall give rise to a **new and separate Insurance Period**, distinct from any preceding or subsequent period.

Article 31 – Notification of Claims

The **Insured Person** or the **Policyholder** shall give written notice of any **Claim** to the Insurer as soon as reasonably practicable and, in any event, **no later than the expiry date of the Insurance Period**.

Such notice shall include a description of the facts and all relevant information, including dates, locations and identification of the persons involved.
Given that this insurance is issued on a **"Claims Made" basis**, as temporally defined under this Policy, the Insurer shall reject any notice submitted after the expiry date of the Insurance Period or after the expiry of the **Observation Period**, where such extension has been agreed pursuant to Article 16.

Article 32 – Notification of Circumstances
Within the same time limits and in accordance with the same procedures set out in Article 31 above, the **Insured Person** or the **Company** shall notify the Insurer of any situation or circumstance of which they become aware and which may reasonably give rise to a Claim.
Such notification shall be accompanied by all necessary and appropriate details and shall, for all purposes, be treated as a Claim duly made and notified during the Insurance Period, with application of the subsequent Articles.

Article 33 – Notification to Other Insurers
Where other insurance policies are wholly or partly involved in a Claim, the Insured Person or the Policyholder shall notify the Claim to the relevant insurers, and the provisions of **Article 6** shall apply.

Article 34 – Conduct of Legal Defence and Appointment of Lawyers and Consultants
The Insurer shall have the right, but not the obligation, upon written notice, to associate itself with the Insured Person and the Company in the defence and/or settlement of any Claim.
Regardless of whether or not the Insurer associates itself in such defence or settlement, any lawyers or other consultants appointed by the Insured Person must be **previously approved by the Insurer**, which approval shall not be unreasonably withheld.
The Insurer shall be liable for **Defence Costs**, as defined and limited under Article 13, where appointments are made in accordance with the above provisions.
In such case, the Insurer may also appoint, at its own expense, lawyers and consultants of its choice to act alongside those appointed by the Insured Person.

Article 35 – Claim Handling and Related Obligations
Following notification of a Claim, both the Insured Person and the Policyholder shall promptly provide the Insurer with all relevant information and documentation and shall render such assistance as the Insurer may reasonably require in managing the Claim.
The Insured Person and the Insurer shall cooperate in handling the Claim. The Insurer shall take into account the views of the Insured Person, who shall not, without the Insurer's prior written consent, admit liability, assess or settle damages, enter into settlements or compromises, or incur related expenses.
In the event of disagreement, the Parties shall defer to the opinion of a qualified lawyer to be jointly appointed.
It is further understood that, where a settlement recommended by the Insurer is refused by the Insured Person, the Insurer shall not be liable for more than the amount for which the Claim could have been settled, plus Defence Costs incurred up to the date of refusal, subject always to the applicable **Limit of Indemnity or Sub-limit** and any applicable **Deductible**.

Article 36 – Right of Subrogation
Up to the amount of Indemnity paid or to be paid and expenses incurred or to be incurred, the Insurer shall be **subrogated to all rights of recovery**, whether arising by law or contract, vested in the Insured Person or the Company.

The Insured Person and the Company shall do all that is reasonably necessary to preserve and enforce such rights and shall execute all necessary documents, including those required to initiate legal proceedings in their name (Article 1916 of the Italian Civil Code).

Article 37 – Mutual Right of Withdrawal in the Event of a Claim

After any notification of a Claim and up to the **60th day following payment or refusal of Indemnity**, either the Insurer or the Policyholder may withdraw from this contract upon **90 days' prior notice**.

Where withdrawal is exercised by the Insurer, it shall refund, within **15 days from the effective date of withdrawal**, the portion of the Premium, net of taxes, relating to the unexpired period of risk.

Article 38 – Transfer or Merger of the Principal Company

Where, during the Insurance Period, the **Principal Company** undergoes any of the following:

(a) acquisition by, or merger with, another company or organisation;

(b) transfer to third parties of **50% or more of its share capital or voting rights**,

this insurance shall remain in force until the expiry date of the Insurance Period, **covering Claims relating to Wrongful Acts committed prior to the effective date of such change**, without refund of Premium, and subject to Article 29.2 where applicable.

Article 39 – Cessation of a Subsidiary Company

Where a **Subsidiary Company** ceases to qualify as such during the Insurance Period, this insurance shall remain in force with respect to that company until the expiry date of the Insurance Period, covering Claims relating to Wrongful Acts committed prior to the date on which it ceased to be a Subsidiary.

Article 40 – Acquisition of Companies

Where, during the Insurance Period, the Principal Company acquires or incorporates a company qualifying as a **Subsidiary Company**, such company shall automatically fall within the definition of **"Company"** for the purposes of this Policy as of the date of acquisition or incorporation, provided that:

i. its total balance-sheet assets do not exceed **30%** of those of the Policyholder;

ii. its registered office is not located outside the territorial limits set out in Article 15;

iii. its activities do not fall within excluded sectors (including aviation, mining, oil and gas, pharmaceuticals, healthcare, retail, real estate, professional sports, trade unions, waste disposal, or regulated financial institutions).

Coverage shall apply **only to Claims relating to Wrongful Acts committed after the acquisition or incorporation date**.

This Article shall not apply where the acquired company is already insured for the same risks under a policy issued by the same Insurer.

Article 41 – Defence Costs in Case of Pollution

Notwithstanding the exclusion under Article 28(p), in the event of a Claim arising from **Pollution**, the Insurer shall provide coverage solely for **Defence Costs** pursuant to Article 13, as amended below:

The Insurer's maximum liability for such Defence Costs shall be subject to a **Sub-limit of Indemnity of €150,000.00**, applying in the aggregate to all Claims notified during the Insurance Period (and Observation Period, if applicable).

The Insurer shall not assume conduct of the defence. The Insured Person shall appoint lawyers and/or consultants subject to prior agreement with the Insurer on fees and expenses.

The Insurer may appoint, at its own expense, additional counsel to assist.

Article 42 – Liability Actions for Breaches of Data Protection Laws

The Insurer undertakes to indemnify the **Insured Persons** for any loss attributable to them arising from liability actions based on violations of **personal data protection legislation**.
This coverage is provided subject to a **Sub-limit of Indemnity of €50,000.00 per Claim and in the annual aggregate**.

SPECIAL CONDITIONS Valid only if expressly referred to in the Coverage Schedule

Article 43 – Employment-Related Claims Brought Against the Company
This insurance is extended to indemnify the **Company** in the event of a **Claim** arising from **Employment-Related Wrongful Acts**.
Excluded from this Extension are costs arising from court orders or judgments imposing reinstatement in office or position, as well as **Damages** arising from: a) violation of laws governing collective dismissals;
b) violation of regulations concerning minimum wages, disability benefits, unemployment or retirement benefits, social security benefits, severance pay, unemployment insurance programmes or substitute compensation;
c) obligations undertaken by means of customised agreements or contracts which would not otherwise be borne by the Company in the absence of such agreements or contracts.
This Extension is granted up to a **Sub-limit of Indemnity equal to 10% of the Policy Limit**, with a maximum of **€500,000.00**, representing the maximum aggregate amount payable by the Insurer in respect of all Claims falling within this Extension and notified during the entire **Insurance Period**.
A **Deductible of €5,000.00 per Claim** shall apply, or such other amount as stated in the Coverage Schedule.

Article 44 – Coverage C: Company Liability (without Sub-limit of Indemnity)
Without prejudice to **Coverage B** under Article 11, the Insurer undertakes to indemnify the **Company** against Claims brought directly against the Company for **Wrongful Acts** committed by the **Insured Persons**, up to the full **Aggregate Limit of Indemnity**.
The Insurer also undertakes to pay **Defence Costs** incurred or to be incurred for Claims falling within the scope of **Coverage C** under this Article.
Where a Claim, or part thereof, does not fall within the scope of this Policy, Defence Costs paid by the Insurer shall be reimbursed by the Insured Persons severally, each to the extent applicable, if and insofar as they have no right to Indemnity.
By way of partial derogation from Article 28(e), the Insurer shall indemnify the Insured Person for Defence Costs advanced in connection with investigations or proceedings initiated on allegations of wilful or fraudulent conduct, provided that: i) such investigations are closed without charges;
ii) such proceedings result in acquittal or dismissal, or do not reach final judgment due to amnesty, death or other causes extinguishing the alleged offence.
In any event, the Insurer's maximum liability for Defence Costs shall not exceed **one quarter (25%) of the applicable Limit of Indemnity**, pursuant to Article 1917 of the Italian Civil Code, and shall be payable **in addition to** such Limit.

Article 45 – CYBER RISK
It is agreed that any **Loss** (as defined in this Policy) arising from an actual or alleged **Wrongful Act** caused by a **Cyber Attack** or a **Cyber Incident** shall be indemnifiable, subject to the terms, conditions, limitations and exclusions of this Policy and any subsequent amendments.
Definitions
Computer System
Any computer, hardware, software, communication system, electronic device (including, by way of example, smartphones, laptops, tablets and portable devices), server, cloud or microcontroller, including any similar system or

configuration thereof, as well as any associated input/output device, data storage device, network equipment or backup facility, owned by, leased to or operated by the Insured or by third parties.

Cyber Attack

Any unauthorised, malicious or criminal act, or series of related acts, regardless of time or location, or threat thereof, or deceptive conduct undertaken to facilitate such acts, involving access to, processing of, use of or operation of any Computer System.

Cyber Incident

1. any error or omission, or series of related errors or omissions, involving access to, processing of, use of or operation of any Computer System; or
2. any partial or total unavailability, failure or malfunction, or inability to access, process, use or operate any Computer System.

ADDITIONAL EXCLUSIONS ALWAYS APPLICABLE

Article 46 – Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide coverage, nor shall any (re)insurer be liable to pay any Claim or provide any benefit under this Policy, to the extent that such coverage, payment or performance would expose the (re)insurer to any sanction, prohibition or restriction arising from **United Nations resolutions**, or **economic or trade sanctions, laws or regulations** of the **European Union, the United Kingdom or the United States of America**.

Article 47 – Radioactive Contamination and Nuclear Explosives Exclusion Clause

This Policy does not cover Claims arising from:

a) loss, destruction or damage to property, and any resulting losses or expenses of any nature;

b) legal liabilities of any nature,

directly or indirectly caused by, contributed to by, or arising from:

1. ionising radiation or radioactive contamination from nuclear fuel or radioactive waste arising from nuclear fuel combustion;
2. the explosive, toxic, radioactive or other hazardous properties of nuclear explosive devices or their components.

Article 48 – War and Terrorism Exclusion Clause

Notwithstanding any provision to the contrary contained in this Policy or in any endorsement, this insurance excludes coverage for any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or connected with any of the following events, regardless of any other contributing cause:

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (declared or not), civil war, rebellion, revolution, insurrection, civil commotion amounting to uprising, military or non-military coup; or
2. any **act of terrorism**, meaning any act, including use or threat of force or violence, committed by any person or group acting alone or on behalf of, or in connection with, any organisation or government, for political, religious, ideological or similar purposes, including the intent to influence governments or to intimidate the public or any part thereof.

This clause also excludes losses, costs or expenses arising from any action taken to control, prevent, suppress or otherwise respond to the above events.

Where the Insurer asserts the occurrence of such events and denies coverage, the burden of proof to the contrary shall rest with the Insured.

Any partial invalidity of this clause shall not affect the validity of the remainder.

Declaration pursuant to Article 1341 of the Italian Civil Code

For the purposes of Article 1341 of the Italian Civil Code, the undersigned **Policyholder**, on behalf of the **Insured Persons** and of the **Company**, declares:

1. to acknowledge that this is a **"Claims Made" insurance contract**, covering Claims first made against the Insured Persons during the Insurance Period and notified to the Insurer during the same period;
2. to specifically approve the provisions contained in the following Articles:

- Article 6 – Other Insurance – "Excess Insurance";
- Article 10 – Broker Identification Clause;
- Article 11, first paragraph – "Claims Made" Basis;
- Article 14.b – Joint Liability (coverage limited to the Insured Person's proportion);
- Articles 16 and 17 – Observation Period;
- Article 28 (a), (b), (c) – Exclusion of Prior Known Claims and Circumstances;
- Article 29.1 – Insolvency Exclusion;
- Article 29.2 – Majority Shareholder Exclusion;
- Article 30 – Automatic Renewal;
- Article 31 – Notification of Circumstances;
- Article 34, second paragraph – Appointment of Lawyers and Consultants;
- Article 35 – Claim Handling Obligations;
- Article 37 – Mutual Right of Withdrawal Following a Claim;
- Article 38 – Transfer of the Company;
- Article 46 – Sanction Limitation and Exclusion Clause;
- Article 47 – Nuclear and Radioactive Contamination Exclusion;
- Article 48 – War and Terrorism Exclusion Clause.

Policyholder's Signature
Date
Signed by