

SERFF Tracking Number: CNAC-125359906 State: Arkansas
Filing Company: Continental Casualty Company State Tracking Number: #207258 \$50
Company Tracking Number: 07-F2190
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: Fiduciary Liability Solutions Program
Project Name/Number: /07-2190

Filing at a Glance

Company: Continental Casualty Company
Product Name: Fiduciary Liability Solutions Program
TOI: 17.0 Other Liability - Claims Made/Occurrence
Sub-TOI: 17.0022 Other
Filing Type: Form
Effective Date Requested (New): 01/01/2008
Effective Date Requested (Renewal): 01/01/2008
State Filing Description:

SERFF Tr Num: CNAC-125359906 State: Arkansas
SERFF Status: Closed State Tr Num: #207258 \$50
Co Tr Num: 07-F2190 State Status: Fees verified and received
Co Status: Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding
Author: Robert Alonzo Disposition Date: 12/07/2007
Date Submitted: 11/14/2007 Disposition Status: Approved
Effective Date (New):
Effective Date (Renewal):

General Information

Project Name: Status of Filing in Domicile: Authorized
Project Number: 07-2190 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 12/07/2007 Deemer Date:
State Status Changed: 12/07/2007
Corresponding Filing Tracking Number:
Filing Description:
This program provides coverage for fiduciaries (as defined by ERISA) against loss arising from the administration and management of employee benefit and pension plans.

Company and Contact

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Filing Contact Information

Robert Alonzo, State Filing Analyst robert.alonzo@cna.com
 40 Wall Street (212) 440-3478 [Phone]
 New York, NY 10005 (212) 440-2877[FAX]

Filing Company Information

Continental Casualty Company CoCode: 20443 State of Domicile: Illinois
 40 Wall Street Group Code: 218 Company Type:
 9th Floor
 New York, NY 10005 Group Name: State ID Number:
 (212) 440-3478 ext. [Phone] FEIN Number: 36-2114545

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Continental Casualty Company	\$0.00	11/14/2007	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
0000207258	\$50.00	10/16/2007

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	12/07/2007	12/07/2007

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Disposition

Disposition Date: 12/07/2007

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Cover LEtter	Approved	Yes
Supporting Document	Forms Memo	Approved	Yes
Form	Fiduciary Liability Solutions Policy Form	Approved	Yes
Form	Declarations Page	Approved	Yes
Form	Fiduciary Liability Solutions Application for Insurance New	Approved	Yes
Form	Fiduciary Liability Solutions Application for Insurance - Renewal	Approved	Yes
Form	Bilateral Extended Reporting Perios	Approved	Yes
Form	Circumstance Reporting in Optional ERP	Approved	Yes
Form	Prior Acts Exclusion	Approved	Yes
Form	Run-Off Endorsement	Approved	Yes
Form	Specified Proceeding Exclusion Endorsement	Approved	Yes
Form	Newly Acquired Subsidiary Endorsement	Approved	Yes
Form	Application Definition to Include Specified Document Filing Timeframe	Approved	Yes
Form	Reporting Of Claims Endorsement	Approved	Yes
Form	Extended Reporting Period upon Named Insured Non-Renewal Endorsement	Approved	Yes
Form	Amendment to Definition of Employee to Include Volunteers	Approved	Yes
Form	Coverage of Employee Stock Ownership Plans	Approved	Yes
Form	Amendment to Section X Application Imputation of Knowledge of Insured Person	Approved	Yes
Form	Amendement to Bodily Injury Exclusion	Approved	Yes
Form	Trade and Economic Sanctions Endorsement	Approved	Yes
Form	Definition of Executive to Include Scheduled Positions	Approved	Yes
Form	Coverage for New Subsidiaries or Plan	Approved	Yes

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Asset Size Amendment

Form	Claims against Specified Individuals	Approved	Yes
	Exclusion Endorsement		
Form	Amendment of Hammer Clause	Approved	Yes
Form	Prior or Pending Date Applicable	Approved	Yes
	Increased Limits		
Form	Midterm Increase in Limits Endorsement	Approved	Yes
Form	Aggregate Retention Endorsement	Approved	Yes
Form	Cap On Attorney Fees Endorsement	Approved	Yes
Form	Conditions for Advancement of Defense	Approved	Yes
	Costs		
Form	Exclusion Of Certified Acts of Terrorism	Approved	Yes
Form	Failure To Effect Or Maintain Adequate	Approved	Yes
	Insurance Exclusion		
Form	Coinsurance Clause	Approved	Yes
Form	Amendment of the Declarations	Approved	Yes
Form	Policyholder Disclosure Notice of	Approved	Yes
	Insurance Coverage For acts of Terrorism		
Form	Coverage of and Cap on Losses For	Approved	Yes
	Certified Acts of Terrorism		
Form	Conditions for Advancement of Defense	Approved	Yes
	Costs		
Form	Cancellation NonRenewal End - AR	Approved	Yes
Form	Amendatory End - AR	Approved	Yes
Form	Separate Defense Costs Limits - AR	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Fiduciary Liability Solutions Policy Form	GSL2131 XX	09-05	Endorsement/Amendment/Conditions	New	0.00	GSL2131XX_092005_Fiduciary Liability Solutions.pdf
Approved	Declarations Page	GSL2130 XX	09-05	Endorsement/Amendment/Conditions	New	0.00	GSL2130XX_092005_Fiduciary Liability Declaration Page for use.pdf
Approved	Fiduciary Liability Solutions Application for Insurance New	GSL1055	10-05	Endorsement/Amendment/Conditions	New	0.00	GSL1055_102005_Fiduciary New Bsns App.pdf
Approved	Fiduciary Liability Solutions Application for Insurance - Renewal	GSL1056	10-05	Endorsement/Amendment/Conditions	New	0.00	GSL1056_102005_Fiduciary Renewal Bsns App.pdf
Approved	Bilateral Extended Reporting Periods	GSL2055	09-04	Endorsement/Amendment/Conditions	New	0.00	GSL2055_092004_Bilateral Extended Reporting Period.pdf
Approved	Circumstance Reporting in Optional ERP	GSL2056	09-04	Endorsement/Amendment/Conditions	New	0.00	GSL2056_092004_Circumstance Reporting in Optional ERP.pdf

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Approved	Prior Acts Exclusion	GSL2065	10-04	Endorsement/Amendment/Conditions	New	0.00	GSL2065_102004_Prior Acts Exclusion.pdf
Approved	Run-Off Endorsement	GSL2069	10-04	Endorsement/Amendment/Conditions	New	0.00	GSL2069_102004_Run Off Endorsement.pdf
Approved	Specified Proceeding Exclusion Endorsement	GSL2074	10-04	Endorsement/Amendment/Conditions	New	0.00	GSL2074_102004_Specified Proceeding Exclusion Endorsement.pdf
Approved	Newly Acquired Subsidiary Endorsement	GSL2076	10-04	Endorsement/Amendment/Conditions	New	0.00	GSL2076_102004_Newly Acquired Subsidiary Endorsement.pdf
Approved	Application Definition to Include Specified Document Filing Timeframe	GSL2096	11-04	Endorsement/Amendment/Conditions	New	0.00	GSL2096_112004_Application Definition to Include Specified Document Filing Timeframe.pdf
Approved	Reporting Of Claims Endorsement	GSL2101	11-04	Endorsement/Amendment/Conditions	New	0.00	GSL2101_112004_Reporting of Claims Endorsement

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 Product Name: Fiduciary Liability Solutions Program
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Approved	Extended	GSL2111	11-04	Endorseme New	0.00	t.pdf
	Reporting Period XX upon Named Insured Non- Renewal Endorsement			nt/Amendm ent/Condi ons		GSL2111XX _112004_Extended Reporting Period upon Named Insured Non Renewal Endorsemen t.pdf
Approved	Amendment to Definition of Employee to Include Volunteers	GSL2124 XX	09-05	Endorseme New nt/Amendm ent/Condi ons	0.00	GSL2124XX _092005_A mendment to Definition of Employee to include Volunteers.p df
Approved	Coverage of Employee Stock Ownership Plans	GSL2125 XX	09-05	Endorseme New nt/Amendm ent/Condi ons	0.00	GSL2125XX _092005_Co verage of Employee Stock Ownership Plans.pdf
Approved	Amendment to Section X Application Imputation of Knowledge of Insured Person	GSL2126 XX	09-05	Endorseme New nt/Amendm ent/Condi ons	0.00	GSL2126XX _092005_A mendment to Section X Application Imputation of Knowledge of Insured Person.pdf
Approved	Amendement to Bodily Injury Exclusion	GSL2132 XX	09-05	Endorseme New nt/Amendm ent/Condi	0.00	GSL2132XX _092005_A mendment to

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				ons			Bodily Injury Exclusion.pdf
Approved	Trade and Economic Sanctions Endorsement	GSL7132	10-04	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7132_1 02004_TRA DE AND ECONOMIC SANCTIONS ENDORSEM ENT.pdf
Approved	Definition of Executive to Include Scheduled Positions	GSL7143	11-04	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7143_1 12004_Defin ition of Executive to Include Scheduled Positions.pdf
Approved	Coverage for New Subsidiaries or Plan Asset Size Amendment	GSL7144	11-04	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7144_1 12004_Cove rage for New Subsidiaries Asset Size Amendment. pdf
Approved	Claims against Specified Individuals Exclusion Endorsement	GSL7225 XX	06-05	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7225XX _062005_CI aims against Specified Individuals Exclusion Endorsemen t.pdf
Approved	Amendment of Hammer Clause	GSL7228 XX	06-05	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7228XX _062005_A mendment of Hammer Clause.pdf
Approved	Prior or Pending	GSL7233	06-05	Endorseme nt/Amendm ent/Condi tions	New	0.00	GSL7233XX

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	Date Applicable	XX		nt/Amendm ent/Condi ons			_062005_Pri or or Pending Date Applicable to Increased Limits .pdf
Approved	Midterm Increase in Limits Endorsement	GSL7234 XX	06-05	Endorseme New nt/Amendm ent/Condi ons	0.00		GSL7234XX _062005_Mi dterm Increase in Limits Endorsemen t.pdf
Approved	Aggregate Retention Endorsement	GSL7236 XX	06-05	Endorseme New nt/Amendm ent/Condi ons	0.00		GSL7236XX _062005_A GGREGATE RETENTION ENDORSEM ENT.pdf
Approved	Cap On Attorney Fees Endorsement	GSL7237 XX	06-05	Endorseme New nt/Amendm ent/Condi ons	0.00		GSL7237XX _062005_CA P ON ATTORNEY FEES ENDORSEM ENT.pdf
Approved	Conditions for Advancement of Defense Costs	GSL7324 XX	09-05	Endorseme New nt/Amendm ent/Condi ons	0.00		GSL7324XX _092005_Co nditions for Advancemen t of Defense Costs .pdf
Approved	Exclusion Of Certified Acts of Terrorism	GSL7325 XX	10-05	Endorseme New nt/Amendm ent/Condi ons	0.00		GSL7325XX _102005_EX CLUSION OF CERTIFIED

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Approval	Description	Policy/Event	Date	Action	Amount	File Name
Approved	Failure To Effect Or Maintain Adequate Insurance Exclusion	GSL7343 XX	11-05	Endorsement/Amendment/Conditions	0.00	ACTS OF TERRORISM M.pdf GSL7343XX_112005_FAILURE TO EFFECT OR MAINTAIN ADEQUATE INSURANCE EXCLUSION .pdf
Approved	Coinsurance Clause	GSL7344 XX	11-05	Endorsement/Amendment/Conditions	0.00	GSL7344XX_112005_Coinsurance Clause.pdf
Approved	Amendment of the Declarations	G-139023-A	08-01	Endorsement/Amendment/Conditions	0.00	G139023A_082001 amend dec.pdf
Approved	Policyholder Disclosure Notice of Insurance Coverage For acts of Terrorism	G-144894-A	01-03	Endorsement/Amendment/Conditions	0.00	G144894_012003_policy holder notice terrorism1.pdf
Approved	Coverage of and Cap on Losses For Certified Acts of Terrorism	G-147020-A	09-03	Endorsement/Amendment/Conditions	0.00	G147020A_09203_coverage of terrorism..pdf
Approved	Conditions for Advancement of Defense Costs	GSL7323 XX	09-05	Endorsement/Amendment/Conditions	0.00	GSL7323XX_092005_Conditions for Advancement of Defense Costs.pdf
Approved	Cancellation	GSL7541	(11-04)	Endorsement/Amendment/Conditions	0.00	GSL7541AR

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	NonRenewal End AR - AR		nt/Amendm ent/Condi ons			_112004_CA NCELLATIO N NON- RENEWAL ENDORSEM ENT- ARKANSAS. pdf
Approved	Amendatory End - AR	GSL7390 (10-07) AR	Endorseme New nt/Amendm ent/Condi ons		0.00	GSL7390AR _102007_A MENDATOR Y ENDORSEM ENT ARKANSAS. pdf
Approved	Separate Defense Costs Limits - AR	GSL7403 (10-07) AR	Endorseme New nt/Amendm ent/Condi ons		0.00	GSL7403AR _102007_SE PARATE DEFENSE COSTS LIMIT ARKANSAS. pdf



FIDUCIARY LIABILITY SOLUTIONS

THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. CLAIMS MUST BE REPORTED TO THE COMPANY IN ACCORDANCE WITH SECTION VI. DEFENSE COSTS ARE WITHIN THE LIMITS OF LIABILITY.

PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Terms in bold face type have the special meaning. See the definitions sections of this Policy.

The Insurer and the **Insureds** agree as follows, in consideration of the payment of the premium and in reliance upon all statements made in the **Application** furnished to the Insurer designated in the Declarations, a stock insurance corporation, hereafter called the "Insurer."

I A. INSURING AGREEMENT

The Insurer shall pay on behalf of the **Insureds** that **Loss** resulting from any **Claim** first made against the **Insureds** during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act** by such **Insured** or by any natural person for whose **Wrongful Act** such **Insured** is legally responsible, provided that the **Claim** is reported in writing to the Insurer during the **Policy Period**, or the Extended Reporting Period, if applicable, pursuant to Section VI of this Policy.

I B. SUPPLEMENTARY PAYMENTS

The Insurer shall reimburse the **Insured**, subject to the aggregate Limit of Liability, up to \$100,000.00 for **Compliance Costs** during the **Policy Period** in connection with all **Voluntary Compliance Programs** provided the **Insured** gives prior notice to the Insurer of its intent to enter into such **Voluntary Compliance Program** during the **Policy Period**. This supplementary payment is part of and not in addition to the aggregate Limit of Liability stated in Item 6 of the Declarations.

II. DEFINITIONS

Administrator means an **Insured** who renders **Administration Services** in connection with a **Plan**.

Administration Services means any of the following services in connection with a **Plan**:

1. communicating with or providing information to **Employees** or **Plan** participants or beneficiaries regarding any **Plan**;
2. determining vesting and eligibility for **Plan** participation or benefits;
3. calculating benefits provided under the **Plan**;
4. processing applications and related forms required for the payment of benefits;
5. performing any record-keeping and data processing functions required by **ERISA** or any **Similar Act** or a **Plan**;
6. preparing and filing any necessary reports or returns required under **ERISA** or any **Similar Act** or the Internal Revenue Code, and the regulations thereunder;
7. effecting the payment of benefits or authorized administrative expenses;
8. enrolling, terminating or canceling **Employees** or **Plan** participants or beneficiaries.

Application means all signed applications, any attachments to such applications, other materials submitted therewith or incorporated therein, and any other documents submitted in connection with the underwriting of this Policy by the Insurer, or any other policy underwritten by the Insurer or its affiliates of which this Policy is a direct or indirect renewal or replacement.

Claim means:

1. any written demand for monetary or non-monetary relief;
2. any civil investigation by the United States Department of Labor or the U.S. Pension Benefit Guaranty Corporation, or any similar governmental authority located outside the United States;
3. any civil proceeding in a court of law or equity or arbitration;
4. any criminal proceeding; or

5. any regulatory proceeding (civil, criminal or administrative); alleging a **Wrongful Act**, including any appeal therefrom.

Compliance Costs means:

- a. **Consulting Fees** incurred in connection with, or
- b. any fines, penalties or sanctions paid by an **Insured** to a governmental authority pursuant to:

a **Voluntary Compliance Program** for the actual or alleged inadvertent non-compliance by a **Plan** with any statute, rule or regulation if participation by the **Insured** in such **Voluntary Compliance Program** results in the **Insured** obtaining a "No Action" letter from the governmental authority; provided **Compliance Costs** shall not include (i) any costs to correct the non-compliance, or (ii) any **Consulting Fees**, fines, penalties or sanctions relating to a **Plan** which, as of the earlier of inception of this **Policy** or inception of the first policy in an uninterrupted series of policies issued by the **Insurer** of which this **Policy** is a direct or indirect renewal or replacement, any **Insured Person** knew to be actually or allegedly non-compliant.

Consulting Fees means reasonable and necessary fees, costs and expenses incurred by the **Insureds**, including the fees charged by a third party actuary, benefits consultant, accountant, or legal counsel, resulting solely from the correction of an actual or alleged inadvertent non-compliance by a **Plan** with any statute, rule or regulation. However, **Consulting Fees** shall not include fees, costs or expenses relating to a **Plan** audit or relating to finding, assessing or identifying such violation.

Defense Costs means reasonable and necessary fees, costs and expenses consented to by the Insurer and incurred by the **Insureds** in the investigation, adjustment, defense or appeal of any covered **Claim**, and includes premium for appeal bonds, attachment bonds or similar bonds arising out of a covered judgment. The Insurer has no obligation to provide such bonds. **Defense Costs** shall not include salaries, wages, fees, overhead or benefit expenses associated with the directors, officers, and employees of the **Insured Entity** or a **Plan**.

Domestic Partner means any person qualifying as such under any federal, state or local laws or under a **Plan**.

Employees mean all past, present or future full-time, part-time, seasonal and temporary individuals whose work is directed or controlled by the **Insured Entity** or any **Plan**. **Employee** does not include any independent contractor.

ERISA or any Similar Act means the Employee Retirement Income Security Act of 1974, as amended, or any similar common or statutory law of the United States, Canada or their states, territories or provinces or any other jurisdiction anywhere in the world, and any rules and regulations promulgated thereunder.

Executive means any past, present or future:

1. duly elected or appointed director, officer, trustee or governor of a corporation, management committee member of a joint venture or manager of a limited liability company; or
2. official in an **Insured Entity** or **Plan** organized and operated in a **Foreign Jurisdiction** who is holding a position that is equivalent to an executive position listed in 1.

Fiduciary means any **Insured Person** who is described as a fiduciary with respect to a **Plan** in Section 3(21) (A) of **ERISA or any Similar Act**.

Financial Insolvency means, with respect to the **Insured Entity** or any **Plan**:

1. the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate such **Insured Entity** or **Plan**; or such **Insured Entity** or **Plan** becoming a debtor in possession; and
2. the inability of such **Insured Entity** or **Plan** financially or under applicable law to advance **Defense Costs** or indemnify the **Insured Persons** for **Loss**.

Foreign Jurisdiction means any jurisdiction, other than the United States or any of its territories or possessions.

Insureds mean the **Plans**, **Insured Persons** and the **Insured Entities**.



FIDUCIARY LIABILITY SOLUTIONS

Insured Entity means the **Named Insured** and any **Subsidiary** including any such entity as a debtor in possession under United States bankruptcy law or an equivalent status under the law of any other country.

Insured Persons means all **Executives** and all **Employees** of the **Insured Entity** or any **Plan**.

Interrelated Wrongful Acts means any **Wrongful Acts** which are logically or causally connected by reason of any common fact, circumstance, situation, transaction or event.

Loss means damages, judgments, settlements, and **Defense Costs** that any **Insured** becomes legally obligated to pay on account of a covered **Claim**. **Loss** shall also include punitive, exemplary or multiple damages if insurable to the fullest extent permitted by any applicable law. Where the **Insureds** reasonably determine that punitive, exemplary or multiple damages are insurable under any applicable law, the Insurer shall not challenge that determination of insurability.

However, **Loss** does not include:

1. any taxes, sanctions, criminal or civil fines, or penalties imposed by law other than:
 - a. the five percent or less or the twenty percent or less penalty imposed upon an **Insured** as a **Fiduciary** under Section 502(i) or 502(l) of **ERISA**;
 - b. the civil fines or penalties imposed by the Pension Ombudsman appointed by the United Kingdom Secretary of State for Social Services or by the United Kingdom Occupational Pensions Regulatory Authority, pursuant to the English Pension Scheme Act 1993, the English Pensions Act 1995, the United Kingdom Pensions Act of 2004 or rules or regulations thereunder; provided any coverage for such civil fines or penalties applies only if the funds or assets of the subject **Plan** are not used to fund, pay or reimburse the premium for this coverage;
 - c. those civil fines or penalties imposed under 42 USC 1320d-5(a) the Health Insurance Portability and Accountability Act of 1996 provided however that the maximum limit of the Insurer's liability for all such fines and penalties shall be \$25,000 per **Claim** and \$250,000 in the aggregate, regardless of the number of **Claims** made or **Insureds** covered under this Policy. This sublimit of Liability is part of and not in addition to the Limit of Liability set forth in 6 of the Declarations.
2. any amount for which an **Insured Person** is absolved from payment by reason of any covenant, agreement or court order;
3. any matters deemed uninsurable under the law pursuant to which this Policy is construed.

Management Control means: (1) owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of: the Board of Directors of a corporation; the management committee members of a joint venture; or the members of the management board of a limited liability company; or (2) having the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of the entity, to elect, appoint or designate a majority of: the Board of Directors of a corporation; the management committee of a joint venture; or the management board of a limited liability company.

Named Insured means the company named in Item 1 of the Declarations, including such company as a debtor in possession under United States bankruptcy law or an equivalent status under the law of any other country.

Non-Indemnifiable Loss means **Loss** which an **Insured Entity** fails or refuses to indemnify an **Insured Person**:

1. because of **Financial Insolvency**; or
2. because it is not permitted to indemnify pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of an **Insured Entity** or **Plan**.

Pension Plan means any employee pension benefit plan, as defined in 29 U.S.C. §1002, subject to regulation under **ERISA or any Similar Act**. **Pension Plan** shall not include an excess benefit plan as defined in 29 U.S.C. §1002 or an employee stock ownership plan as defined in 26 U.S.C. §4975.

Plan means:

1. any **Welfare Plan** or **Pension Plan** which was, on or prior to the effective date of this Policy, sponsored solely by any **Insured Entity**, or sponsored jointly by the **Insured Entity** and a labor organization, solely for the benefit of the **Employees** or **Executives** of the **Insured Entity**;



FIDUCIARY LIABILITY SOLUTIONS

2. any **Welfare Plan** or **Pension Plan** which, after the effective date of this Policy, becomes sponsored solely by any **Insured Entity**, or sponsored jointly by the **Insured Entity** and a labor organization, solely for the benefit of the **Employees** or **Executives** of the **Insured Entity**, if and to the extent coverage with respect to the **Welfare Plan** or **Pension Plan** is afforded pursuant to Section XV of this Policy;
3. any other employee benefit plan or program not subject to **ERISA** or any **Similar Act** which is sponsored solely by the **Insured Entity** for the benefit of the **Employees** or **Executives**, including any fringe benefit or excess benefit plan;
4. any other plan or program otherwise described in paragraphs 1 through 3 above while such plan or program is being actively developed, formed or proposed by the **Insured Entity** prior to the formal creation of such plan or program; provided, however, no coverage is afforded under this Policy for any **Claim** against an **Insured** in a settlor or similar uninsured capacity with respect to any plan or program; or
5. any government-mandated insurance for workers' compensation, unemployment, social security or disability benefits for **Employees**;

Plan does not include any multi-employer plan as defined in **ERISA** or any **Similar Act**.

Policy Period means the period from the effective date of this Policy to the Policy expiration date stated in Item 2 of the Declarations, or its earlier cancellation date.

Pollutants means any substance exhibiting hazardous characteristics as is or may be defined or identified on any list of hazardous substances issued by the United States Environmental Protection Agency or any state, local or foreign counterpart. **Pollutants** also means, without limitation, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste (including materials to be recycled, reconditioned or reclaimed), as well as any air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos, or asbestos products or any noise.

Subsidiary means any entity, other than a not-for-profit entity or a partnership, in which the **Named Insured** has **Management Control**, directly or indirectly through one or more other **Subsidiaries**,

1. on or before the effective date of this Policy; or
2. after the effective date of this Policy by reason of being created or acquired by the **Insured Entity** after such date, if and to the extent coverage with respect to the entity is afforded pursuant to Section XV of this Policy.

Takeover means:

1. the acquisition by another entity or person, or group of entities or persons acting in concert, of:
 - a. the ownership or control of voting stock of the **Named Insured** resulting in such entity, person or group owning or controlling more than 50% of the voting stock of the **Named Insured**, or
 - b. assets of the **Named Insured** resulting in such entity, person or group owning more than 50% of the total consolidated assets of the **Named Insured** as of the date of the **Named Insured's** most recent audited consolidated financial statement prior to such acquisition;
2. the merger of the **Named Insured** into another entity such that the **Named Insured** is not the surviving entity; or
3. the consolidation of the **Named Insured** with another entity.

Voluntary Compliance Program means any voluntary compliance resolution program or similar voluntary settlement program administered by the U.S. Internal Revenue Service, the U.S. Department of Labor or other similar governmental authority located outside the United States, including without limitation:

1. the Employee Plans Compliance Resolution System consisting of the Self-Correction Program, the Voluntary Compliance Resolution Program and the Audit Closing Agreement Program all as set forth in IRS Revenue Procedure 2003-44 (as amended, modified, expanded or superseded by any successor Revenue Procedure); or
2. Delinquent Filer Voluntary Compliance Program, and the Voluntary Fiduciary Correction Program administered by the Department of Labor.

Welfare Plan means any employee welfare benefit plan as defined in 29 U.S.C. §1002 subject to regulation under **ERISA or any Similar Act**. **Welfare Plan** shall not include an excess benefit plan as defined in 29 U.S.C. §1002.

Wrongful Act means:

1. any actual or alleged error, omission, negligent act, misstatement, misleading statement, neglect or breach of duty imposed upon an **Insured** by **ERISA or any Similar Act** or by the common or statutory law of the United States or any state or other applicable jurisdiction anywhere in the world, solely in such **Insured's** capacity as a **Fiduciary** of a **Plan**, or any matter claimed against an **Insured** solely by reason of his, her or its status as a **Fiduciary** of a **Plan**; and
2. any actual or alleged error, omission, negligent act, misstatement, misleading statement, neglect or breach of duty committed or attempted by the **Insureds**, including any violation of regulation 45 CFR, Subchapter C, Part 164, under the Health Insurance Portability and Accountability Act of 1996, solely in such **Insured's** capacity as an **Administrator**.

III. EXCLUSIONS

The Insurer shall not be liable to pay any **Loss** under this Policy in connection with any **Claim** made against the **Insureds**:

1. **Bodily Injury/Property Damage**

for any actual or alleged bodily injury (including death), sickness, disease, emotional distress, mental anguish, libel, slander or defamation of any person, or damage to or destruction of any tangible property including loss of use;

2. **Prior Notice**

based upon or arising out of:

- a. any **Wrongful Act** or any matter, fact, circumstance, situation, transaction, or event notice of which was given by an **Insured** under this Policy or any policy of which this Policy is a direct or indirect renewal or replacement; or
- b. any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** described in a. above, would constitute **Interrelated Wrongful Acts**;

3. **Prior or Pending**

based upon or arising out of or constituting any civil, criminal, administrative or regulatory proceeding, investigation or arbitration against any of the **Insureds** which was pending on or prior to the Prior or Pending Date set forth in Item 8 of the Declarations or the same or essentially the same fact, circumstance, situation, transaction or event underlying or alleged in such proceeding, investigation or arbitration;

4. **Pollution**

based upon or arising out of:

- a. any nuclear reaction, radiation or contamination, or any actual, alleged or threatened discharge, release, escape, or disposal of, or exposure to, **Pollutants**;
- b. any request, direction or order that any of the **Insureds** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effect of **Pollutants** or nuclear reaction, radiation or contamination, or any voluntary decision to do so; or
- c. any actual or alleged property damage, or bodily injury, sickness, disease or death of any person, or financial loss to the **Insured Entity** or the **Plan**, their security holders, or their creditors resulting from any of the aforementioned matters.

However this exclusion shall not apply to:

- i. any **Claim** by or on behalf of a beneficiary of or participant in any **Plan** by reason of the diminution in value of any securities (other than the **Insured Entity's** securities) owned by the **Plan**, resulting from, or allegedly resulting from, any of the aforementioned matters; or
- ii. **Non-Indemnifiable Loss**.

5. Illegal Profits/Deliberate Acts

based upon or arising out of:

- a. the gaining of any profit, remuneration or advantage to which the **Insured** was not legally entitled if a judgment, ruling or other finding of fact in any proceeding adverse to the **Insured** establishes the **Insured** was not legally entitled to such profit, remuneration or advantage; or
- b. the committing of any deliberate fraudulent or deliberate criminal act by the **Insured** as evidenced by any written statement or written document by any **Insured** or if a judgment, ruling or other finding of fact in any proceeding establishes that such act was committed;

For purposes of determining the applicability of this Exclusion:

- i. the facts pertaining to and knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured Person**; and
- ii. only facts pertaining to and knowledge possessed by any past, present or future chair of the Board, president, chief executive officer, chief financial officer, chief operating officer or general counsel (or equivalent position) of an **Insured Entity** or **Plan** shall be imputed to the **Insured Entity** or **Plan**.

6. Assumed Liability

based upon, or arising out of liability of others assumed by any **Insured** under any contract or agreement; however, this exclusion shall not apply to the extent that:

- a. the **Insured** would have been liable in the absence of such contract or agreement; or
- b. the liability was assumed in accordance with or under the trust instrument or equivalent documents governing the assets of the **Plan**;

7. Specified Legislation

for any actual or alleged violation of any law governing workers' compensation, unemployment insurance, social security, disability benefits or any other similar federal, state or local statutory or regulatory law or common law anywhere in the world except the Consolidated Omnibus Budget Reconciliation Act of 1985 or the Health Insurance Portability and Accountability Act of 1996 or any amendments to such laws or any rules or regulations promulgated under such laws.

8. Prior Wrongful Acts of Subsidiaries

- a. for any **Wrongful Act** by **Insured Persons** or **Plans** of any **Subsidiary** or by such **Subsidiary**, occurring before the date such entity became a **Subsidiary**, or
- b. for any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** described in a. above, would constitute **Interrelated Wrongful Acts**;

9. Exclusions Applicable to Loss Other than Defense Costs

In addition, the Insurer shall not be liable to pay that portion of **Loss**, other than **Defense Costs**, which constitutes:

- a. the return or reversion to the **Insured Entity** of any contribution or asset of any **Plan**;
- b. any costs incurred by an **Insured** to comply with any order for remedial, preventive, injunctive or other non-monetary relief, or to comply with an agreement to provide such relief;
- c. benefits due or to become due under any **Plan**, or benefits which would be due under any **Plan** if such **Plan** complied with all applicable law, except to the extent that:
 - i. an **Insured Person** is legally obligated to pay such benefits as a personal obligation, and
 - ii. recovery for the benefits is based upon a covered **Wrongful Act**; or

- d. an employer's contributions owed to a **Plan** and other amounts for which the **Insureds** are legally obligated to pay by reason of the failure to collect such contributions.

IV. LIMIT OF LIABILITY/RETENTION/PRESUMPTIVE INDEMNIFICATION**1. Aggregate Limit of Liability**

The Limit of Liability stated in Item 6 of the Declarations is the aggregate limit of the Insurer's liability for:

- a. all **Loss** under this Policy arising out of all **Claims** first made against all **Insureds** during the **Policy Period** and the Extended Reporting Period (if applicable), and.
- b. all **Compliance Costs** incurred by the **Insured** in connection with all **Voluntary Compliance Programs** first noticed to the Insurer during the **Policy Period**.

The Limit of Liability for the Extended Reporting Period shall be part of and not in addition to the Limit of Liability for the **Policy Period**. Further, a **Claim** which is made subsequent to both the **Policy Period** and the Extended Reporting Period (if applicable) and which pursuant to Section VI. is considered made during the **Policy Period** or Extended Reporting Period shall also be subject to the one aggregate Limit of Liability stated in Item 6 of the Declarations.

Defense Costs are part of **Loss** and as such are subject to the Limit of Liability for **Loss**.

2. Retention

The Insurer shall only be liable for the amount of **Loss** arising from each **Claim** which is in excess of the applicable Retention amount stated in Item 7 of the Declarations. The Retention amount shall apply to **Loss** arising from each **Claim** and from all **Claims** alleging the same **Wrongful Act** or **Interrelated Wrongful Acts**. The Retention shall be uninsured. The Insurer will have no obligation to pay all or any portion of any applicable retention. No retention applies with respect to **Non-Indemnifiable Loss**.

3. Presumptive Indemnification

If the **Insured Entity** fails or refuses to indemnify an **Insured Person** to the fullest extent permitted by law for **Loss**, other than **Non-Indemnifiable Loss**, then any payment by the Insurer of such **Loss**, shall be subject to the retention amount stated in Item 7 of the Declarations.

V. SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION**1. Insurer's Duty to Defend**

The Insurer shall have the right and duty to defend in the **Insured's** name and on the **Insured's** behalf a **Claim** covered by this Policy even if any of the allegations of the **Claim** are groundless, false or fraudulent. The Insurer shall have the right to appoint counsel and to make such investigation and defense of a **Claim** as is deemed necessary by the Insurer. If a **Claim** is subject to arbitration or mediation, the Insurer shall be entitled to exercise all of the **Insured's** rights in the choice of arbitrators or mediators and in the conduct of an arbitration or mediation proceeding.

The **Insured** shall have the right to effectively associate with the Insurer in the defense of any **Claim**, including, but not limited to, negotiating a settlement, subject to the provisions of this Section V. The Insurer shall not, however, be obligated to defend any **Claim** after either:

- a. the applicable limit of liability has been exhausted; or
- b. the **Insureds** reject a settlement offer recommended by the Insurer, as provided in paragraph 3 of this Section.

2. Insured's Defense of Claims

Notwithstanding paragraph 1 above, at the option of the **Named Insured**, the **Insureds** may assume the defense of any **Claim**. The **Named Insured** shall exercise this option on behalf of all **Insureds** by

providing the Insurer with written notice within 60 days after the **Claim** has been reported pursuant to Section **VI**, paragraph 1. Once defense of such **Claim** has been assumed by the **Insured**, the Insurer will have no obligation to re-assume defense of such **Claim**, but shall be entitled to effectively associate in the defense and the negotiation of such **Claim**.

3. **Admission of Liability, Settlement, Consent**

The **Insureds** shall not admit or assume any liability, consent to any judgment, agree to any settlement or make any settlement offer without the Insurer's prior written consent, such consent not to be unreasonably withheld.

The Insurer shall not be liable for any **Loss** incurred by an **Insured** to the extent the **Loss** results from such **Insured** admitting liability, consenting to any judgment, agreeing to any settlement or making any settlement offer without the Insurer's prior written consent. The **Insureds** agree that they shall not knowingly take any action which increases the Insurer's exposure for **Loss** under this Policy.

Notwithstanding the above, if the **Insureds** are able to settle all **Claims** which are subject to a single Retention for an aggregate amount, including **Defense Costs**, not exceeding such Retention, the Insurer's consent shall not be required for the settlement of such **Claim**.

The Insurer may make any settlement of any **Claim** it deems expedient with respect to any **Insured**, subject to such **Insured's** written consent. If any **Insured** withholds consent to such settlement, the Insurer's liability for all **Loss** on account of such **Claim** shall not exceed the amount for which the Insurer could have settled such **Claim**, plus **Defense Costs** incurred as of the date such settlement was proposed in writing by the Insurer. Further, in the event the Insurer is defending the **Claim** pursuant to paragraph 1 above, then the Insurer shall tender the **Claim** to the **Insureds** who shall thereafter, at their own expense and on their own behalf, negotiate and defend such **Claim**.

4. **Allocation of Loss**

- a. Solely with respect to those **Claims** handled under Section V, **SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION**, paragraph 1, **Insurer's Duty to Defend**, the following provision applies:

If the Insurer defends a **Claim** that is determined to not be covered, in whole or in part, under the terms of this policy, the Insurer specifically reserves the right to seek reimbursement of that portion of **Defense Costs** incurred in connection with the defense of the uncovered portion of such **Claim**.

- b. Solely with respect to those **Claims** handled under Section V, **SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION**, paragraph 2, **Insureds Defense of Claims**, the following provision applies:

If a **Claim** made against the **Insureds** includes both covered and uncovered matters or if a **Claim** is made against **Insureds** who are extended coverage therefor and others who are not extended coverage therefor, the **Insureds** agree that there must be an allocation between insured and uninsured loss. The **Insureds** and the Insurer shall exert their best efforts to agree upon a fair and proper allocation between insured and uninsured loss.

5. **Conditions for Advancement of Defense Costs**

The Insurer, on behalf of the **Insureds**, shall advance **Defense Costs** no later than ninety (90) days after the receipt by the Insurer of such defense bills in excess of the applicable Retention. However, advancement of **Defense Costs** shall be subject to the following conditions:



FIDUCIARY LIABILITY SOLUTIONS

- a. if the **Insureds** and the Insurer agree on an allocation of insured and uninsured **Defense Costs**, the Insurer shall advance the amount of insured **Defense Costs**;
- b. if the **Insureds** and the Insurer cannot, after exerting their best efforts, agree on an allocation of insured and uninsured **Defense Costs**, the Insurer then shall advance the percentage of **Defense Costs** which the Insurer states to be fair and proper until a different allocation is agreed upon or determined pursuant to the provisions of this Policy and applicable law;
- c. the **Insureds** shall provide a written undertaking satisfactory to the Insurer to repay the Insurer any **Defense Costs** finally established not to be insured under this Policy; and
- d. any allocation or advancement of **Defense Costs** shall not apply to or create any presumption with respect to the allocation of other **Loss**.

VI. REPORTING/DATE OF CLAIM/INTERRELATED CLAIM CLAUSE

1. Notice of Claim

The **Insureds** shall, as a condition precedent to the obligations of the Insurer under this Policy, give written notice to the Insurer of a **Claim** made against the **Insureds** as soon as practicable after the Risk Manager or General Counsel (or equivalent position) of the **Insured Entity** or a **Plan** first become aware of such **Claim**, but in no event later than:

- a. the end of the **Policy Period**, or the Extended Reporting Period if applicable; or
- b. thirty (30) days after the end of the **Policy Period** or the Extended Reporting Period, if applicable, if such **Claim** is first made against the **Insureds** within the final thirty (30) days of the **Policy Period** or the Extended Reporting Period, if applicable.

2. Notice of Circumstance

If during the **Policy Period** the **Insureds** first become aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** and during such period give written notice to the Insurer of:

- a. the names of any potential claimants and a description of the **Wrongful Act** which forms the basis of their potential **Claim**,
- b. the identity of the specific **Insureds** allegedly responsible for such specific **Wrongful Act**,
- c. the consequences which have resulted or may result from such specific **Wrongful Act**,
- d. the nature of the potential monetary damages or non-monetary relief which may be sought in consequence of such specific **Wrongful Act**, and
- e. the circumstances by which **Insureds** first became aware of such specific **Wrongful Act**,

then any **Claim** otherwise covered pursuant to this Policy which is subsequently made and which arises out of such **Wrongful Act** shall be deemed to have been first made and reported to the Insurer by the **Insureds** at the time such written notice was received by the Insurer. No coverage is provided for fees and expenses incurred prior to the time such notice results in a **Claim**.

3. When a Claim is Deemed Made

Except as provided in 2 above, a **Claim** shall be deemed made:

- a. in the case of a written demand for monetary or non-monetary relief, on the earlier of the **Insured's** or Insurer's receipt of notice of such demand;
- b. in the case of any civil investigation by the United States Department of Labor or the U.S. Pension Benefit Guaranty Corporation, or any similar governmental authority located outside the United States, on the date of receipt by any **Insured** of written notice from the investigating authority identifying the **Insured** as an individual or entity against whom a proceeding may be commenced;
- c. in the case of a criminal proceeding, by the return of an indictment, information or similar document against the **Insured**;



FIDUCIARY LIABILITY SOLUTIONS

- d. in the case of a civil proceeding in a court of law or equity or arbitration, on the date of service upon or other receipt by any **Insured** of a complaint against the **Insured** in such proceeding or arbitration;
- e. in the case of a regulatory proceeding (civil, criminal or administrative) against any **Insured**, on the earliest of the date of service upon or other receipt by the **Insured** of a complaint, a notice of charges or similar document.

4. **Interrelated Claims**

More than one **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered as one **Claim** which shall be deemed to have been first made on the earlier of:

- a. the date on which the earliest such **Claim** was first made, whether such date is before or during the **Policy Period**, or
- b. the first date valid notice was given by the **Insureds** to the Insurer under this Policy or any prior policy of
 - i. any **Wrongful Act**, or
 - ii. any **Voluntary Compliance Program**, or
 - iii. any fact, circumstance, situation, event or transaction which underlies any such **Claim**.

5. **To Whom Notices are Sent**

The **Insureds** shall give written notice to the Insurer under this Policy as specified in Item 4 of the Declarations. If properly mailed, the date of mailing shall constitute the date such notice was given. Proof of mailing shall be sufficient proof of notice.

VII. **EXTENDED REPORTING PERIOD**

1. **Optional Extended Reporting Period**

If the Insurer cancels or non-renews this Policy, the **Named Insured** shall have the right to purchase, upon payment of an additional premium determined as described in Item 5b of the Declarations, an extension of this Policy in which to report **Claims** first made during such extended reporting period, provided such reporting is done in accordance with paragraph VI 1 and 2, and provided further that such **Claim** or circumstance must arise out of a **Wrongful Act** committed before the earlier of the end of the **Policy Period** or the effective date of any **Takeover**.

This period shall be referred to as the Extended Reporting Period.

2. **Payment of Extended Reported Premium**

As a condition precedent to the right to purchase the Extended Reporting Period, the total premium for this Policy must have been paid. The right to purchase the Extended Reporting Period shall end unless the Insurer receives written notice and full payment of the premium for such period within 30 days after the end of the **Policy Period**.

3. **Non-Cancellation/Premium fully Earned**

If the Extended Reporting Period is purchased, it is non-cancelable and the entire premium shall be deemed fully earned at its commencement without any obligation by the Insurer to return any portion thereof.

4. **No Separate Limit**

There is no separate or additional Limit of Liability for the Extended Reporting Period.

VIII. **CANCELLATION**

1. Insurer's Right to Cancel

The Insurer may cancel this Policy for non-payment of any premium when due, by providing to the **Named Insured** written notice stating when, not less than 15 days thereafter, such cancellation shall be effective. However, this section does not apply to the non-payment of premium due at inception of this Policy. Non-payment of such premium on its due date will be deemed to be a rejection by the **Insured** of the Insurer's offer to insure and this Policy shall be of no force and effect.

2. Named Insured's Right to Cancel

The **Insureds** grant the exclusive authority to cancel this Policy to the **Named Insured**. The **Named Insured** may cancel this Policy by providing the Insurer written notice stating when thereafter such cancellation shall be effective. The mailing or delivery of such notice shall be sufficient. The unearned premium shall be computed in accordance with customary short rate provisions and premium adjustment may be made at the time cancellation is effected or as soon as practicable.

IX. TERRITORY

Coverage shall apply worldwide.

X. APPLICATION

The **Insureds** represent and acknowledge that the statements contained in the **Application** and any materials submitted or required to be submitted therewith (which shall be maintained on file by the Insurer and be deemed attached to and incorporated into this Policy as if physically attached), are true and: (i) are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; and (ii) shall be deemed material to the acceptance of this risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such representations.

1. In the event the statements, representations or information in the **Application**, including materials submitted or required to be submitted therewith, contains any misrepresentation or omission which materially affects either the acceptance of the risk or the hazard assumed by the Insurer under this Policy, this Policy shall be void from inception as to the **Insured** who knew of the misrepresentation or omission as of effective date of the Policy, whether or not such person knew of the **Application** or the Policy, and
2. The Insurer agrees that it shall not seek to rescind the Policy with respect to any remaining **Insured** who did not know of the misrepresentation or omission as of effective date of the Policy.

With respect to 1 and 2 above:

- a. the knowledge of any **Insured Person** shall not be imputed to any other **Insured Person**; and
- b. the knowledge of an **Executive** shall be imputed to the **Insured Entity** or **Plan** if an **Executive** knew of the misrepresentation or omission as of effective date of the Policy, whether or not such person knew of the **Application** or this Policy.

XI. OTHER INSURANCE

If any **Loss** resulting from any **Claim** or any **Compliance Costs** is insured under any other insurance, this Policy shall apply only as excess over any other valid and collectible insurance unless such other insurance is written only as specific excess insurance over the limit of liability provided by this Policy. This Policy shall specifically be excess of any other valid and collectible insurance pursuant to which any other insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay **Loss**.

XII. ESTATES, LEGAL REPRESENTATIVES AND SPOUSES

The estates, heirs, legal representatives, assigns, spouses and any **Domestic Partner** of **Insured Persons** shall be considered **Insureds** under this Policy; provided, however, coverage is afforded to such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners** only for a **Claim** arising solely out of their status as such and, in the case of a spouse or **Domestic Partner**, where such **Claim** seeks damages from marital community property, jointly held property or property transferred from the **Insured Person** to the spouse or



FIDUCIARY LIABILITY SOLUTIONS

Domestic Partner. No coverage is provided for any act, error or omission of an estate, heir, legal representative, assign, spouse or **Domestic Partner**. All terms and conditions of this Policy, including without limitation the Retention, applicable to **Loss** incurred by the **Insured Person** shall also apply to loss incurred by such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners**.

XIII. NO ACTION AGAINST INSURER

1. No action shall be taken against the Insurer unless, as a condition precedent, there shall have been full compliance with all the provisions of this Policy nor until the amount of the **Insureds'** obligation to pay shall have been finally determined either by final and nonappealable judgment against the **Insureds** after trial or by written agreement of the **Insureds**, the claimant and the Insurer.
2. No person or organization shall have any right under this Policy to join the Insurer as a party to any **Claim** against the **Insureds** to determine the **Insureds'** liability, nor shall the Insurer be impleaded by the **Insureds** or their legal representatives in any such **Claim**.

XIV. ASSIGNMENT OF INTEREST

Assignment of interest under this Policy shall not bind the Insurer unless its consent is endorsed to this Policy.

XV. COVERAGE FOR NEW SUBSIDIARIES OR PLANS

1. If, after the effective date of this Policy, (i) the **Insured Entity** first has **Management Control** of any entity or plan, then such entity or plan and any subsidiaries of such entity, or the directors, officers, trustees or employees of such entity or plan who otherwise would thereby become an **Insured** shall be covered under this Policy, subject to its terms and conditions:
 - a. only if the fair value of the assets of such entity or plan does not exceed ten percent (10%) of the combined total assets of each and every **Insured Entity** as of the inception date of this Policy; or
 - b. where the fair value of the assets of such entity exceeds ten percent (10%) of the combined total assets of each and every **Insured Entity** as of the inception date of this Policy, the Insurer, at its sole option upon submission of such information as the Insurer may require, and payment of any additional premium or amendment of the provisions of the Policy, may agree to provide coverage for such subsidiaries, plans, directors, officers or employees.
2. There shall be no coverage under this Policy for any **Wrongful Act** by such entity or plan, or by any persons, entities or plans considered to be **Insureds** pursuant to Section XV.1 above, where such **Wrongful Act** occurred in whole or in part before the effective date of such acquisition or merger or for any **Wrongful Act** occurring on or after such date which, together with any **Wrongful Acts** occurring before such date, would be considered **Interrelated Wrongful Acts**.

XVI. CHANGE OF STATUS OF INSUREDS

1. **Takeover of the Named Insured**

In the event of a **Takeover** of the **Named Insured**, coverage under this Policy with respect to all **Insureds** shall continue until this Policy is otherwise terminated, but only with respect to **Claims** for **Wrongful Acts** occurring, or **Voluntary Compliance Programs** noticed to the Insurer, before the effective date of the **Takeover**, unless (i) the Insurer is notified in writing of the **Takeover** prior to the **Takeover** effective date and agrees in writing to provide coverage for **Wrongful Acts** occurring, or **Voluntary Compliance Programs** noticed to the Insurer, on or after such effective date, and (ii) the **Named Insured** accepts any special terms, conditions, exclusions or additional premium charge required by the Insurer. This Policy may not be canceled after the effective time of the **Takeover** and the entire premium for this Policy shall be deemed earned as of such time. The **Named Insured** shall also have the right to an offer by the Insurer of an Extended Reporting Period described in Section VII of this Policy.

2. Cessation or Takeover of **Subsidiary**

If any organization ceases to be a **Subsidiary** there shall be no coverage under this Policy for any **Wrongful Act** by such organization or any **Insured Person** of such organization occurring, or **Voluntary Compliance Programs** noticed to the Insurer in connection with such **Subsidiary**, after the date such organization ceased to be a **Subsidiary**.

In the event of a **Takeover** of a **Subsidiary**, coverage under this Policy with respect to such **Subsidiary** and its **Insureds** shall continue until this Policy is otherwise terminated, but only with respect to **Claims** for **Wrongful Acts** occurring, or **Voluntary Compliance Programs** noticed to the Insurer, before the effective date of the **Takeover**, unless (i) the Insurer is notified in writing of the **Takeover** prior to the **Takeover** effective date and agrees in writing to provide coverage for **Wrongful Acts** occurring, or **Voluntary Compliance Programs** noticed to the Insurer, on or after such effective date, and (ii) the **Named Insured**, on behalf of all other **Insureds**, accepts any special terms, conditions, exclusions or additional premium charge required by the Insurer.

3. Termination of the **Plan**

If an **Insured Entity** terminates a **Plan** before or after the inception date of this Policy, coverage with respect to such terminated **Plan** and its **Fiduciaries, Employees** and **Executives** shall continue until termination of this Policy for those who were **Insureds** prior to or at the time of such **Plan** termination or who would have been **Insureds** had this policy been in place. Such continuation of coverage shall apply with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted prior to or after the date the **Plan** was terminated, or **Voluntary Compliance Programs** noticed to the Insurer after the date the **Plan** was terminated .

XVII. ASSISTANCE AND COOPERATION

Each **Insured** shall give the Insurer full cooperation and shall furnish the Insurer with copies of reports, investigations, pleadings, and all related papers, and such other information, assistance and cooperation as the Insurer may reasonably request. The **Insureds** shall do nothing which in any way increases the Insurer's exposure under this Policy or in any way prejudices the Insurer's potential or actual rights of recovery.

XVIII. SUBROGATION, RECOVERY AND NON-RECOURSE

1. If the Insurer makes any payment under this Policy, the Insurer shall be subrogated, to the extent of that payment, to all the rights and remedies of the **Insureds** in respect of that payment, and the Insurer shall be entitled at its own expense to sue in the name of any **Insured**, including but not limited to the **Plan**. The **Insureds** shall take all reasonable action requested in writing by the Insurer to mitigate any **Loss** and to secure the rights and remedies of the Insurer in subrogation. Further upon request by the Insurer, the **Insureds** will assign to the Insurer any rights on behalf of whom he, she or it has to bring suit, or for the benefit of the **Plan**, whether under **ERISA** or **any Similar Act** or other applicable law.
2. The Insurer shall have the right to full recourse against **Insured Persons** who actually commits a **Wrongful Act**, provided however, that if the **Insured Persons** and/or the **Insured Entities** shall have paid the premium set forth in Item 3 of the **Declarations** and no part of such premium has been paid, directly or indirectly, from any assets of the **Plan**, then the Insurer shall have no such rights of recourse.

XIX. NOTICES TO THE NAMED INSURED

Any notices required under Section VIII, **CANCELLATION**, shall be provided to the **Named Insured** at the last known address and to its insurance agent or broker. The mailing by certified mail of such notice shall be sufficient.

XX. CHANGES

Notice to or knowledge possessed by any agent or other person acting on behalf of the Insurer shall not effect a waiver or a change in any part of this Policy or stop the Insurer from asserting any right under the provisions of this



FIDUCIARY LIABILITY SOLUTIONS

Policy, nor shall the provisions be waived or changed except by written endorsement issued to form a part of this Policy.

XXI. COMPANY AUTHORIZATION

The **Insureds** agree that the **Named Insured** will act on behalf of the **Insureds** with respect to giving of all notice to the Insurer (except notices provided in Section VI.1 or 2), the receipt of notices from the Insurer, the payment of the premiums, the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

XXII. ENTIRE AGREEMENT

The **Insureds** agree that this Policy, including the **Application** and any materials submitted or required to be submitted therewith, and any written endorsement attached, constitute the entire contract existing between them and the Insurer or any of its agents relating to this insurance.

XXIII. BANKRUPTCY

Bankruptcy or insolvency of any **Insured Entity**, the **Plan** or any **Insured Person** shall not relieve the Insurer of any of its obligations hereunder.

Coverage provided under this Policy is intended to protect and benefit the **Insured Persons**. Further, if a liquidation or reorganization proceeding is commenced by the **Named Insured** and/or any other **Insured Entity** (whether voluntarily or involuntarily) under Title 11 of the United States Code (as amended), or any similar state, local or foreign law (collectively "**Bankruptcy Law**") then, in regard to a covered **Claim** under this Policy, the **Insureds** hereby:

1. waive and release any automatic stay or injunction to the extent it may apply in such proceeding to the proceeds of this Policy under such **Bankruptcy Law**; and
2. agree not to oppose or object to any efforts by the Insurer or any **Insured** to obtain relief from any stay or injunction applicable to the proceeds of this Policy as a result of the commencement of such liquidation or reorganization proceeding.

XXIV. ALTERNATIVE DISPUTE RESOLUTION PROCESS

All disputes or differences between the **Insured** or Insurer which may arise under or in connection with this Policy, whether arising before or after termination of this Policy, including any determination of the amount of **Loss** or **Compliance Costs**, shall be submitted to the alternative dispute resolution ("**ADR**") process set forth in this Section.

Either the Insurer or an **Insured** may elect the type of **ADR** process discussed below; provided, however, that such **Insured** shall have the right to reject the Insurer's choice of the type of **ADR** process at any time prior to its commencement, in which case such **Insured's** choice of **ADR** process shall control.

The Insurer and each and every **Insured** agrees that there shall be two choices of **ADR** process: (1) non-binding mediation administered by the American Arbitration Association, in which the Insurer and any such **Insured** shall try in good faith to settle the dispute by mediation under or in accordance with its then-prevailing Commercial Mediation Rules; or (2) arbitration submitted to the American Arbitration Association in accordance with its then-prevailing Commercial Arbitration Rules, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute. The mediator or arbitrators shall also give due consideration to the general principles of the law of the state where the **Named Insured** is incorporated in the construction or interpretation of the provisions of this Policy. In the event of arbitration, the decision of the arbitrators shall be final and binding and provided to both parties, and the arbitrators' award shall not include attorney's fees or other costs. In the event of mediation, either party shall have the right to commence a judicial proceeding; provided, however, that no such judicial proceeding shall be commenced until the mediation shall have been terminated and at least 60 days shall have elapsed from the date of the termination of the mediation. In all events, each party shall share equally the expenses of the **ADR** process.



FIDUCIARY LIABILITY SOLUTIONS

Either choice of **ADR** process may be commenced in New York or Illinois or in the state indicated in the Declarations as the mailing address for the **Named Insured**.

XXV. HEADINGS

The descriptions in the headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

XXVI. VALUATION

All premiums, limits, retentions, **Loss, Compliance Costs** and other amounts under this policy are expressed and payable in United States of America currency. If any judgment, settlement or any part of **Loss** or **Compliance Costs** is expressed or calculated in any other currency, payment of such **Loss** or **Compliance Costs** due under this Policy will be made in the currency of the United States of America, at the rate of exchange published in The Wall Street Journal on the date the Insurer's obligation to pay such **Loss** or **Compliance Costs** is established, or, if not published on that date, on the date of next publication.

XXVII. ORDER OF PAYMENTS

With respect to any **Loss, Compliance Costs** and other amounts due under the provisions of this policy, and subject to the available limit of liability, the Insurer:

1. first shall pay such amounts on behalf of any **Insured Person**; and
2. then, only after payment has been made pursuant to paragraph 1. above, shall pay such amounts on behalf of any **Plan**; and
3. then, only after payment has been made pursuant to paragraph 1. and 2. above, shall pay such amounts on behalf of any **Insured Entity**.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be executed by its Chairman and Secretary, but this Policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary



FIDUCIARY LIABILITY SOLUTIONS

NOTICE:

THIS IS A CLAIMS MADE POLICY AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. CLAIMS MUST BE REPORTED TO THE COMPANY IN ACCORDANCE WITH SECTION VI. DEFENSE COSTS ARE WITHIN THE LIMIT OF LIABILITY.

PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Terms in bold face type have the special meaning. See the definitions sections of this Policy.

NAMED INSURED AND ADDRESS		PRODUCER
Item 1.		
Attn:		
CUSTOMER NUMBER		INSURER
POLICY NUMBER		CNA Plaza Chicago, Illinois 60685-0001

Item 2. Policy Period: to 12:01 a.m. local time at the address stated in Item 1.

Item 3. Policy Premium \$_____

Item 4. Notices to Insurer:
Claims: CNA Global Specialty Lines
40 Wall Street
New York, NY 10005
Attn: GSL Claims Intake Coordinator

All other notices:
CNA Global Specialty Lines

Item 5. Extended Reporting Period:
a. Period:
b. Premium: % of Policy Premium

Item 6. Limit of Liability (Inclusive of Defense Costs):
\$_____ aggregate limit of liability

Item 7. Retentions
Each Claim - \$_____

Item 8. Prior or Pending Date: _____

Item 9. Endorsements forming a part of this Policy at issuance:



FIDUCIARY LIABILITY SOLUTIONS

These Declarations, along with the completed and signed **Application**, the Policy, and any written endorsements attached shall constitute the contract between the **Insureds** and the Insurer."

Authorized Representative:

Date:



NOTICE

THE POLICY YOU ARE APPLYING FOR APPLIES ONLY TO ANY CLAIM FIRST MADE DURING THE POLICY PERIOD AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR REPORTED WITHIN ANY APPLICABLE EXTENDED REPORTING PERIOD PROVIDED BY THE POLICY. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AGAINST AN INSURED AFTER THE END OF POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, AN EXTENDED REPORTING PERIOD APPLIES. DEFENSE COSTS REDUCE THE LIMITS OF LIABILITY AND ARE SUBJECT TO THE RETENTION.

PLEASE DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Complete and submit all requested information and required attachments. This Application and all materials submitted or required shall be held in confidence.

Desired Effective Date: _____

I. General Information

- 1. The Company to be named in Item 1 of the Declarations (the "Company"):

Street Address: _____
(Do not use P.O. Box)

City: _____ State of Incorporation: _____ Zip Code: _____

Telephone: (____) - ____ - ____ Facsimile: (____) - ____ - ____

Web Address: _____

Principal place of business: _____

Officer designated to receive correspondence and notices from the Insurer:

(Name of Officer)

(Title)

- 2. Background Information:

a. Date Business Established: _____

b. Nature of Service(s) or Product(s) provided (please use a separate attachment).

c. Is the Company currently a general partner in any limited or general partnership or in any joint venture?

Yes [] No []



II. Fiduciary Liability Information

1. INFORMATION ON ALL ACTIVE PENSION PLANS (except for welfare plans) for which coverage is sought (attach a schedule if necessary)

Plan Name	Plan Type	Total Assets		% of Plan Assets in Co. Stock	If DB, Funding Ratio
		Current Yr.	Past Yr.		
Total:					

2. PLAN ADMINISTRATION

a. Does the Company delegate authority of the management and control of any plan's assets to any outside consultant(s)? Yes No

If "yes" explain and provide the following information with respect to each plan (attach a supplemental schedule, if necessary)

PLAN NAME: _____

Type of Consultant	Firm Name and Location	Years Employed
Investment Advisor		
Actuary		
Legal Counsel		
CPA		
Administrator		
Other(s)		

b. If any changes in the above in the last three (3) years, attach details on a separate sheet.

c. Does the Company handle any investment decisions in-house? Yes No

If "yes" describe: _____

d. Does any plan hold any investment with a guaranteed return (including Guaranteed Investment Contracts, Guaranteed Annuity Contracts, or Bank Investment Contracts)? Yes No

If "yes" provide details including the type of investment contract, name of contract provide, current value of each contract, and expiration date.

3. Is the trustee of each such plan independent of the Company? Yes No

4. a. Are employees required to invest in the Company's 401(K) Plan? Yes No

b. Does the Company match contributions in cash? Yes No

c. Does the Company match contributions in Company stock? Yes No

d. Is there a cap on Company stock in the 401(K) Plan? Yes No

If "yes" what is the cap: \$ _____

e. Can employees liquidate their investment in Company stock at any time? Yes No

f. What is the diversification of investments within the Company's defined benefit/pension plan and defined contribution plan?

Provide details on a separate sheet.



5. RECENT PLAN CHANGES

- a. Has any plan or portion of any plan been sold, transferred, merged, or terminated in the past three (3) years? Yes [] No []
If "yes" provide details on a separate sheet.
b. In the past three (3) years, has there been any amendment to a plan that has resulted in any change or reduction in benefits? Yes [] No []
If "yes" provide a description of such amendment.
c. Is any plan a cash balance plan, or is any conversion to a cash balance plan being considered? Yes [] No []
If "yes" provide complete details including copies of any descriptive literature distributed to plan participants, and descriptions of any "grandfather" provisions.

- 6. During the past three (3) years, has any Plan loaned money to, or invested in the securities of the Company or its affiliates or any other party-in-interest Yes [] No []
If "yes" provide details including percentage of holdings.

- 7. How often is the Plan administration reviewed to assure that there are no violations of the prohibited transactions or party-in-interest rules of the Employee Retirement Income Security Act of 1974, including Section 404(c) and amendments thereto ("ERISA")? _____

- 8. Do the persons responsible for Plan administration meet regularly to conduct Plan business, review performance of outside service providers and review claims under the Plan? Yes [] No []
If "yes" how often: _____

- 9. Do the plans conform to the standards of eligibility, participation, vesting, funding and other provisions of ERISA? Yes [] No []

III. Insurance / Claims Information

- 1. Provide the following current insurance information:

Fiduciary Liability:

Limit: _____ Carrier: _____
Retentions: _____ Expiration Date: _____

- 2. During the past three (3) years has the applicant had fiduciary liability or similar insurance cancelled or non-renewed? Yes [] No []
a. If "yes" attach complete details, including reason for, and date of such cancellation or non-renewal.
b. Has or will the Extended Reporting Period be exercised? Yes [] No []

- 3. In the past three (3) years, has any claim been made against any Plan, any fiduciaries or administrators (as defined in ERISA) of the Company in connection with any Plan? Yes [] No []

If "yes" provide details including the following:

- Date of claim (month/day/year)
• Name(s) of claimant(s)
• Name(s) of insured(s) involved in the claim
• Description of acts committed by the insured giving rise to the claim
• Total amount of damages or other relief sought by claimants
• Name of insurer to whom claim was reported and date reported
• Amount of damages and defense costs paid by the Company and/or insured(s)
• Current status of the claim (if still pending, include most recent developments).



4. In the past three (3) years, has there been any “reportable event” as defined by ERISA with respect to any Plan? Yes No

5. Has the Company, a Subsidiary or any insured person given written notice under the provisions of any prior or current fiduciary liability policy of specific facts or circumstances that might give rise to a claim against any insured? Yes No

If “yes” provide details on a separate sheet.

6. Has any fiduciary for whom insurance is to be provided been:
a. accused, found guilty of, or held liable for a breach of trust or fiduciary duty? Yes No

b. refused coverage under a fidelity bond? Yes No

c. found guilty of a criminal act as enumerated in Section 411 of ERISA? Yes No

If “yes” to any of the above provide details on a separate sheet.

7. Has there been any assessment of fees, fines or penalties under any voluntary compliance resolution program or similar voluntary settlement program administered by the IRS, DOL or other government authority against any plan? Yes No

If “yes” to any of the above provide details on a separate sheet.

For the Company and all subsidiaries, please attach:

- The latest Annual Report, including audited financial statements
- Copy of the most recently filed Form 5500s for all pension plans except Welfare plans.
- Audited financial statements with investment portfolios for the five (5) largest pension plans except Welfare plans.
- Plan description and financial statements, if applicable, for any non-qualified plans

This Application along with all signed applications, any attachments to such applications, other materials submitted therewith or incorporated therein, and any other documents submitted, any public documents filed by the Insured Entity prior to inception of this Policy (or if amended, as of that date), with any federal, state, local or foreign regulatory agency, (including, but not limited to the Securities and Exchange Commission) are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.

REPRESENTATION:

None of the proposed Insureds has knowledge or information of any Wrongful Employment Practice or fact, circumstance or situation which (s)he has reason to suppose might result in a future Claim, except as follows (if answer is "None", so state.):

It is agreed by all concerned that if any of the proposed Insured Persons or Employees is responsible for or has knowledge of any Wrongful Employment Practice, fact, circumstance, or situation which s(he) has reason to suppose might result in a future Claim, whether or not described above, any Claim subsequently emanating there from shall be excluded from coverage under the proposed insurance as to (i) such of the Insured Persons or Employees and (ii) the Company and Subsidiaries if such proposed Insured Persons are Executive Officers. The responsibility or knowledge of any individual shall not be imputed to any other individual for the purposes of determining the availability of coverage.



1. It is declared that this Application and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy) are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
2. The undersigned declares that to the best of his/her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from all of the proposed Insureds to facilitate the proper and accurate completion of this Application for the proposed Policy. Signing of this Application does not bind the undersigned to purchase the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this Application will be attached to and become part of such Policy. The undersigned agrees that if after the date of this Application and prior to the effective date of any Policy based on this Application, any occurrence, event or other circumstance should render any of the information contained in this Application inaccurate or incomplete, then the undersigned shall notify the Insurer of such occurrence, event or circumstance and shall provide the Insurer with information that would complete, update or correct such information. Any outstanding quotations may be modified or withdrawn at the sole discretion of the Insurer.
3. The information requested in this Application is for underwriting purposes only and does not constitute notice to the Insurer under any Policy of a Claim or potential claim. All such notices must be submitted to the Insurer pursuant to the terms of the Policy, if and when issued.

The undersigned acknowledges that he or she is aware that Defense Costs reduce and may exhaust the applicable Limits of Liability. The Insurer is not liable for any Loss (which includes Defense Costs) in excess of the applicable Limits of Liability.

FRAUD NOTICE – WHERE APPLICABLE UNDER THE LAW OF YOUR STATE

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES (for New York residents only: and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.) (For Pennsylvania Residents only: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000.) (For Tennessee Residents only: Penalties include imprisonment, fines and denial of insurance benefits.)

This Application must be signed by an Executive Officer who is a current Fiduciary.

Signature: _____ Date: _____

Printed Name: _____

Corporation: _____

Title: _____

**A POLICY CANNOT BE ISSUED TO NEW YORK RESIDENTS UNLESS
THE APPLICATION IS PROPERLY SIGNED AND DATED ABOVE.**

APPENDIX A

TO BE COMPLETED IF THERE IS AN EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

- 1. Name of the Plan with the ESOP feature: _____
- 2. The date the Plan was established: _____
- 3. Total shares of employer securities owned by the Plan: _____
- 4. Cost of shares at the time of Plan establishment: \$ _____
- 5. Market value of shares at time of Plan establishment: \$ _____
- 6. Market value of shares at time of completing this Applications: \$ _____
- 7. Did the Plan acquire Securities with borrowed money or other debt-financing techniques? Yes No
If "yes" complete the following:
 - a. Who is the Lender? _____
 - b. What is the total amount of the loan? \$ _____
 - c. Is the loan guaranteed by the Sponsor Organization? Yes No
- 8. What was the main intention of establishing the Plan?

- 9. Name of ESOP Trustee _____
- 10. Is the ESOP Trustee an independent representative? Yes No
If "no" does the ESOP Trustee sit on the Board of Directors? Yes No
- 11. Does the Plan have any provisions in which the Plan participant cannot immediately liquidate their plan holding (i.e. lockout or blackout periods)? Yes No
If "yes" provide details _____

- 12. Do you anticipate any changes to the Plan (i.e. amendments)? Yes No
If "yes" provide details _____

NOTE: If this Plan contains securities that are not publicly traded, attach a copy of the third party stock evaluation report.

Refer to underwriting guidelines regarding ESOPs for more detail. The reasons for establishing the Plan, the utilization of third parties for various services, the strength of the stock, and any foreseen changes to the Plan are important points to be analyzed. If the ESOP contains private company securities, then the third party valuation report will need to be reviewed, and the stock value should be greater than the outstanding loan amount. In your opinion, is the ESOP providing incentives to the employees for having an ownership interest?



NOTICE

THE POLICY YOU ARE APPLYING FOR APPLIES ONLY TO ANY CLAIM FIRST MADE DURING THE POLICY PERIOD AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR REPORTED WITHIN ANY APPLICABLE EXTENDED REPORTING PERIOD PROVIDED BY THE POLICY. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AGAINST AN INSURED AFTER THE END OF POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, AN EXTENDED REPORTING PERIOD APPLIES. DEFENSE COSTS REDUCE THE LIMITS OF LIABILITY AND ARE SUBJECT TO THE RETENTION.

PLEASE DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Complete and submit all requested information and required attachments. This Application and all materials submitted or required shall be held in confidence.

Desired Effective Date: _____

I. General Information

- 1. The Company to be named in Item 1 of the Declarations (the "Company"):

Street Address: _____
(Do not use P.O. Box)

City: _____ State of Incorporation: _____ Zip Code: _____

Telephone: (____) - ____ - ____ Facsimile: (____) - ____ - ____

Web Address: _____

Principal place of business: _____

Officer designated to receive correspondence and notices from the Insurer:

(Name of Officer)

(Title)

- 2. Background Information:

a. Date Business Established: _____

b. Nature of Service(s) or Product(s) provided (please use a separate attachment).

c. Is the Company currently a general partner in any limited or general partnership or in any joint venture?

Yes [] No []



II. Fiduciary Liability Information

1. INFORMATION ON ALL ACTIVE PENSION PLANS (except for welfare plans) for which coverage is sought (attach a schedule if necessary)

Plan Name	Plan Type	Total Assets		% of Plan Assets in Co. Stock	If DB, Funding Ratio
		Current Yr.	Past Yr.		
Total:					

2. PLAN ADMINISTRATION

a. Does the Company delegate authority of the management and control of any plan's assets to any outside consultant(s)? Yes No

If "yes" explain and provide the following information with respect to each plan (attach a supplemental schedule, if necessary)

PLAN NAME: _____

Type of Consultant	Firm Name and Location	Years Employed
Investment Advisor		
Actuary		
Legal Counsel		
CPA		
Administrator		
Other(s)		

b. If any changes in the above in the last three (3) years, attach details on a separate sheet.

c. Does the Company handle any investment decisions in-house? Yes No

If "yes" describe: _____

d. Does any plan hold any investment with a guaranteed return (including Guaranteed Investment Contracts, Guaranteed Annuity Contracts, or Bank Investment Contracts)? Yes No

If "yes" provide details including the type of investment contract, name of contract provide, current value of each contract, and expiration date.

3. Is the trustee of each such plan independent of the Company? Yes No

4. a. Are employees required to invest in the Company's 401(K) Plan? Yes No

b. Does the Company match contributions in cash? Yes No

c. Does the Company match contributions in Company stock? Yes No

d. Is there a cap on Company stock in the 401(K) Plan? Yes No

If "yes" what is the cap: \$ _____

e. Can employees liquidate their investment in Company stock at any time? Yes No

f. What is the diversification of investments within the Company's defined benefit/pension plan and defined contribution plan?

Provide details on a separate sheet.



5. RECENT PLAN CHANGES

- a. Has any plan or portion of any plan been sold, transferred, merged, or terminated in the past three (3) years? Yes [] No []
If "yes" provide details on a separate sheet.
b. In the past three (3) years, has there been any amendment to a plan that has resulted in any change or reduction in benefits? Yes [] No []
If "yes" provide a description of such amendment.
c. Is any plan a cash balance plan, or is any conversion to a cash balance plan being considered? Yes [] No []
If "yes" provide complete details including copies of any descriptive literature distributed to plan participants, and descriptions of any "grandfather" provisions.

- 6. During the past three (3) years, has any Plan loaned money to, or invested in the securities of the Company or its affiliates or any other party-in-interest Yes [] No []
If "yes" provide details including percentage of holdings.

- 7. How often is the Plan administration reviewed to assure that there are no violations of the prohibited transactions or party-in-interest rules of the Employee Retirement Income Security Act of 1974, including Section 404(c) and amendments thereto ("ERISA")? _____

- 8. Do the persons responsible for Plan administration meet regularly to conduct Plan business, review performance of outside service providers and review claims under the Plan? Yes [] No []
If "yes" how often: _____

- 9. Do the plans conform to the standards of eligibility, participation, vesting, funding and other provisions of ERISA? Yes [] No []

III. Insurance / Claims Information

- 1. Provide the following current insurance information:

Fiduciary Liability:

Limit: _____ Carrier: _____
Retentions: _____ Expiration Date: _____

- 2. During the past three (3) years has the applicant had fiduciary liability or similar insurance cancelled or non-renewed? Yes [] No []
a. If "yes" attach complete details, including reason for, and date of such cancellation or non-renewal.
b. Has or will the Extended Reporting Period be exercised? Yes [] No []

- 3. In the past three (3) years, has any claim been made against any Plan, any fiduciaries or administrators (as defined in ERISA) of the Company in connection with any Plan? Yes [] No []

If "yes" provide details including the following:

- Date of claim (month/day/year)
• Name(s) of claimant(s)
• Name(s) of insured(s) involved in the claim
• Description of acts committed by the insured giving rise to the claim
• Total amount of damages or other relief sought by claimants
• Name of insurer to whom claim was reported and date reported
• Amount of damages and defense costs paid by the Company and/or insured(s)
• Current status of the claim (if still pending, include most recent developments).



4. In the past three (3) years, has there been any “reportable event” as defined by ERISA with respect to any Plan? Yes No

5. Has the Company, a Subsidiary or any insured person given written notice under the provisions of any prior or current fiduciary liability policy of specific facts or circumstances that might give rise to a claim against any insured? Yes No

If “yes” provide details on a separate sheet.

6. Has any fiduciary for whom insurance is to be provided been:
a. accused, found guilty of, or held liable for a breach of trust or fiduciary duty? Yes No

b. refused coverage under a fidelity bond? Yes No

c. found guilty of a criminal act as enumerated in Section 411 of ERISA? Yes No

If “yes” to any of the above provide details on a separate sheet.

7. Has there been any assessment of fees, fines or penalties under any voluntary compliance resolution program or similar voluntary settlement program administered by the IRS, DOL or other government authority against any plan? Yes No

If “yes” to any of the above provide details on a separate sheet.

For the Company and all subsidiaries, please attach:

- The latest Annual Report, including audited financial statements
- Copy of the most recently filed Form 5500s for all pension plans except Welfare plans.
- Audited financial statements with investment portfolios for the five (5) largest pension plans except Welfare plans.
- Plan description and financial statements, if applicable, for any non-qualified plans

This Application along with all signed applications, any attachments to such applications, other materials submitted therewith or incorporated therein, and any other documents submitted, any public documents filed by the Insured Entity prior to inception of this Policy (or if amended, as of that date), with any federal, state, local or foreign regulatory agency, (including, but not limited to the Securities and Exchange Commission) are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.



REPRESENTATION:

1. It is declared that this Application and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy) are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
2. The information requested in this Application is for underwriting purposes only and does not constitute notice to the Insurer under any Policy of a Claim or potential claim. All such notices must be submitted to the Insurer pursuant to the terms of the Policy, if and when issued.

The undersigned acknowledges that he or she is aware that Defense Costs reduce and may exhaust the applicable Limits of Liability. The Insurer is not liable for any Loss (which includes Defense Costs) in excess of the applicable Limits of Liability.

FRAUD NOTICE – WHERE APPLICABLE UNDER THE LAW OF YOUR STATE

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES (for New York residents only: and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.) (For Pennsylvania Residents only: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000.) (For Tennessee Residents only: Penalties include imprisonment, fines and denial of insurance benefits.)

This Application must be signed by an Executive Officer who is a current Fiduciary.

Signature: _____ Date: _____

Printed Name: _____

Corporation: _____

Title: _____

**A POLICY CANNOT BE ISSUED TO NEW YORK RESIDENTS UNLESS
THE APPLICATION IS PROPERLY SIGNED AND DATED ABOVE.**

APPENDIX A

TO BE COMPLETED IF THERE IS AN EMPLOYEE STOCK OWNERSHIP PLAN (ESOP)

1. Name of the Plan with the ESOP feature: _____
2. The date the Plan was established: _____
3. Total shares of employer securities owned by the Plan: _____
4. Cost of shares at the time of Plan establishment: \$ _____
5. Market value of shares at time of Plan establishment: \$ _____
6. Market value of shares at time of completing this Applications: \$ _____
7. Did the Plan acquire Securities with borrowed money or other debt-financing techniques? Yes No
If "yes" complete the following:
 - a. Who is the Lender? _____
 - b. What is the total amount of the loan? \$ _____
 - c. Is the loan guaranteed by the Sponsor Organization? Yes No
8. What was the main intention of establishing the Plan?

9. Name of ESOP Trustee _____
10. Is the ESOP Trustee an independent representative? Yes No
If "no" does the ESOP Trustee sit on the Board of Directors? Yes No
11. Does the Plan have any provisions in which the Plan participant cannot immediately liquidate their plan holding (i.e. lockout or blackout periods)? Yes No
If "yes" provide details _____

12. Do you anticipate any changes to the Plan (i.e. amendments)? Yes No
If "yes" provide details _____

NOTE: If this Plan contains securities that are not publicly traded, attach a copy of the third party stock evaluation report.

Refer to underwriting guidelines regarding ESOPs for more detail. The reasons for establishing the Plan, the utilization of third parties for various services, the strength of the stock, and any foreseen changes to the Plan are important points to be analyzed. If the ESOP contains private company securities, then the third party valuation report will need to be reviewed, and the stock value should be greater than the outstanding loan amount. In your opinion, is the ESOP providing incentives to the employees for having an ownership interest?



Bilateral Extended Reporting Period

In consideration of the premium paid, it is agreed that paragraph 1 of Section VII, **EXTENDED REPORTING PERIOD**, is amended by deleting the first part of the first sentence up to the first comma in its entirety and replacing it as follows:

If the **Named Insured** cancels or if the **Named Insured** or the Insurer non-renews this Policy,

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Circumstance Reporting in Optional ERP

In consideration of the premium paid it is agreed that paragraph 1 of Section VII, **EXTENDED REPORTING PERIOD** is deleted and replaced as follows:

If the Insurer cancels or non-renews this Policy, the **Insureds** shall have the right to purchase, upon payment of an additional premium determined as described in Item 5b of the Declarations, an extension of this Policy in which to report **Claims**:

- a. first made during such extended reporting period, or
 - b. circumstances reasonably likely to give rise to a **Claim**,
- provided such reporting is done in accordance with paragraph VI 1 and 2, and provided further that such **Claim** or circumstance must arise out of a **Wrongful Act** committed before the earlier of the end of the **Policy Period** or the effective date of any **Takeover**.

This period shall be referred to as the Extended Reporting Period.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Prior Acts Exclusion

In consideration of the premium paid, it is agreed that Section III., **EXCLUSIONS**, is amended to add the following new exclusion:

Prior Acts

based upon, directly or indirectly arising out of, or in any way involving:

- a. any **Wrongful Act** that occurred prior to the Prior Acts Date set forth below, or
- b. any other **Wrongful Act**, whenever occurring, which together with a **Wrongful Act** described in a. above, would constitute **Interrelated Wrongful Acts**.

Prior Acts Date: _____

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Run-Off Endorsement

In consideration of an additional premium of \$_____, it is agreed as follows:

1. This Policy shall be extended for a period of _____ effective 12.01 AM on _____ and expiring at 12.01AM on _____ local time at the address set forth in Item 1 of the Declarations.
2. Section VII. **EXTENDED REPORTING PERIOD** is deleted in its entirety.
3. The additional premium set forth above shall be deemed fully earned on the effective date set forth in paragraph 1 above.
4. **Section VIII. CANCELLATION** is deleted in its entirety and replaced with the following:

Neither the Insurer nor the **Insured** may cancel this Policy.
5. In the event the **Named Insured** has been acquired by or merged into another entity, and such entity fails or refuses, other than for reason of **Financial Insolvency**, to indemnify an **Insured Person** for **Loss**, or to advance **Defense Costs** on behalf of an **Insured Person**, to the fullest extent permitted by statutory or common law, then, notwithstanding any other conditions, provisions or terms of the Policy to the contrary, any payment by the Insurer of such **Defense Costs** or other **Loss** shall be subject to the Retention set forth in Item 7 the Declarations.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Specified Proceeding Exclusion Endorsement

In consideration of the premium paid, it is agreed as follows:

Section **III. EXCLUSIONS** is amended by the addition of the following language:

The Insurer shall not be liable to pay any **Loss** in connection with any **Claim** made against the **Insureds** based upon, directly or indirectly arising out of, or in any way involving:

_____ or any fact, circumstance, situation, transaction or event underlying or alleged in such proceeding.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Newly Acquired Subsidiary Endorsement

In consideration of the premium paid, it is agreed that SECTION II., **DEFINITIONS**, **Subsidiary** is amended by the addition of the following:

Subsidiary shall also mean the listed entities as of the applicable effective date:

<u>Name of Entity</u>	<u>Effective Date</u>

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Application Definition to Include Specified Document Filing Timeframe

In consideration of the premium paid, it is agreed that the last sentence of paragraph 1 of the definition of **Application** in Section II, **DEFINITIONS** is hereby deleted and replaced as follows:

Application also means any public documents filed by the **Insured Entity** within _____ prior to inception of this Policy, with any federal, state, local or foreign regulatory agency, (including, but not limited to the Securities and Exchange Commission).

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Reporting of Claims Endorsement

In consideration of the premium paid, it is agreed Section **VI. REPORTING OF CLAIM/INTERRELATED CLAIM CLAUSE**, 1. Notice of Claim is amended by deleting the words "thirty (30) days" and replacing them with _____.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Extended Reporting Period upon Named Insured Non-Renewal Endorsement

In consideration of the premium paid, it is agreed as follows:

1. Section **VII. EXTENDED REPORTING PERIOD**, Paragraph 1, **Optional Extended Reporting Period**, is amended to letter the existing paragraph "A" and add a new paragraph lettered "B" as follows:
 - B. If the **Named Insured** elects to non-renew this Policy, the **Named Insured** may choose to purchase, upon payment of an additional premium of _____% of the **Policy Premium**, an extension of this Policy for the period described in Item 5a of the Declarations, but only to the extent a **Claim** is first made or deemed to be first made during such period for **Wrongful Acts** committed before the earlier of the end of the **Policy Period** or the effective date of any **Takeover**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Amendment to Definition of Employee to include Volunteers

In consideration of the premium paid, it is agreed that the definition of Employee in Section II. **DEFINITIONS** is amended to add the following sentence:

Employee includes any volunteer whose work on behalf of the **Insured Entity** is directed and controlled by the **Insured Entity**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Coverage of Employee Stock Ownership Plans

In consideration of the premium paid, it is agreed as follows:

1. The definition of **Pension Plan** in Section II, **DEFINITIONS** is amended to specifically include within such definition employee stock ownership plans as defined in 26 U.S.C. 4975 ("ESOP"). Any language to the contrary in the definition is hereby deleted.
2. Paragraph 1 of Section XV. **COVERAGE FOR NEW SUBSIDIARIES OF PLANS** is amended to add the words "Except with respect to any ESOP" to the beginning of the first sentence.
3. Section XV. **COVERAGE FOR NEW SUBSIDIARIES OF PLANS** is amended to add a new paragraph as follows:

If during the **Policy Period** the **Insured Entity** creates or directly or indirectly acquires an ESOP, the Insurer, at its sole option upon submission of such information as the Insurer may require, and payment of any additional premium or amendment of the provisions of the Policy, may agree to provide coverage for such ESOP.
4. The first sentence of Paragraph 2 of Section XV. **COVERAGE FOR NEW SUBSIDIARIES OF PLANS** is amended to add the words "including any ESOP" after the words "or plan".

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



**Amendment to Section X Application
Imputation of Knowledge of Insured Person**

In consideration of the premium paid, it is agreed that subsection a is amended to add a new sentence to the end as follows:

- a. Notwithstanding the foregoing, the knowledge of any person who signed the **Application** shall be imputed to all other **Insured Persons**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Amendment to Bodily Injury Exclusion

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

1. Paragraph 9, **Exclusions Applicable to Loss other than Defense Costs**, of Section III, **EXCLUSIONS** is amended to add a new subparagraph e. as follows:
 - e. for any actual or alleged bodily injury (including death), sickness, disease, emotional distress, mental anguish, libel, slander or defamation of any person.

2. Paragraph 1, **Bodily Injury/Property Damage** of Section III, **EXCLUSIONS**, is amended to delete the words "Bodily Injury" from the title, and the words "any actual or alleged bodily injury (including death), sickness, disease, emotional distress, mental anguish, libel, slander or defamation of any person" between the words "for" and "or damage to or destruction of any tangible property including loss of use." . .

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



TRADE AND ECONOMIC SANCTIONS ENDORSEMENT

In consideration of the premium paid, a new condition is added to the policy as follows:

This policy does not provide coverage for **Insureds**, transactions or that part of **Loss** that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Definition of Executive to Include Scheduled Positions

In consideration of the premium paid, it is agreed that Section II **DEFINITIONS** is amended as follows:

Executive shall also mean the following scheduled positions:

Scheduled Position

--

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Coverage for New Subsidiaries or Plans Asset Size Amendment

In consideration of the premium paid, it is agreed that Section **XV. COVERAGE FOR NEW SUBSIDIARES OR PLANS** is amended by deleting the words "ten percent (10%)" in paragraph 1. in their entirety and replacing them with _____%.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Claims against Specified Individuals Exclusion Endorsement

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

Section **III. EXCLUSIONS** is amended by the addition of the following language:

The Insurer shall not be liable to pay any **Loss** in connection with any **Claim** made against the following individuals:

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Amendment of Hammer Clause

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

Paragraphs 1, **Settlement/Insurer's Consent**, of Section **V, SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS** is amended by deleting the final sentence and replacing it as follows:

Subject to Section **IV, LIMITS OF LIABILITY/RETENTION**, should the **Insured** be unwilling to settle a **Claim** that the claimant and the Insurer are willing to settle, the Insurer shall continue to be liable for any **Loss** in connection with such **Claim**, but not in excess of:

- a. the amount for which the **Claim** could have been settled, plus all **Defense Costs** incurred up to the date of the **Insured's** refusal to consent to such settlement; plus
- b. _____% percent of any such **Loss** in excess of the amount specified in paragraph a. above.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Prior or Pending Date Applicable to Increased Limits

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

Paragraphs 1, **Aggregate Limit of Liability**, of Section IV, **LIMIT OF LIABILITY/RETENTION** is amended by the addition of the following:

- \$_____ shall be the maximum Limit of Liability available for all covered **Claims** made against the **Insureds** based upon, directly or indirectly arising out of, or in any way involving any civil, criminal, administrative or regulatory proceeding, investigation or arbitration pending after the Prior or Pending Date in Item 8 of the Declarations Page, but before_____.
- Such Limit of Liability shall be inclusive of the Limit of Liability set forth in Item 6 on the Declarations Page, and in no way shall this increase the insurer's maximum Limit of Liability under the Policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Midterm Increase in Limits Endorsement

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

1. Paragraph 1 of Section IV, **LIMIT OF LIABILITY/RETENTION** is amended by the addition of the following:

The aggregate limit of liability shall be as follows:

- a. The Limit of Liability in the amount of \$_____ shall be available for all covered **Claims** made against the **Insureds** prior to _____; and
- b. The Limit of Liability in the amount of \$_____ shall be available for all covered **Claims** made against the **Insureds** on or after _____.
- c. The \$_____ Limit of Liability set forth in paragraph b. above shall be inclusive of the \$_____ Limit of Liability set forth above in paragraph a. above and in no way shall this increase the Insurer's maximum Limit of Liability under this Policy.

2. Notwithstanding anything to the contrary set forth above, any prior and pending date or retroactive date set forth in the Declarations continues to apply as set forth in the Policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



AGGREGATE RETENTION ENDORSEMENT

In consideration of the premium paid for this Policy, it is agreed as follows:

The retention shown in the Declarations is amended to read:

Each "claim": \$ _____

In the Aggregate: \$ _____

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



CAP ON ATTORNEY FEES ENDORSEMENT

In consideration of the premium paid for this Policy, it is agreed that Section II, **DEFINITIONS**, is amended as follows:

1. The definition of **Defense Costs** is amended to add the following new sentence:

Defense Costs do not include that portion of any attorney fees incurred by an **Insured** in excess of \$_____ per hour.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Conditions for Advancement of Defense Costs

In consideration of the premium paid for this Policy, it is agreed that Section V, **SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS**, paragraph 5, **Conditions for Advancement of Defense Costs**, is amended to delete the first sentence and replace it as follows:

The Insurer, on behalf of the **Insureds**, shall advance **Defense Costs** no later than sixty (60) days after the receipt by the Insurer of itemized defense bills in excess of the applicable Retention.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



EXCLUSION OF CERTIFIED ACTS OF TERRORISM

The Insureds have been previously notified of the availability of and the price for coverage of **Certified Acts of Terrorism** under the Federal Terrorism Risk Insurance Act of 2002. The Insureds have opted to exclude such coverage from the policy. This endorsement excludes such **Certified Acts of Terrorism**.

In consideration of the premium paid for this Policy, it is agreed as follows:

- 1. The Definitions Section is amended by the addition of the following new term:

Certified Act of Terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a **Certified Act of Terrorism**:

- a. The act resulted in aggregate losses in excess of \$5 million;
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure;
- c. The act resulted in damage within the United States, or outside of the United State in the case of an air carrier or vessel or in the premises of a United States mission; and
- d. The act is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- 2. The Exclusions Section is amended by the addition of the following new exclusion:

based upon, directly or indirectly arising out of, or in any way involving a **Certified Act of Terrorism**.

- 3. In the event of any incident of a **Certified Act of Terrorism** that is not subject to this exclusion, coverage does not apply to any **Loss** that is otherwise excluded under this Policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



FAILURE TO EFFECT OR MAINTAIN ADEQUATE INSURANCE EXCLUSION

In consideration of the premium paid for this Policy, it is agreed that the Policy is amended as follows:

Section **III. EXCLUSIONS** is amended by the addition of the following exclusion:

Failure to Effect or Maintain Adequate Insurance

based upon, directly or indirectly arising out of, or in any way involving the failure of any of the **Insureds** to effect or maintain adequate insurance.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



Coinsurance Clause

In consideration of the premium paid, it is agreed that Section V, **SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION** is amended to add a new paragraph as follows:

- **Coinsurance**

Solely with respect to all **Loss** (excess of the applicable Retention), the **Insureds** shall bear uninsured and at their own risk _____ percentage of all such **Loss** as a Coinsurance percentage. This percentage shall be applied to all **Loss** on account of all **Claims**. The Insurer's liability shall apply only to the remaining percent of all such **Loss**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



AMENDMENT OF DECLARATIONS ENDORSEMENT

In consideration of the premium paid for this Policy, it is agreed that Item «EndField1» of the Declarations Page is amended as follows:

«EndField2»

All other provisions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



**IMPORTANT INFORMATION
POLICYHOLDER DISCLOSURE**

**NOTICE OF INSURANCE COVERAGE
FOR ACTS OF TERRORISM**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, effective November 26, 2002, you have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, subject to all applicable policy provisions. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that coverage provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the Act.

If you want to purchase this coverage, you must pay \$«TerrorismAmount» Premium.

If you do not want to purchase this coverage, you must sign below and return this form to us at the address indicated below.

BY SIGNING BELOW, I AGREE THAT I AM REJECTING COVERAGE FOR LOSSES ARISING OUT OF CERTIFIED ACTS OF TERRORISM, AS DEFINED IN THE ACT. I UNDERSTAND THAT LOSSES ARISING FROM ACTS OF TERRORISM WILL BE EXCLUDED.

«CusChangeName»

Applicant/Named Insured

«PolUWCompany»

Insurance Company

By: _____
Authorized Representative's Signature

Authorized Representative's Title

Date

«PolNumber»

Policy Number

Return the original form to us at the address below no later than «EndField1».

We recommend that you keep a copy of this notice for your records.

«ProcessAddress»



COVERAGE OF AND CAP ON LOSSES FOR “CERTIFIED ACTS OF TERRORISM”

In consideration of the payment of \$«TerrorismAmount» premium, it is agreed as follows:

1. Section II. DEFINITIONS is amended by the addition of the following new term:

“Certified Act of Terrorism” means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a “Certified Act of Terrorism”:

- a. The act resulted in aggregate losses in excess of \$5 million;
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure;
- c. The act resulted in damage within the United States, or outside of the United State in the case of an air carrier or vessel in the premises of a United States mission; and
- d. The act is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

2. This Policy provides coverage for losses arising from “Certified Acts of Terrorism” subject to all other terms and conditions of this policy.

3. Under the federal Terrorism Risk Insurance Act of 2002, any losses caused by “Certified Acts of Terrorism” will be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

4. With respect to any one or more “Certified Acts of Terrorism”, The Insurer will not pay any amounts for which the Insurer is not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause in such law which results in a cap on the Insurer’s liability for payments for terrorism losses.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown above.

By Authorized Representative _____
(No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)



Conditions for Advancement of Defense Costs

In consideration of the premium paid, it is agreed Section V, **SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS**, 5.c. **Conditions for Advancement of Defense Costs** is amended by deleting the words “ shall provide a written undertaking satisfactory to the Insurer” and replacing them with “agree”.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



CANCELLATION/NON-RENEWAL ENDORSEMENT-ARKANSAS

Wherever used in this endorsement: 1) Insurer means “we”, “us”, “our” or the “Company” as those terms are defined in the policy; and 2) Named Insured means the first person or entity named on the declarations page; and 3) “Insured(s)” means all persons or entities afforded coverage under the policy.

Any cancellation, non-renewal or termination provision(s) in the policy are deleted in their entirety and replaced with the following:

CANCELLATION AND NON-RENEWAL

A. CANCELLATION

1. The Named Insured may cancel the policy at any time. To do so, the Named Insured must return the policy to the Insurer or any of its authorized representatives, indicating the effective date of cancellation; or provide a written notice to the Insurer, stating when the cancellation is to be effective.
2. If the policy has been in effect for sixty (60) days or less and is not a renewal the Insurer may cancel the policy for any reason by mailing or delivering written notice to the Named Insured, at the last mailing address known to the Insurer, at least:
 - a. ten (10) days before the effective date of cancellation, if the Insurer cancels for nonpayment of premium; or
 - b. twenty (20) days before the effective date of cancellation, if the Insurer cancels for any other reason.
3. If the policy has been in effect for more than sixty (60) days or if it is a renewal the Insurer may not cancel the policy unless such cancellation is based on one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. Fraud or material misrepresentation made by or with the knowledge of the Named Insured in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
 - c. The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance;
 - d. Violation of any local fire, health, safety, building, or construction regulation or ordinances with respect to any insured property or the occupancy of the property, which substantially increases any hazard insured against under the policy;
 - e. Nonpayment of membership dues in those cases where the bylaws, agreements, or other legal instruments of the Insurer issuing the policy require payment as a condition of the issuance and maintenance of the policy; or
 - f. A material violation of a material provision of the policy.

The Insurer will mail or deliver written notice to the Named Insured, at the last mailing address known to the Insurer, at least:

- i. ten (10) days prior to the effective date of cancellation, if the Insurer cancels for the reason set forth in subsection 3.a.; or
- ii. twenty (20) days prior to the effective date of cancellation, if the Insurer cancels for any reason set forth in subsections 3.b. through 3.f.

Loss experience developed during the policy term does not constitute a basis for mid-term cancellation after the policy has been in effect more than sixty (60) days.

4. The notice will state the actual reason for the cancellation.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.



6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. NON-RENEWAL

- 1. Except in the case of nonpayment of premium, the Insurer will renew the policy unless a written notice of non-renewal is mailed to the Named Insured, at the last mailing address known to the Insurer, at least sixty (60) days prior to the expiration date of the policy or, for a policy for a term longer than one (1) year and not having a fixed expiration date, sixty (60) days prior to the anniversary date.
- 2. The notice of non-renewal will state the actual reason for non-renewal.
- 3. Proof of mailing will be sufficient proof of notice.

C. CONDITIONAL RENEWAL

- 1. When the Insurer revises its rates or rules and the revision results in a premium increase equal to or greater than twenty-five percent (25%) on any renewal policy issued for a term of twelve (12) months or less, the Insurer will mail or deliver to the Named Insured's agent not less than sixty (60) days prior to the effective date of renewal, and to the Named Insured not less than thirty (30) days prior to the effective date of renewal, notice specifically stating the Insurer's intention to increase the premium by an amount equal to or greater than twenty-five percent (25%).
- 2. The notice will be mailed or delivered to the Named Insured, at the last mailing address known to the Insurer. The notice will also be mailed or delivered to the Named Insured's agent.
- 3. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
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AMENDATORY ENDORSEMENT ARKANSAS

1. In consideration of the premium paid, it is agreed that paragraph 4. Pollution of Section III. **EXCLUSIONS** is deleted in its entirety and replaced as follows:

4. Pollution
based upon or arising out of:
- a. any nuclear reaction, radiation or contamination, or any actual, alleged or threatened discharge, release, escape, or disposal of, or exposure to, **Pollutants**;
 - b. any request, direction or order that any of the **Insureds** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effect of **Pollutants** or nuclear reaction, radiation or contamination, or any voluntary decision to do so; or
 - c. any actual or alleged property damage, or bodily injury, sickness, disease or death of any person, or financial loss to the **Insured Entity** or the **Plan**, their security holders, or their creditors resulting from any of the aforementioned matters.
- However this exclusion shall not apply to:
- i. any **Claim** by or on behalf of a beneficiary of or participant in any **Plan** by reason of the diminution in value of any securities (other than the **Insured Entity's** securities) owned by the **Plan**, resulting from, or allegedly resulting from, any of the aforementioned matters; or
 - ii. **Non-Indemnifiable Loss**, or
 - iii. damage caused by smoke, vapor, soot or fumes from a hostile fire.

2. In consideration of the premium paid, it is agreed that Section VII. **EXTENDED REPORTING PERIOD** is amended to add the following new paragraphs:

If the Insurer or the **Insured** terminates or non-renews this Policy, the **Named Insured** shall be provided, at no additional charge, an extension of this Policy for a period of 60 days immediately following the end of the **Policy Period** in which to report **Claims** first made during such automatic Extended Reporting Period, provided such reporting is done in accordance with paragraph VI 1 and 2, and provided further that such **Claim** or circumstance must arise out of a **Wrongful Act** committed before the earlier of the end of the **Policy Period** or the effective date of any **Takeover**.

This period shall be referred to as the automatic Extended Reporting Period.

3. In consideration of the premium paid, it is agreed that paragraph 2. Payment of Extended Reported Premium of Section VII. **EXTENDED REPORTING PERIOD** is deleted in its entirety and replaced as follows:

2. Payment of Extended Reported Premium

The right to purchase the optional Extended Reporting Period shall end unless the Insurer receives written notice of the **Named Insured's** election to purchase the optional Extended Reporting Period and full payment of the premium for such period within 60 days after the end of the **Policy Period**.

4. In consideration of the premium paid, it is agreed that paragraph 4. No Separate Limit of Section VII. **EXTENDED REPORTING PERIOD** is deleted in its entirety and replaced as follows:

4. Limit of Liability for the automatic and optional Extended Reporting Periods

There is no separate or additional Limit of Liability for the automatic Extended Reporting Period.



The Limit of Liability for the optional Extended Reporting Period will be the Limit of Liability that remains on the effective date of termination of coverage or fifty percent (50%) of the Aggregate Limit of Liability at inception of the last **Policy Period**, whichever is greater.

5. In consideration of the premium paid, it is agreed that Section XXIV. **ALTERNATIVE DISPUTE RESOLUTION PROCESS** is deleted in its entirety and replaced as follows:

After a dispute or difference between the **Insured** and Insurer arises under or in connection with this Policy, whether arising before or after termination of this Policy, including any determination of the amount of **Loss** or **Compliance Costs**, such dispute or difference may be submitted to the alternative dispute resolution (“**ADR**”) process set forth in this Section only if it is mutually agreeable to both the **Insured** and the Insurer.

Either the Insurer or an **Insured** may elect the type of **ADR** process discussed below; provided, however, that such **Insured** shall have the right to reject the Insurer’s choice of the type of **ADR** process at any time prior to its commencement, in which case such **Insured’s** choice of **ADR** process shall control.

The Insurer and each and every **Insured** agrees that there shall be two choices of **ADR** process: (1) non-binding mediation administered by the American Arbitration Association, in which the Insurer and any such **Insured** shall try in good faith to settle the dispute by mediation under or in accordance with its then-prevailing Commercial Mediation Rules; or (2) arbitration submitted to the American Arbitration Association in accordance with its then-prevailing Commercial Arbitration Rules, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute. The mediator or arbitrators shall also give due consideration to the general principles of the law of the state where the **Named Insured** is incorporated in the construction or interpretation of the provisions of this Policy. In the event of arbitration, the decision of the arbitrators shall be non-binding and provided to both parties, and the arbitrators’ award shall not include attorney’s fees or other costs. In the event of mediation, either party shall have the right to commence a judicial proceeding, provided, however, that no such judicial proceeding shall be commenced until the mediation shall have been terminated and at least 60 days shall have elapsed from the date of the termination of the mediation. In all events, each party shall share equally the expenses of the **ADR** process.

Either choice of **ADR** process may be commenced in New York or Illinois or in the state indicated in the Declarations as the mailing address for the **Named Insured**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



SEPARATE DEFENSE COSTS LIMIT - ARKANSAS

In consideration of the premium paid, it is agreed as follows:

- 1. Item 6. of the Declarations Page is deleted in its entirety and replaced with the following:

Item 6.

Limit of Liability (**Loss**)
\$_____ aggregate limit of liability

Limit of Liability (**Defense Costs**)
\$_____ aggregate limit of liability

- 2. Section **IV. LIMIT OF LIABILITY/RETENTION/PRESUMPTIVE INDEMNIFICATION**, paragraph 1. Aggregate Limit of Liability is deleted in its entirety and replaced with the following:

- 1. Aggregate Limits of Liability

- a. The Limit of Liability for **Loss** stated in Item 6 of the Declarations is the aggregate limit of the Insurer's liability for:
 - (i) all **Loss** under this Policy arising out of all **Claims** first made against all **Insureds** during the **Policy Period** and the Extended Reporting Period (if applicable), and.
 - (ii) all **Compliance Costs** incurred by the **Insured** in connection with all **Voluntary Compliance Programs** first noticed to the Insurer during the **Policy Period**.
- b. The Limit of Liability for **Defense Costs** stated in Item 6 of the Declarations is the aggregate limit of the Insurer's liability for **Defense Costs** under this Policy arising out of all **Claims** first made against all Insureds during the **Policy Period** and the Extended Reporting Period (if applicable).
- c. The Limit of Liability for the Extended Reporting Period shall be part of and not in addition to the Limits of Liability for the **Policy Period**. Further, a **Claim** which is made subsequent to both the **Policy Period** and the Extended Reporting Period (if applicable) and which pursuant to Section VI. is considered made during the **Policy Period** or Extended Reporting Period shall also be subject to the aggregate Limits of Liability stated in Item 6 of the Declarations.
- d. **Defense Costs** resulting from any **Claim** covered under this Policy shall first be applied to this **Defense Costs** Limit of Liability. If and when such Limit of Liability for **Defense Costs** is exhausted by payment of **Defense Costs**, then and in that event only shall any remaining **Defense Costs** be applied to the applicable Limit of Liability for **Loss**.

- 3. Section **V. SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION**, paragraph 1. Insurer's Duty to Defend is amended by the addition of the following:

If and when the aggregate Limit of Liability for all **Loss** set forth in Item 6 of the Declarations is exhausted by payment of **Loss** other than **Defense Costs**, payment of **Defense Costs**, or both, the Insurer's obligation to defend any **Claim** or pay any **Loss**, including **Defense Costs**, shall be completely fulfilled and the Insurer shall have the right to withdraw from the further investigation, defense or settlement of such **Claim** by tendering control of such investigation, defense or settlement to the **Insureds**.

The Insurer's obligation to defend any **Claim** or pay any **Loss**, including **Defense Costs**, shall be completely fulfilled and extinguished if the Limit of Liability applicable to all **Loss**, set forth in Item 6 of the Declarations, has been exhausted, even if any applicable Limit of Liability for **Defense Costs**, set forth in



Item 6 of the Declarations remains. In such case, the Insurer shall have the right to withdraw from the further investigation, defense or settlement of such **Claim** by tendering control of such investigation, defense or settlement to the **Insureds**.

4. Section **V. SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION**, paragraph 3. Admission of Liability, Settlement, Consent is deleted in its entirety and replaced with the following:

The **Insureds** shall not admit or assume any liability, consent to any judgment, agree to any settlement or make any settlement offer without the Insurer's prior written consent, such consent not to be unreasonably withheld.

The Insurer shall not be liable for any **Loss** incurred by an **Insured** to the extent the **Loss** results from such **Insured** admitting liability, consenting to any judgment, agreeing to any settlement or making any settlement offer without the Insurer's prior written consent. The **Insureds** agree that they shall not knowingly take any action which increases the Insurer's exposure for **Loss** under this Policy.

Notwithstanding the above, if the **Insureds** are able to settle all **Claims** which are subject to a single Retention for an aggregate amount, including **Defense Costs**, not exceeding such Retention, the Insurer's consent shall not be required for the settlement of such **Claim**.

The Insurer may make any settlement of any **Claim** it deems expedient with respect to any **Insured**, subject to such **Insured's** written consent. If any **Insured** withholds consent to such settlement, the Insurer's liability for all **Loss** on account of such **Claim** shall not exceed the amount for which the Insurer could have settled such **Claim**. The Insurer's liability for **Defense Costs** if any, shall be reduced to the amount incurred up to the time the Insurer made its recommendation and paragraph 3 above shall apply.

5. Section **V. SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION** is amended by the addition of the following:

Limit of Liability as used in this paragraph shall include both the Limits of Liability for **Loss** and the Limit of Liability for **Defense Costs** set forth in Item 6 of the Declarations.

6. For purposes of coverage provided by this endorsement the notices at the top of the **Fiduciary Liability Solutions Policy** and the **Declarations Page** are deleted in their entirety and the following is inserted:

THIS IS A CLAIMS-MADE POLICY AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING PERIOD APPLIES. DEFENSE COSTS ARE SUBJECT TO AN ADDITIONAL SEPARATE LIMIT OF LIABILITY. HOWEVER, IF THE ADDITIONAL SEPARATE LIMIT OF LIABILITY APPLICABLE TO DEFENSE COSTS IS EXHAUSTED, DEFENSE COSTS WILL REDUCE AND MAY EXHAUST ANY REMAINING LIMITS OF LIABILITY FOR LOSS AVAILABLE UNDER THE POLICY. DEFENSE COSTS ARE SUBJECT TO RETENTION AMOUNTS. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.



All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)

SERFF Tracking Number: CNAC-125359906 *State:* Arkansas
Filing Company: Continental Casualty Company *State Tracking Number:* #207258 \$50
Company Tracking Number: 07-F2190
TOI: 17.0 Other Liability - Claims Made/Occurrence *Sub-TOI:* 17.0022 Other
Product Name: Fiduciary Liability Solutions Program
Project Name/Number: /07-2190

Rate Information

Rate data does NOT apply to filing.

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TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0022 Other
Product Name: Fiduciary Liability Solutions Program
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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 12/07/2007

Comments:

Attachments:

AR PC TD f.pdf
PC FF all AR.pdf

Satisfied -Name: Cover LEtter **Review Status:** Approved 12/07/2007

Comments:

Attachment:

AR 07-F2190 FID Forms let.pdf

Satisfied -Name: Forms Memo **Review Status:** Approved 12/07/2007

Comments:

Attachment:

07-2190 AR FFM_102007_ FID Liability Solutions Forms MEMO-AR.pdf

18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	07-F2190
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21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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We resubmit our **Fiduciary Liability Solutions Program**. This program provides coverage for fiduciaries (as defined by ERISA) against loss arising from the administration and management of employee benefit and pension plans

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: 0000207258
Amount: 50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	07-F2190			
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	07-F2190			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Fiduciary Liability Solutions Policy Form	GSL2131XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Declarations Page	GSL2130XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Fiduciary Liability Solutions Application for Insurance – New	GSL1055 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Fiduciary Liability Solutions Application for Insurance – Renewal	GSL1056 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Bilateral Extended Reporting Period	GSL2055 (9-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Circumstance Reporting in Optional ERP –	GSL2056 (9-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Prior Acts Exclusion–.	GSL2065 (10-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Run-Off Endorsement –	GSL2069 (10-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Specified Proceeding Exclusion Endorsement –	GSL2074 (10-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Newly Acquired Subsidiary Endorsement –.	GSL2076 (10-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

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1.	This filing transmittal is part of Company Tracking #		07-F2190		
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)		07-F2190		
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Application Definition to Include Specified Document Filing Timeframe –	GSL2096 (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Reporting Of Claims Endorsement –	GSL2101 (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Extended Reporting Period upon Named Insured Non-Renewal Endorsement	GSL2111XX (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Amendment to Definition of Employee to include Volunteers-	GSL2124XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Coverage of Employee Stock Ownership Plans-	GSL2125XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Amendment to Section X Application Imputation of Knowledge of Insured	GSL2126XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Amendment to Bodily Injury Exclusion -	GSL2132XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Trade and Economic Sanctions Endorsement -	GSL7132 (10-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Definition of Executive to Include Scheduled Positions -	GSL7143 (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Coverage for New Subsidiaries or Plan Asset Size Amendment -	GSL7144 (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

FORM FILING SCHEDULE

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1.	This filing transmittal is part of Company Tracking #	07-F2190			
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	07-F2190			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Claims against Specified Individuals Exclusion Endorsement-	GSL7225XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Amendment of Hammer Clause	GSL7228XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Prior or Pending Date Applicable to Increased Limits	GSL7233XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Midterm Increase in Limits Endorsement -	GSL7234XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Aggregate Retention Endorsement-	GSL7236XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Cap On Attorney Fees Endorsement-	GSL7237XX (6-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Conditions for Advancement of Defense Costs -	GSL7324XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Exclusion Of Certified Acts Of Terrorism -	GSL7325 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Failure To Effect Or Maintain Adequate Insurance Exclusion-	GSL7343XX (11-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Coinsurance Clause-	GSL7344XX (11-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
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1.	This filing transmittal is part of Company Tracking #		07-F2190		
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)		07-R2190		
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Amendment of the Declarations -	G-139023-A (08-01)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Policyholder Disclosure Notice Of Insurance Coverage For Acts Of	G-144894-A (01-03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Coverage Of And Cap On Losses For "Certified Acts Of Terrorism"	G-147020-A (09-03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Conditions for Advancement of Defense Costs.	GSL7323XX (9-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Cancellation/Non-Renewal Endorsement – AR	GSL7541AR (11-04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Amendatory Endorsement – AR	GSL7390AR (10-07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Separate Defense Costs Limits – AR	GSL7403AR (10-07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		



40 Wall Street – 9th Floor
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November 14, 2007

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ARKANSAS INSURANCE DEPARTMENT
PROPERTY & CASUALTY DIVISION
1200 W 3RD ST
LITTLE ROCK AR 72201-1904

RE: CONTINENTAL CASUALTY COMPANY NAIC# 218-20443 FEIN# 36-2114545
Fiduciary Liability Solutions Program
Forms Filing
OUR FILE NO. : 07-F2190

To Whom It May Concern:

On behalf of Continental Casualty Company, we hereby submit for your review and approval our **Fiduciary Liability Solutions Program**. This program provides coverage for fiduciaries (as defined by ERISA) against loss arising from the administration and management of employee benefit and pension plans. Please refer to the enclosed Forms Index/Filing Memorandum for a description of the forms included in this filing.

Enclosed for your review please find:

- Forms Index / Explanatory Memorandum;
- A copy of the forms for your review and approval;

We propose that this filing become applicable to all policies written on or after January 1, 2008, or the earliest date permitted by your state.

Very truly yours,
Robert Alonzo
State Filing Analyst

Fiduciary Liability Solutions Forms Filing
Forms Index/Filing Memorandum
Filing Number: 07-2190

Arkansas

FORM	SECTION AMENDED	DESCRIPTION
GSL2131XX (9-05)	Not Applicable	<u>Fiduciary Liability Solutions Policy Form</u>
GSL2130XX (9-05)	Not Applicable	<u>Declarations Page</u>
GSL1055 (10 05)	Not Applicable	<u>Fiduciary Liability Solutions Application for Insurance – New</u>
GSL1056 (10 05)	Not Applicable	<u>Fiduciary Liability Solutions Application for Insurance – Renewal</u>
GSL2055 (9-04)	Section VII. EXTENDED REPORTING PERIOD	<u>Bilateral Extended Reporting Period</u> This endorsement amends the policy to allow the insured to purchase the ERP if the insured cancels or non-renews.
GSL2056 (9-04)	Section VII. EXTENDED REPORTING PERIOD	<u>Circumstance Reporting in Optional ERP</u> – This optional form amends the policy to allow circumstance reporting during the ERP.
GSL2065 (10-04)	Section III. EXCLUSIONS	<u>Prior Acts Exclusion</u> – Amends the policy to include a prior acts exclusion.
GSL2069 (10-04)	Policy Period Section VII. EXTENDED REPORTING PERIOD Section VIII. CANCELLATION	<u>Run-Off Endorsement</u> – This optional form is endorsed to the policy when the Extended Reporting Period is purchased.
GSL2074 (10-04)	Section III. EXCLUSIONS	<u>Specified Proceeding Exclusion Endorsement</u> – This optional endorsement amends the policy to exclude specified proceedings or any fact, circumstance, situation, transaction or event underlying or alleged in such proceeding.
GSL2076 (10-04)	Section II. DEFINITIONS - Enhancement	<u>Newly Acquired Subsidiary Endorsement</u> – This optional endorsement is used to add newly acquired subsidiaries to the policy.
GSL2096 (11-04)	Section II. DEFINITIONS	<u>Application Definition to Include Specified Document Filing Timeframe</u> – This optional form amends the definition of Application to also mean any public documents filed by the Insured Entity no less than (date is filled-in) prior to inception of this Policy, with any federal, state, local or foreign regulatory agency, (including, but not limited to the Securities and Exchange Commission).
GSL2101 (11-04)	Section VI. REPORTING OF CLAIM/INTERRELATED CLAIM CLAUSE	<u>Reporting Of Claims Endorsement</u> – This optional endorsement is used to change the number of days in which a claim can be reported.

Fiduciary Liability Solutions Forms Filing
Forms Index/Filing Memorandum
Filing Number: 07-2190

Arkansas

GSL2111XX (11-04)	Section VII. EXTENDED REPORTING PERIOD	<u>Extended Reporting Period upon Named Insured Non-Renewal Endorsement</u> – This optional form allows the Named Insured to purchase an ERP if they elect to non-renew the Policy.
GSL2124XX (9-05)	Section II. DEFINITIONS	<u>Amendment to Definition of Employee to include Volunteers</u> -This optional endorsement amends the definition of Employee to include any volunteer whose work on behalf of the Insured Entity is directed and controlled by the Insured Entity.
GSL2125XX (9-05)	Section II, DEFINITIONS and Section XV. COVERAGE FOR NEW SUBSIDIARIES OF PLANS	<u>Coverage of Employee Stock Ownership Plans</u> -This optional endorsement amends the policy to cover ESOPs.
GSL2126XX (9-05)	Section X Application	<u>Amendment to Section X Application Imputation of Knowledge of Insured Person</u> - This optional endorsement amends Section X Application Imputation of Knowledge of Insured Person.
GSL2132XX (9-05)	Section III, EXCLUSIONS	<u>Amendment to Bodily Injury Exclusion</u> - This optional form amends the policy to cover Defense Costs for BIPD Claims.
GSL7132 (10-04)	Amends the entire Policy	<u>Trade and Economic Sanctions Endorsement</u> -This mandatory form clarifies that the policy does not provide coverage for transactions or loss that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.
GSL7143 (11-04)	Section II DEFINITIONS	<u>Definition of Executive to Include Scheduled Positions</u> -This optional form broadens the definition of Executives to include scheduled positions.
GSL7144 (11-04)	Section XV. COVERAGE FOR NEW SUBSIDIARIES	<u>Coverage for New Subsidiaries or Plan Asset Size Amendment</u> - This optional form provides coverage for New Subsidiaries Asset Size.
GSL7225XX (6-05)	Section III. EXCLUSIONS	<u>Claims against Specified Individuals Exclusion Endorsement</u> - This optional form excludes Loss in connection with any Claim made against specified individuals.

Fiduciary Liability Solutions Forms Filing
Forms Index/Filing Memorandum
Filing Number: 07-2190

Arkansas

GSL7228XX (6-05)	Section V, SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS	<u>Amendment of Hammer Clause</u> This optional form amends the policy to cover a specified percent of any additional Defense Costs and covered settlement amounts incurred after the time the Insurer made recommendations to settlement or compromise and the Insured withheld consent, which amount shall not exceed the remainder of such applicable limit of liability as specified in the Declarations.
GSL7233XX (6-05)	Section IV. LIMIT OF LIABILITY/RETENTION/PRESUMPTIVE INDEMNIFICATION	<u>Prior or Pending Date Applicable to Increased Limits</u>
GSL7234XX (6-05)	Section IV, LIMIT OF LIABILITY/RETENTION	<u>Midterm Increase in Limits Endorsement</u> -This optional endorsement is used to increase the limits midterm.
GSL7236XX (6-05)	Declarations Page	<u>Aggregate Retention Endorsement</u> -This optional endorsement is used to amend the Retention on the declarations page.
GSL7237XX (6-05)	Section II, DEFINITIONS	<u>Cap On Attorney Fees Endorsement</u> -Caps attorneys fees to a specified per hour fee.
GSL7324XX (9-05)	Section V, SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS	<u>Conditions for Advancement of Defense Costs</u> -This optional form amends the first paragraph of Section V of the policy to read - The Insurer, on behalf of the Insureds, shall advance Defense Costs no later than sixty (60) days after the receipt by the Insurer of itemized defense bills in excess of the applicable Retention.
GSL7325 (10-05)	The Definitions Section & the Exclusion Section	<u>Exclusion Of Certified Acts Of Terrorism</u> - This form is attached to the policy if the insured opts out of Terrorism coverage.
GSL7343XX (11-05)	Section III. EXCLUSIONS	<u>Failure To Effect Or Maintain Adequate Insurance Exclusion</u> -Excludes Loss in connection with the insureds failure to maintain adequate insurance.
GSL7344XX (11-05)	Section V, SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION	<u>Coinsurance Clause</u> - Adds a coinsurance payment for all Loss.

Fiduciary Liability Solutions Forms Filing
Forms Index/Filing Memorandum
Filing Number: 07-2190
Arkansas

G-139023-A (08-01)	The Declarations Page	<u>Amendment of the Declarations</u> - This optional form is used to change/clarify any item on the Declarations Page.
G-144894-A (01-03)	Entire Policy	<u>Policyholder Disclosure Notice Of Insurance Coverage For Acts Of Terrorism</u>
G-147020-A (09-03)	Entire Policy	<u>Coverage Of And Cap On Losses For "Certified Acts Of Terrorism"</u>
GSL7323XX (9-05)	Section V, SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS	<u>Conditions for Advancement of Defense Costs</u> -This optional form amends Section V, SETTLEMENT/DEFENSE OF CLAIMS/ALLOCATION OF LOSS/ADVANCEMENT OF DEFENSE COSTS, 5.c. Conditions for Advancement of Defense Costs to read "the Insureds agree to repay the Insurer any Defense Costs finally established not to be insured under this Policy.
GSL7541AR (11-04)	Section VIII. CANCELLATION	<u>CANCELLATION/NON-RENEWAL ENDORSEMENT – ARKANSAS –</u> Amends the cancellation provision to bring it into compliance with state requirements.
GSL7390AR (10-07)	Section III. EXCLUSIONS Section VII. EXTENDED REPORTING PERIOD Section XXIV. ALTERNATIVE DISPUTE RESOLUTION PROCESS	<u>AMENDATORY ENDORSEMENT – ARKANSAS</u> – Amends the policy to bring it into compliance with state requirements.
GSL7403AR (10-07)	Notice on Policy Form Notice on Declarations Page Section IV. LIMIT OF LIABILITY/RETENTION/PRESUMPTIVE INDEMNIFICATION Section V. SETTLEMENT/PAYMENT OF RETENTION/ADVANCEMENT OF DEFENSE COSTS/ALLOCATION	<u>SEPARATE DEFENSE COSTS LIMIT – ARKANSAS</u> – Amends the policy by including a separate limit of liability for defense costs.