

Prosecution Defence Costs Endorsement

We agree to indemnify You in respect of costs and expenses incurred with Our prior written consent in the defence of criminal proceedings brought against You arising from any alleged breach of any statute or regulation in the conduct of the Your Business provided that:

- (i) the circumstances giving rise to the alleged breach would otherwise give rise to any claim which would be covered by this policy;
- (ii) We believe that the defence of such proceedings has a reasonable chance of success and would assist in the defence of any claim against You arising from such circumstances;
- (iii) We will not be liable for any costs and expenses following a plea or finding of guilt on Your part or in the event that a King's Counsel advises that there are no reasonable prospects of successfully defending the proceedings unless the costs and expenses incurred are for the sole purpose of making a plea in mitigation before sentencing or incurred in making an appeal if a King's Counsel shall advise that the prospects of a successful appeal following a finding of guilt are reasonable.

Our total liability during the Period of Insurance shall not exceed GBP 250,000 in the aggregate which shall be included within and not in addition to the Indemnity Limit. The excess in respect of this clause shall be GBP 1,000 each and every claim.