

SERFF Tracking Number: ARKS-125458786 State: Arkansas  
Filing Company: 10690 - Allied World National Assurance Company State Tracking Number: #1820 \$50  
Company Tracking Number: DO-2007-002-F  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: n/a  
Project Name/Number: /

## Filing at a Glance

Company: 10690 - Allied World National Assurance Company

Product Name: n/a

SERFF Tr Num: ARKS-125458786 State: Arkansas

TOI: 17.0 Other Liability - Claims  
Made/Occurrence

SERFF Status: Closed

State Tr Num: #1820 \$50

Sub-TOI: 17.0006 Directors & Officers Liability Co Tr Num: DO-2007-002-F

State Status: Fees verified and  
received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi, Edith  
Roberts, Brittany Yielding

Author:

Disposition Date: 05/16/2008

Date Submitted: 01/28/2008

Disposition Status: Approved

Effective Date Requested (New):

Effective Date (New):

Effective Date Requested (Renewal):

Effective Date (Renewal):

State Filing Description:

42 forms

## General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 05/16/2008

State Status Changed: 05/16/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

## Company and Contact

### Filing Contact Information

SERFF Tracking Number: ARKS-125458786 State: Arkansas  
Filing Company: 10690 - Allied World National Assurance State Tracking Number: #1820 \$50  
Company  
Company Tracking Number: DO-2007-002-F  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: n/a  
Project Name/Number: /

NA NA, NA@NA.com  
NA (123) 555-4567 [Phone]  
NA, AR 00000

**Filing Company Information**

10690 - Allied World National Assurance CoCode: 10690 State of Domicile: New Hampshire  
Company  
25 Chestnut Street Group Code: Company Type: Property & Casualty  
Suite 105  
Haddonfield, NJ 08033 Group Name: State ID Number:  
(856) 216-0220 ext. [Phone] FEIN Number: 02-0493244  
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SERFF Tracking Number: ARKS-125458786 State: Arkansas  
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Company  
Company Tracking Number: DO-2007-002-F  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: n/a  
Project Name/Number: /

## Filing Fees

Fee Required? No  
Retaliatory? No  
Fee Explanation:  
Per Company: No

SERFF Tracking Number: ARKS-125458786 State: Arkansas  
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Company  
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Product Name: n/a  
Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	05/16/2008	05/16/2008

SERFF Tracking Number: ARKS-125458786 State: Arkansas  
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TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: n/a  
Project Name/Number: /

## Disposition

Disposition Date: 05/16/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.



*SERFF Tracking Number:* ARKS-125458786      *State:* Arkansas  
*Filing Company:* 10690 - Allied World National Assurance      *State Tracking Number:* #1820 \$50  
*Company*  
*Company Tracking Number:* DO-2007-002-F  
*TOI:* 17.0 Other Liability - Claims Made/Occurrence      *Sub-TOI:* 17.0006 Directors & Officers Liability  
*Product Name:* n/a  
*Project Name/Number:* /

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125458786 State: Arkansas  
Filing Company: 10690 - Allied World National Assurance State Tracking Number: #1820 \$50  
Company  
Company Tracking Number: DO-2007-002-F  
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0006 Directors & Officers Liability  
Product Name: n/a  
Project Name/Number: /

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** ARKS-125458786

05/16/2008

### Comments:

### Attachments:

ARKS-125458876 1.pdf  
ARKS-125458876 2.pdf  
ARKS-125458876 3.pdf  
ARKS-125458876 4.pdf  
ARKS-125458876 5.pdf  
ARKS-125458876 6.pdf  
ARKS-125458876 7.pdf



**WESTMONT ASSOCIATES, INC.**

January 10, 2008

*CHK # 1820  
\$ 50*

*ER*

The Honorable Julie Benafield-Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West 3rd Street  
Little Rock, AR 72201-1904

*ARKS-125458786*

**RECEIVED**  
JAN 14 2008  
PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

Attn: Property and Casualty Division

**RE: Allied World National Assurance Company**  
**NAIC #: 10690 FEIN #: 02-0493244**  
**Side "A" Directors and Officers Excess Liability Insurance Program**  
**New Program - Form Submission**  
**Effective Date: Upon Approval**  
**Filing Number: DO-2007-002-F**

Dear Commissioner Benafield-Bowman:

Enclosed please find attached Allied World National Assurance Company's ("AWNAC") new Side "A" Directors and Officers Excess Liability Insurance Form filing for your review and approval. A letter permitting Westmont Associates, Inc. to submit this filing on AWNAC's behalf is enclosed.

AWNAC is introducing its Side "A" Directors and Officers Excess Liability Insurance Program in your state. This is a new program and does not replace any currently filed forms in your jurisdiction. Please find attached the following information for your review:

- Side "A" Directors and Officers Excess Insurance Policy
- Side "A" Directors and Officers Excess Insurance Coverage Endorsements

Please note that a corresponding rate filing has been submitted under Company Filing #: DO-2007-002-R.

Your approval and/or acknowledgement of this submission is respectfully requested. Enclosed please find a self-addressed stamped envelope for your convenience in returning the duplicate copy of this filing, evidencing your approval and/or acknowledgment.

Respectfully submitted,

*Jennifer Waldron*  
Jennifer Waldron  
Supervisor

jenb@westmontlaw.com

Approved until withdrawn  
or revoked

*Feb 13 2008*

Arkansas Insurance Department  
By:

*ER*

Enclosures

cc: N. Stepanski - Westmont  
J. Wilkens - AWNAC

*- see attached email - contingent upon use of AR Amendatory End # DO 0004803 (05/07)*

**Edith Roberts**

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**To:** Meghan Slenkamp  
**Subject:** RE: Filing # D&O-2007-001-F

Dear Meghan:

I am returning this filing today. I am sorry it took me so long to process. It will have a stamped date of Feb. 13, 2007.

I am also attaching a copy of amendatory endorsement DO 00048 03 (05/07) to Filing # D&O 2007-002-F as it amends that filing as well.

Both filings are being returned today with the Feb 13 approval date.

Again, I apologize for taking so long to get these copied and match up for processing.

Have a great weekend!  
Edith

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**From:** Meghan Slenkamp [mailto:meghans@westmontlaw.com]  
**Sent:** Monday, May 05, 2008 9:02 AM  
**To:** Edith Roberts  
**Subject:** FW: Filing # D&O-2007-001-F

Ms. Roberts:

Please let me know the status of this filing.

I look forward to hearing back from you soon.

Thank you.

Meghan

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**From:** Meghan Slenkamp  
**Sent:** Monday, April 14, 2008 9:32 AM  
**To:** 'Edith Roberts'  
**Subject:** FW: Filing # D&O-2007-001-F

Ms. Roberts,

Good morning.

Please let me know if there has been any progress made in the review of this filing.

Thank you for your help.

Meghan

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**From:** Meghan Slenkamp  
**Sent:** Friday, March 14, 2008 4:01 PM  
**To:** 'Edith Roberts'

5/16/2008

**Subject:** RE: Filing # D&O-2007-001-F

Hi Edith,

Sure, this is for Allied World National Assurance Company, NAIC #10690.

Thank you.

Meghan

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**From:** Edith Roberts [mailto:Edith.Roberts@arkansas.gov]

**Sent:** Friday, March 14, 2008 3:56 PM

**To:** Meghan Slenkamp

**Subject:** RE: Filing # D&O-2007-001-F

Hello, Meghan.

Can you tell me which company this is on?

Thanks.

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**From:** Meghan Slenkamp [mailto:meghans@westmontlaw.com]

**Sent:** Friday, March 14, 2008 2:54 PM

**To:** Edith Roberts

**Cc:** Wilkens, John

**Subject:** RE: Filing # D&O-2007-001-F

Edith,

Good afternoon.

It has recently come to the Company's attention that our response to your concerns dated 2/13/08 did not adequately address your concerns. Please find attached the Company's revised Arkansas Amendatory Endorsement for your review and approval.

If you have any questions, please do not hesitate to contact me.

Thank you.

Meghan

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**From:** Meghan Slenkamp

**Sent:** Wednesday, February 13, 2008 9:55 AM

**To:** 'Edith Roberts'

**Cc:** Wes Pohler; Jennifer Waldron; Sherri Penn; Mary Lenti; Nancy Stepanski; Colonna, Karen; 'Wilkens, John'

**Subject:** Filing # D&O-2007-001-F

Ms. Roberts,

Good morning.

In response to your e-mail Objection Letter dated February 11, 2008, please find attached a revised Arkansas Amendatory Endorsement which will respond to the inquiries with respect to the policy form DO 00028 00 (05/07), with respect to arbitration, and the extended reporting period (Discovery Period).

5/16/2008

With regard to your concern regarding DO 00132 00 (05/07), please note that per your conversation with Mr. John Wilkens, this form no longer requires any revision.

I hope this satisfactorily addressed all remaining issues regarding this filing.

If you have any questions, please do not hesitate to contact me.

Thank you.

Meghan

Meghan Slenkamp  
Westmont Associates, Inc.  
25 Chestnut Street, Suite 105  
Haddonfield, NJ 08033  
(856) 216-0220 (Phone)  
(856) 216-0303 (Fax)

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

#### ARKANSAS AMENDATORY ENDORSEMENT

This endorsement modifies insurance coverage provided under the DIRECTORS & OFFICERS AND CORPORATE LIABILITY INSURANCE POLICY.

A. It is understood and agreed that Clause 4. LIMIT OF LIABILITY is deleted in its entirety and replaced by the following:

#### 4. LIMIT OF LIABILITY

The Limit of Liability stated in Item 3 A. of the Declarations is the aggregate limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insured(s)** during the **Policy Period** and reported to the **Insurer** in accordance with the terms and conditions of this policy, including all **Claims** reported to the **Insurer** during the Discovery Period (if applicable). The **Insurer's** maximum liability for any combination of losses during the same **Policy Period** or Discovery Period (if applicable) shall be the Limit of Liability listed in Item 3 A. of the Declarations.

The Sub-Limit of Liability stated in Item 3 B. of the Declarations is the aggregate limit of the **Insurer's** liability for **Investigative Costs** arising out of all **Shareholder Derivative Demands**. Such sub-limit is part of, and not in addition to, the Limit of Liability set forth in Item 3 A. of the Declarations.

**Defense Costs** are not payable by the **Insurer** in addition to any Limit of Liability, and payments of **Loss**, including **Defense Costs**, by the **Insurer** reduce the Limit of Liability. **Defense Costs** are part of **Loss** and are subject to the Limit of Liability stated in Item 3 of the Declarations. However, for an additional premium the **Company** may purchase a separate limit for **Defense Costs** equal to 100% of the Limit of Liability. Such separate limit for **Defense Costs** purchased shall not be part of and shall be in addition to the Limit of Liability stated in Item 3 of the Declarations.

B. It is understood and agreed that Clause 8. DISCOVERY CLAUSE is deleted in its entirety and replaced by the following:

#### 8. DISCOVERY CLAUSE

If the **Company** or the **Insurer** shall cancel for any reason, refuse to renew this policy or upon the occurrence of an **Organizational Change** as defined in Clause 12, the **Insured(s)** shall be entitled to a Discovery Period of one (1) year, two (2) years or three (3) years following the effective date of such non-renewal or **Organizational Change**, upon payment of the Discovery Period Premium specified in Item 7 of the Declarations, in which to give to the **Insurer** written notice pursuant to Clause 6 of this policy of **Claims** made against an **Insured** solely with respect to **Wrongful Acts** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The Discovery Period Premium shall be fully earned at the inception of the Discovery

Period. The Discovery Period is not cancellable. The rights contained in this Clause 9 shall terminate unless written notice of election of a Discovery Period together with any additional premium due is received by the **Insurer** no later than sixty (60) days subsequent to the effective date of the non-renewal or **Organizational Change**. This automatic sixty (60) day Discovery Period is provided at no charge. At the end of the automatic sixty (60) day Discovery Period, the **Insurer** will offer the Discovery Period as described above which will have a Limit of Liability equal to the amount of coverage remaining on the expiring policy or 50% of the Limit of Liability at policy inception, whichever is greater.

- C. It is understood and agreed that Clause 11. CANCELLATION CLAUSE is deleted in its entirety and replaced by the following:

#### 11. CANCELLATION CLAUSE

This policy may be cancelled by the **Insureds**, only by sending written prior notice to the **Insurer** or by surrender of this policy to the **Insurer** or its authorized agent at the address set forth in Item 8 B. of the Declarations and written notice stating when thereafter the cancellation shall be effective. The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender.

This policy shall not be cancelled by or on behalf of the **Insurer** except by reason of non-payment of the premium set forth in Item 6 of the Declarations. The **Insurer** may cancel the policy by delivering to the **Company** or by mailing to the **Company**, by registered mail, or by courier at the **Company's** address set forth in the Declarations and to any lienholder or loss payee named in the policy, written notice stating when, not less than twenty (20) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. In the event of such cancellation, the policy will be deemed terminated as of the inception of the **Policy Period**.

If this policy is cancelled by the **Insureds**, the **Insurer** shall retain the customary short rate (90% of pro rata) proportion of the premium herein.

Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

- D. It is understood and agreed that Clause 20. ALTERNATIVE DISPUTE RESOLUTION is deleted in its entirety and replaced by the following:

#### 20. ALTERNATIVE DISPUTE RESOLUTION

It is hereby understood and agreed that all disputes or differences that may arise under this policy, whether arising before or after termination of this policy, including any determination of the amount of **Loss** or the formation and validity of this policy, shall be subject to the alternative dispute resolution ("ADR") process set forth in this clause.

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

The **Insurer** and **Insureds** agree that there shall be two choices of ADR: (1) non-binding mediation administered by the American Arbitration Association, in which the **Insurer** and **Insureds** shall try in good faith to settle the dispute by mediation under or in accordance with its then-prevailing Commercial Mediation Rules; or (2) non-binding arbitration submitted to the American Arbitration Association under or in accordance with its then-prevailing Commercial Arbitration Rules, in which the arbitration panel shall be composed of three disinterested individuals. In either mediation or arbitration, the mediator(s) or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute.

The arbitrators shall also give due consideration to the general principles of the law of the state where the **Company** is incorporated in the construction or interpretation of the provisions of this policy; provided, however, that the terms, conditions, provisions and exclusions of this policy are to be construed in an even-handed fashion in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the policy. In the event of arbitration, the decision of the arbitrators shall be provided to both parties, and the arbitrators' award shall not include attorneys' fees or other costs. In the event of either arbitration or mediation, either party shall have the right to commence a judicial proceeding; provided, however, that no such judicial proceeding shall be commenced until the arbitration or mediation shall have been terminated and at least one-hundred-twenty (120) days shall have elapsed from the date of the termination of the arbitration or mediation. In all events, each party shall share equally the expenses of the ADR.

Either choice of ADR may be commenced in New York, New York; Atlanta, Georgia; Chicago, Illinois; Denver, Colorado; or in the state indicated in Item 1 of the Declarations as the mailing address for the **Company**. The **Company** shall act on behalf of all **Insureds** in the selection of ADR in accordance with this Clause 20 for all **Claims** arising under Insuring Agreement B., C. or D.

E. It is understood and agreed that the following Clauses are added to the policy:

#### **NONRENEWAL**

If the **Insurer** decides not to renew this policy, the **Insurer** will mail or deliver written notice of nonrenewal to the **Company** at the address set forth in the Declarations and to any lienholder or loss payee named in the policy at least sixty (60) days before the expiration date of the policy. Proof of mailing of any notice shall be sufficient proof of notice.

#### **RENEWAL WITH PREMIUM INCREASE**

If the **Insurer** decides to increase the current policy premium by more than 25%, the **Insurer** will deliver or mail by first class mail to the **Company** at the address set forth in the Declarations written notice advising of the **Insurer's** action, which will include the amount of premium increase at least thirty (30) days before the expiration date of the policy. Proof of mailing of any notice shall be sufficient proof of notice.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE



January 1, 2008

RE: Allied World National Assurance Company  
NAIC #: 10690  
FEIN #: 02-0493244  
Letter of Authorization  
Filing of Forms, Rates and Rules

RECEIVED

JAN 14 2008  
PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

To Whom It May Concern:

In accordance with the applicable statutes and regulations of your state, Nancy Stepanski, Wesley Pohler, Jennifer Waldron and Westmont Associates, Inc. are hereby authorized to file form, rate and rule filings on behalf of the Company.

Sincerely,

A handwritten signature in black ink that reads 'John R. Wilkens'.

John R. Wilkens  
AVP - Senior Regulatory & Compliance Specialist

199 Water Street  
16th Floor  
New York NY 10038  
U.S.A.

T. 212 635 5900  
F. 212 635 5532

E. [info@awac.com](mailto:info@awac.com)  
[www.awac.com](http://www.awac.com)

## Property & Casualty Transmittal Document (Revised 1/1/06)

AR \_\_\_\_\_

**1. Reserved for Insurance Dept. Use Only**

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**2. Insurance Department Use Only**

a. Date the filing is received:	
b. Analyst:	
c. Disposition:	
d. Date of disposition of the filing:	
e. Effective date of filing: <b>RECEIVED</b>	
New Business	
Renewal Business	
f. State Filing #: <b>JAN 14 2008</b>	
g. SERFF Filing #: <b>PROPERTY AND CASUALTY DIVISION</b>	
h. Subject Codes: <b>ARKANSAS INSURANCE DEPARTMENT</b>	

<b>3. Group Name</b>	<b>Group NAIC #</b>
None	n/a

4. Company Name(s)	Domicile	NAIC #	FEIN #
Allied World National Assurance Company	NH	10690	02-0493244

<b>5. Company Tracking Number</b>	DO-2007-002-F
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**Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]**

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Jennifer Waldron Westmont Associates, Inc.	Supervisor	(856) 216-0220	(856) 216-0303	jenb@westmontlaw.com
	25 Chestnut St., Suite 105 Haddonfield, NJ 08033				
7.	Signature of authorized filer				
8.	Please print name of authorized filer: Jennifer Waldron				

**Filing information (see General Instructions for descriptions of these fields)**

9.	Type of Insurance (TOI),	Please select from the drop down list. 17.0 Other Liability
10.	Sub-Type of Insurance (Sub-TOI)	17.0006 - Directors & Officers Liability
11.	State Specific Product code(s) (if applicable) [See State Specific Requirements]	N/A
12.	Company Program Title (marketing title)	Side "A" Directors & Officers Excess Liability Program
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other: _____
14.	Effective Date(s) Requested	New/Upon Approval      Renewal: Upon Approval
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	n/a
17.	Reference Organization # & Title	n/a
18.	Company's Date of Filing	1/10/08
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document ---

20. This filing transmittal is part of Company Tracking # DO-2007-002-F

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

Submission of Side "A" Directors & Officers Liability Form Filing

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 #: 1820  
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.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	DO-2007-002-F			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	DO-2007-002-R			
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	Side "A" Directors & Officers Excess & "DIC" Insurance Policy Declarations	DO 00030 00 (09/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Side "A" Directors & Officers Excess & "DIC" Insurance Policy	DO 00032 00 (09/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	EXCLUSION OF CERTIFIED ACTS OF TERRORISM & OTHER ACTS OF TERRORISM	DO 00012 00 (03/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Policyholder Disclosure Statement Under the Terrorism Risk Insurance Act of 2002	DO 00014 00 (03/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	EXCLUSION OF CERTIFIED ACTS OF TERRORISM	DO 00040 00 (03/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	EXCLUSION OF TERRORISM OTHER THAN CERTIFIED ACTS OF TERRORISM	DO 00041 00 (03/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Amend Declarations Page - Company's Address	DO 00051 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Amend Declarations Page - Policy Period Extension	DO 00052 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Amend Declarations Page - (Blank)	DO 00053 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Add PPL Exclusion (All Claims, including investigations)	DO 00054 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

## 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.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	DO-2007-002-F			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	DO-2007-002-R			
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
11	Add PPL Exclusion (All Claims, including investigations; multiple dates)	DO 00055 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
12	Add PPL Exclusion (Claims Against Persons)	DO 00056 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
13	Add PPL Exclusion (Claims Against Insured Persons; multiple dates)	DO 00057 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
14	Add PPL Exclusion (All Claims, Except Investigations)	DO 00058 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
15	Add PPL Exclusion (All Claims, Except Investigations; Multiple Dates)	DO 00059 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
16	Add Prior Acts Exclusion	DO 00060 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
17	Add Specific Litigation/Event Exclusion	DO 00061 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
18	Add Specific Litigation/Event Exclusion (includes SEC filings)	DO 00062 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
19	Amend Conduct Exclusions - Final Adjudication	DO 00063 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
20	Amend Prior Notice Exclusion (Broad Form Version)	DO 00064 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

## 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.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	DO-2007-002-F			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	DO-2007-002-R			
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
21	DELETE EXCLUSION (BLANK)	DO 00065 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
22	Additional Professional Services Exclusion	DO 00066 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
23	Amend Definition of Application (Public Filings not Included)	DO 00067 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
24	Amend Definition of Application (SEC Filings Only)	DO 00068 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
25	Amend Definition of Subsidiary - Change Asset Threshold (Short Version)	DO 00069 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
26	Amend Definition of Subsidiary - Change Asset Threshold	DO 00070 00 (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
27	Amend Definition of Subsidiary - Change Asset Threshold (90 Days to Report)	DO 00071 00 (01/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
28	Amend Definition of Subsidiary - (No Asset Threshold))	DO 00072 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
29	Amend Definition of Outside Entity (Add Insured Persons for Specific Entities with P&P Date)	DO 00073 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
30	Amend Definition of Outside Entity (Add Specific Entities with P&P Date)	DO 00074 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

### FORM FILING SCHEDULE

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1.	<b>This filing transmittal is part of Company Tracking #</b>	DO-2007-002-F
2.	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	DO-2007-002-R

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
31	Amend Definition of Outside Entity (Add For Profit Entities)	DO 00075 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
32	Amend Notice Provisions (60 Days Post Policy Reporting)	DO 00076 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
33	Amend Notice Provisions (60 Days Post Policy Reporting; "ASAP for Underlying Policy Changes)	DO 00077 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
34	Amend Discovery Clause (60 Days to Elect)	DO 00078 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
35	Amend Discovery Clause (Include Notice of Circumstances; 60 Days to Elect)	DO 00079 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
36	Run-Off Endorsement	DO 00080 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
37	Run-Off Endorsement (Include Notice of Circumstances)	DO 00081 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
38	Amend Choice of Law	DO 00082 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
39	Follow Form of Primary Policy Exclusion	DO 00083 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
40	Follow Form of Underlying Section 11 and 12 Coverage	DO 00084 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

### FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)  
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<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	DO-2007-002-F
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	DO-2007-002-R

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
41	Delete Endorsement (Blank)	DO 00085 00 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
42	Arkansas Amendatory Endorsement	DO 00047 03 (05/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
43			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
44			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
45			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
46			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
47			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
48			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
49			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
50			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

## ALLIED WORLD NATIONAL ASSURANCE COMPANY

### EXCESS SIDE A AND LEAD AND LEAD DIC LIABILITY FORMS LIST

DO 00030 00 (09/07) SIDE "A" DIRECTORS & OFFICERS EXCESS & LEAD DIFFERENCE-IN-CONDITIONS ("DIC")  
INSURANCE POLICY DECLARATIONS

DO 00032 00 (09/07) SIDE "A" DIRECTORS & OFFICERS EXCESS & LEAD DIFFERENCE-IN-CONDITIONS ("DIC")  
INSURANCE POLICY

DO 00012 00 (03/07) EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND OTHER ACTS OF TERRORISM

DO 00014 00 (03/07) POLICYHOLDER DISCLOSURE STATEMENT UNDER THE TERRORISM RISK INSURANCE  
ACT OF 2002

DO 00040 00 (03/07) EXCLUSION OF CERTIFIED ACTS OF TERRORISM

DO 00041 00 (03/07) EXCLUSION OF TERRORISM OTHER THAN CERTIFIED ACTS OF TERRORISM

DO 00051 00 (05/07) AMEND DECLARATIONS PAGE - COMPANY'S ADDRESS

DO 00052 00 (05/07) AMEND DECLARATIONS PAGE - POLICY PERIOD EXTENSION

DO 00053 00 (05/07) AMEND DECLARATIONS PAGE - (BLANK)

DO 00054 00 (05/07) ADD PPL EXCLUSION (ALL CLAIMS, INCLUDING INVESTIGATIONS)

DO 00055 00 (05/07) ADD PPL EXCLUSION (ALL CLAIMS, INCLUDING INVESTIGATIONS; MULTIPLE DATES)

DO 00056 00 (05/07) ADD PPL EXCLUSION (CLAIMS AGAINST PERSONS)

DO 00057 00 (05/07) ADD PPL EXCLUSION (CLAIMS AGAINST INSURED PERSONS; MULTIPLE DATES)

DO 00058 00 (05/07) ADD PPL EXCLUSION (ALL CLAIMS, EXCEPT INVESTIGATIONS)

DO 00059 00 (05/07) ADD PPL EXCLUSION (ALL CLAIMS, EXCEPT INVESTIGATIONS; MULTIPLE DATES)

DO 00060 00 (05/07) ADD PRIOR ACTS EXCLUSION

DO 00061 00 (05/07) ADD SPECIFIC LITIGATION/EVENT EXCLUSION

DO 00062 00 (05/07) ADD SPECIFIC LITIGATION/EVENT EXCLUSION (INCLUDES SEC FILINGS)

DO 00063 00 (05/07) AMEND CONDUCT EXCLUSIONS - FINAL ADJUDICATION

DO 00064 00 (05/07) AMEND PRIOR NOTICE EXCLUSION (BROAD FORM VERSION)

DO 00065 00 (05/07) DELETE EXCLUSION (BLANK)

DO 00066 00 (05/07) ADD PROFESSIONAL SERVICES EXCLUSION

DO 00067 00 (05/07) AMEND DEFINITION OF APPLICATION (PUBLIC FILINGS NOT INCLUDED)

DO 00068 00 (05/07) AMEND DEFINITION OF APPLICATION (SEC FILINGS ONLY)

DO 00069 00 (05/07) AMEND DEFINITION OF SUBSIDIARY - CHANGE ASSET THRESHOLD (SHORT VERSION)

DO 00070 00 (01/08) AMEND DEFINITION OF SUBSIDIARY - CHANGE ASSET THRESHOLD

DO 00071 00 (01/08) AMEND DEFINITION OF SUBSIDIARY - CHANGE ASSET THRESHOLD (90 DAYS TO  
REPORT)

DO 00072 00 (05/07) AMEND DEFINITION OF SUBSIDIARY - (NO ASSET THRESHOLD)

DO 00073 00 (05/07) AMEND DEFINITION OF OUTSIDE ENTITY (ADD INSURED PERSONS FOR SPECIFIC  
ENTITIES WITH P&P DATE)

DO 00074 00 (05/07) AMEND DEFINITION OF OUTSIDE ENTITY (ADD SPECIFIC ENTITIES WITH P&P DATE)

DO 00075 00 (05/07) AMEND DEFINITION OF OUTSIDE ENTITY (ADD FOR PROFIT ENTITIES)

DO 00076 00 (05/07) AMEND NOTICE PROVISIONS (60 DAYS POST POLICY REPORTING)

DO 00077 00 (05/07) AMEND NOTICE PROVISIONS (60 DAYS POST POLICY REPORTING; "AS SOON AS PRACTICABLE FOR  
UNDERLYING POLICY CHANGES)

DO 00078 00 (05/07) AMEND DISCOVERY CLAUSE (60 DAYS TO ELECT)

DO 00079 00 (05/07) AMEND DISCOVERY CLAUSE (INCLUDE NOTICE OF CIRCUMSTANCES; 60 DAYS TO ELECT)

DO 00080 00 (05/07) RUN-OFF ENDORSEMENT

DO 00081 00 (05/07) RUN-OFF ENDORSEMENT (INCLUDE NOTICE OF CIRCUMSTANCES)

DO 00082 00 (05/07) AMEND CHOICE OF LAW

DO 00083 00 (05/07) FOLLOW FORM OF PRIMARY POLICY EXCLUSION

DO 00084 00 (05/07) FOLLOW FORM OF UNDERLYING SECTION 11 AND 12 COVERAGE

DO 00085 00 (05/07) DELETE ENDORSEMENT (BLANK)





**ALLIED WORLD NATIONAL ASSURANCE COMPANY**  
225 Franklin Street, Boston, MA 02110 • Tel. (857) 288-6000 • Fax (617) 556-8060

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**SIDE 'A' DIRECTORS & OFFICERS EXCESS AND  
LEAD DIFFERENCE-IN-CONDITIONS ("DIC") INSURANCE POLICY**

**POLICY NUMBER:  
RENEWAL OF:**

**NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS GENERALLY LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE THEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.**

**NOTICE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE COSTS. AMOUNTS INCURRED FOR DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.**

**NOTICE: THE INSURER DOES NOT ASSUME ANY DUTY TO DEFEND.**

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**DECLARATIONS**

**ITEM 1: COMPANY:**

**ADDRESS:**

**ITEM 2: POLICY PERIOD:**

**From: To:**  
(12:01 a.m. Standard Time at the address stated in Item 1)

**ITEM 3: LIMIT OF LIABILITY:**

**\$**  
aggregate for all Loss under this policy, including Defense Costs

**EXCESS OF TOTAL UNDERLYING LIMITS OF:**

**ITEM 4: REINSTATED LIMIT OF LIABILITY: \$**

aggregate for all Loss under this policy, including Defense Costs



DECLARATIONS (continued)

POLICY NO.:

ITEM 5: PREMIUM:

ITEM 6: DISCOVERY PERIOD:

A. DISCOVERY PERIOD PREMIUM: \_\_\_\_\_ % of premium set forth in Item 5 above

B. DISCOVERY PERIOD: \_\_\_\_\_ months

ITEM 7: ADDRESS OF INSURER FOR NOTICES UNDER THIS POLICY:

A. Claims-Related Notices:

ALLIED WORLD NATIONAL ASSURANCE COMPANY  
ATTN: CLAIMS DEPARTMENT  
225 FRANKLIN STREET  
BOSTON, MA 02110

B. All Other Notices:

ALLIED WORLD NATIONAL ASSURANCE COMPANY  
ATTN: PROFESSIONAL LIABILITY UNDERWRITING  
199 WATER STREET  
NEW YORK, NY 10038

ITEM 8: SCHEDULE OF PRIMARY AND UNDERLYING EXCESS POLICIES:

Primary Policy:

Insurer	Policy Number	Limits	Policy Period
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Excess Policy(ies):

Insurer	Policy Number	Limits	Policy Period
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In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.



President



Asst. Secretary

**AUTHORIZED REPRESENTATIVE**



## ALLIED WORLD NATIONAL ASSURANCE COMPANY

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### SIDE 'A' DIRECTORS & OFFICERS EXCESS AND LEAD DIFFERENCE-IN-CONDITIONS ("DIC") INSURANCE POLICY

In consideration of the payment of the premium and in reliance upon the **Application**, ALLIED WORLD NATIONAL ASSURANCE COMPANY, herein called the "**Insurer**", agrees as follows:

#### 1. INSURING AGREEMENT

##### A. NON-INDEMNIFIABLE LOSS AND DIC COVERAGE

This policy shall pay the **Non-Indemnifiable Loss** of any **Insured Person**, arising from any **Claim** first made during the **Policy Period** (or **Discovery Period** if applicable) and reported to the **Insurer** in accordance with the terms of this policy against such **Insured Person** for any **Wrongful Act**. If a **DIC Event** occurs, this policy will drop down and pay that portion of the **Non-Indemnifiable Loss** not otherwise paid by any **Underlying Insurer**.

##### B. FOLLOW FORM EXCESS NON-INDEMNIFIABLE LOSS AND DIC COVERAGE

In the event:

- (i) a **Claim** is covered, in whole or in part, by an **Underlying Policy**, or would be covered if the limits of such policy had not been reduced or exhausted; and
- (ii) such **Claim** would be covered under this policy except that the terms and conditions of this policy are inconsistent with those of the **Underlying Policy**,

then this policy is amended solely with respect to such **Claim** to provide coverage in accordance with the terms and conditions of the **Underlying Policy**; however, such coverage shall be subject to the following terms of this policy: Item 3 of the Declarations (Limit of Liability); Item 4 of the Declarations (Reinstated Limit of Liability); Clause 4. LIMIT OF LIABILITY; Clause 5. NOTICE PROVISIONS; Clause 6. ADVANCEMENT OF DEFENSE COSTS; Clause 7. CLAIM PARTICIPATION; Clause 9. REPRESENTATIONS AND SEVERABILITY; Clause 10. CANCELLATION CLAUSE; Clause 11. ORGANIZATIONAL CHANGES; Clause 12. OTHER INSURANCE AND INDEMNIFICATION; Clause 17. SUBROGATION; and Clause 18. ALTERNATIVE DISPUTE RESOLUTION.

This policy shall not cover the **Company** for any **Claim** made against the **Company** or for any amounts that the **Company** pays to indemnify, or pays on behalf of, any **Insured Person**.

#### 2. DEFINITIONS

- (a) "**Application**" means each and every signed application, including any attachments and other materials submitted therewith or incorporated therein, submitted in connection with the underwriting of this policy or the underwriting of any other policy issued by the **Insurer**, or any of its affiliates, of which this policy is a renewal, replacement or which it succeeds in time, and any public documents filed by the **Company** with any federal, state, or local or foreign regulatory agency, including but not limited to the U.S.



Securities and Exchange Commission ("SEC"), during the twelve (12) months prior to the inception of the **Policy Period**.

(b) "**Claim**" means any:

- (i) written demand for monetary, non-monetary or injunctive relief made against an **Insured Person**;
- (ii) judicial, administrative, regulatory or arbitration proceeding, whether civil or criminal, for monetary, non-monetary or injunctive relief commenced against an **Insured Person**, including any appeal therefrom;
- (iii) civil, criminal, administrative or regulatory investigation of an **Insured Person**, including any investigation by the SEC or any similar authority in any jurisdiction, which is commenced by the filing or issuance of a notice of charges, formal investigative order or similar document identifying any **Insured Person** as a person against whom a proceeding identified in (ii) above may be commenced; or
- (iv) written notice to the **Insurer** by the **Insured Person** and/or the **Company** during the **Policy Period** of any circumstances that reasonably may be expected to give rise to a **Claim** described in (i), (ii) or (iii) above.

"**Claim**" includes any **Employment Practices Claim**.

Multiple demands, proceedings, investigations or circumstances arising from or involving the same or related **Wrongful Act(s)** shall be deemed a single **Claim** and shall be considered made at the time when the first such demand, proceeding, investigation or circumstance was first reported to the **Insurer**.

(c) "**Company**" means:

- (i) the entity identified in Item 1 of the Declarations;
- (ii) any **Subsidiary** of the entity described in (i) above; and
- (iii) any entity described in (i) or (ii) above as a debtor, a debtor-in-possession or equivalent status.

(d) "**Defense Costs**" means:

- (i) reasonable and necessary fees, costs, charges or expenses resulting from the investigation, defense or appeal of a **Claim**;
- (ii) premium for an appeal, attachment or similar bonds, but without any obligation to apply for and obtain such bonds;
- (iii) reasonable and necessary fees, costs, charges and expenses incurred in response to any extradition or similar proceeding brought against an **Insured Person** in connection with a **Wrongful Act**; and
- (iv) any fees, costs, charges or expenses incurred by the **Insured Person** at the request of the **Insurer** to assist the **Insurer** in the investigation, defense or appeal of a **Claim**.

“Defense Costs” does not include: (i) amounts incurred prior to the date a **Claim** is first made, or (ii) except as stated in (iv) above, compensation or benefits of any **Insured Person** or other employees of the **Company** or any overhead expenses of the **Company**.

- (e) “**DIC Event**” means any of the following:
- (i) actual or intended avoidance, rescission or cancellation of any **Underlying Policy** by an **Underlying Insurer**;
  - (ii) during or after the **Policy Period**, any **Underlying Insurer** being subject to a receivership, liquidation, dissolution, rehabilitation or any similar proceeding or being taken over by any regulatory authority;
  - (iii) wrongful refusal of an **Underlying Insurer** to provide coverage to any **Insured Person(s)** as required by the terms and conditions of the **Underlying Policy**;
  - (iv) rightful refusal of an **Underlying Insurer** to provide coverage to any **Insured Person(s)** pursuant to the terms and conditions of the **Underlying Policy**; or
  - (v) inability of an **Underlying Insurer** to provide coverage to any **Insured Person(s)** due to an order in a liquidation or reorganization proceeding of a **Company**, but only in the event such order (or any similar order) does not also apply to the **Insurer**.
- (f) “**Employment Practices Claim**” means a **Claim** brought and maintained by or on behalf of any past, present or prospective employee of the **Company** or **Outside Entity**, or any applicant for employment with the **Company** or **Outside Entity**, alleging an **Employment Practices Wrongful Act**.
- (g) “**Employment Practices Wrongful Act**” means any actual, alleged or constructive:
- (i) refusal to employ;
  - (ii) termination of employment; or
  - (iii) coercion, demotion, retaliation, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, or other employment-related practices, policies, acts or omissions.
- (h) “**Independent Director(s)**” means any past, present or future director or **Manager** of the **Company** who is not, and never has been, an executive officer or employee of any **Company**.
- (i) “**Insured Person(s)**” means:
- (i) any past, present or future duly elected or appointed director, officer, trustee or governor of a corporation, or management committee member of a joint venture or a **Manager**;
  - (ii) any past, present or future general counsel, comptroller or risk manager of the **Company** or the equivalent of any such position;
  - (iii) with respect to any **Company** incorporated or based outside the United States, the equivalent of any position described in (i) or (ii) above in any such other jurisdiction;

(iv) any other persons not described in (i), (ii) or (iii) above who were, now are or shall be full-time, part-time, seasonal or temporary employees of the **Company**; however, such persons are **Insured Persons** only if the **Claim** against such person is also made against a person described in (i), (ii) or (iii) above; or

(v) any **Outside Entity Insured Person**.

“**Insured Person(s)**” will not be construed to include the **Company** or any other entity.

(j) “**Loss**” means any and all amounts the **Insured Persons** are legally liable to pay on account of a **Claim**, including:

(i) damages, settlements or judgments;

(ii) pre-judgment or post-judgment interest;

(iii) costs or fees awarded in favor of the claimant;

(iv) punitive, exemplary or the multiplied portion of a multiple damages award, except with respect to an **Employment Practices Claim**, but only to the extent such damages are insurable under the applicable law most favorable to the insurability of such damages; provided, however, if an **Insured Person** presents a written opinion from legal counsel stating that such damages are insurable under such applicable law, the **Insurer** shall not challenge that determination;

(v) civil or criminal fines or penalties imposed by law, including civil penalties assessed under Section 308 of the Sarbanes-Oxley Act of 2002, but only to the extent such fines or penalties are insurable under the applicable law most favorable to the insurability of such fines or penalties, as established in (iv) above;

(vi) civil penalties assessed against an **Insured Person** pursuant to Section 2(g)(2)(B) of the Foreign Corrupt Practices Act, 15 U.S.C. 78dd-2(g)(2)(B), or similar law in any other jurisdiction; or

(vii) **Defense Costs**.

“**Loss**” does not include:

(i) any amounts for which the **Insured Persons** are not legally liable;

(ii) any amounts which are without legal recourse to the **Insured Persons**;

(iii) taxes;

(iv) any amounts paid or incurred in complying with a judgment or settlement for non-monetary or injunctive relief; or

(v) matters which may be deemed uninsurable under applicable law.

However, this policy shall provide coverage for **Defense Costs** incurred in a **Claim** involving any amounts, taxes or matters described in (i) to (v) above.

- (k) **"Manager"** means any natural person who was, now is or shall become a manager, member of the board of managers or equivalent executive of a **Company** or an **Outside Entity** that is a limited liability company.
- (l) **"Non-Indemnifiable Loss"** means:
- (i) Loss for which the **Company** or **Outside Entity** is neither permitted nor required to indemnify an **Insured Person**; or
  - (ii) Loss for which the **Company** or **Outside Entity** either has refused to indemnify an **Insured Person**, as permitted or required, or is financially unable to indemnify.

However, Loss referenced in (ii) above shall be deemed **Non-Indemnifiable Loss** only if such **Insured Person** complies with Clause 17. SUBROGATION.

- (m) **"Outside Entity"** shall mean (i) any not-for-profit entity or (ii) any other entity listed as such by endorsement to this policy, for which an **Insured Person** acts as a director, officer, trustee or governor (or the equivalent thereof). Any such **Insured Person** shall be referred to hereafter as an **"Outside Entity Insured Person"**.
- (n) **"Policy Period"** shall mean the period of time from the inception date shown in Item 2 of the Declarations to the earlier of the expiration date shown in Item 2 of the Declarations or the effective date of cancellation of this policy.
- (o) **"Subsidiary"** shall mean any for-profit entity in which more than 50% of the outstanding securities representing the present right to vote for the election of directors or **Managers**:
- (i) is owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** on or before the inception of the **Policy Period**; or
  - (ii) is first owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** during the **Policy Period** and:
    - (a) whose assets total less than 35% of the total consolidated assets of the **Company** as of its most recently filed Form 10-Q; or
    - (b) whose assets total 35% or more than the total consolidated assets of the **Company** as of its most recently filed Form 10-Q, but only if the **Company** shall have provided the **Insurer** with full particulars of the new **Subsidiary** within sixty (60) days after its creation or acquisition and pays any additional premium with respect to such entity within thirty (30) days after requested by the **Insurer**.

In any event, coverage as is afforded under this policy relating to any **Wrongful Act** concerning a subsidiary with respect to a **Claim** made against any **Insured Person** shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time a **Subsidiary** became a **Subsidiary**, and prior to the effective time that such **Subsidiary** ceases to be a **Subsidiary**.

- (p) **"Underlying Aggregate Limit"** means an amount equal to the aggregate of all the limits of liability of the **Underlying Policies** combined (excess of their retentions).
- (q) **"Underlying Insurer(s)"** means the insurer(s) that have issued the **Underlying Policies**.

- (r) “**Underlying Policies**” means the Primary and Underlying Excess Policies set forth in Item 8 of the Declarations.
- (s) “**Whistleblower Activity**” means any activity specified in 18 U.S.C. 1514A(a) other than the activity of “filing or causing to be filed” any proceeding under 18 U.S.C. 1514A(a)(2) and any other activity specified in 18 U.S.C. 1514A(a)(2).
- (t) “**Wrongful Act(s)**” means any actual or alleged act, error, omission, neglect, breach of duty, breach of trust, misstatement, misleading statement, professional service or advice provided to the **Company**, by an **Insured Person** in his or her capacity as such or any matter claimed against an Insured Person by reason of such capacity. “**Wrongful Act(s)**” also means, with respect to an **Outside Entity Insured Person**, any actual or alleged act, error, omission, neglect, breach of duty, breach of trust, misstatement, misleading statement by an Insured Person in his or her capacity as an **Outside Entity Insured Person** or any matter claimed against such **Outside Entity Insured Person** by reason of such capacity.

### 3. EXCLUSIONS

This policy shall not cover any **Loss** in connection with any **Claim**:

- (a) for which the **Insured Person** is indemnified by reason of having given notice of a claim or circumstances under any policy, whether excess or underlying, of which this policy is a renewal or replacement or which it may succeed in time.
- (b) for bodily injury, sickness, disease or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof; provided, however, that this exclusion shall not apply to:
  - (i) any **Claim** for emotional distress or mental anguish;
  - (ii) any **Claim** by shareholders of the **Company** in their capacity as such, including any shareholder derivative action or equivalent action under any other jurisdiction which alleges damage to the **Company** and/or its shareholders; or
  - (iii) any **Claim** for the actual or alleged discharge, dispersal, release, or escape of any liquid, solid, gaseous, or thermal irritant, contaminant, or other pollutant; provided, however, that any coverage under this policy with respect to such a **Claim** shall be specifically excess of any coverage available to the **Company** under any general liability, environmental impairment or similar insurance policy with respect to such **Claim**.
- (c) brought by or on behalf of the **Company** in the United States (or any possession or territory thereof) with the solicitation, approval, assistance or active participation of two or more persons each of whom at the time such **Claim** is brought is the president, chief executive officer, chief financial officer, **Manager** or general counsel of the **Company**; provided, however, that this exclusion shall not apply:
  - (i) if between the inception of the **Policy Period** and the date such **Claim** is made, the **Company** has had an **Organizational Change** as defined in Clause 11;
  - (ii) if the **Company** has filed a liquidation or reorganization proceeding; or
  - (iii) to **Defense Costs**.

If the president, chief executive officer, chief financial officer, **Manager** or general counsel of the **Company** is voluntarily engaging in any **Whistleblower Activity**, such **Claim** shall not be deemed to be a **Claim** brought with the solicitation, approval or active participation of such persons.

- (d) arising out of, based upon or attributable to the gaining of any personal profit to which a final judgment or adjudication or an arbitration proceeding commenced pursuant to Clause 18 herein or a guilty plea or other written admission under oath by an **Insured Person** establishes that such **Insured Person** was not legally entitled to such personal profit; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.
- (e) arising out of, based upon or attributable to any improper or illegal remuneration paid to an **Insured Person** if a final judgment or adjudication or an arbitration proceeding commenced pursuant to Clause 18 herein or a guilty plea or other written admission under oath of an **Insured Person** establishes that such remuneration was improper or illegal; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.
- (f) arising out of, based upon or attributable to any deliberate fraud or any wilful violation of law by an **Insured Person** if a final judgment or adjudication or an arbitration proceeding commenced pursuant to Clause 18 herein or a guilty plea or other written admission under oath of an **Insured Person** establishes that such fraud or violation occurred; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.

It is agreed that for the purpose of determining the applicability of Exclusions (d), (e) or (f), the facts pertaining to, the knowledge possessed by, or any **Wrongful Act** committed by, any **Insured Person** shall not be imputed to any other **Insured Person**.

#### 4. LIMIT OF LIABILITY

Except in the event the Reinstated Limit of Liability (as defined below) applies, the Limit of Liability stated in Item 3 of the Declarations is the aggregate limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** reported to the **Insurer** in accordance with the terms and conditions of this policy, including all **Claims** reported to the **Insurer** during the Discovery Period (if applicable). The **Insurer's** maximum liability for any combination of **Losses** during the same **Policy Period** or Discovery Period (if applicable) shall be the Limit of Liability listed in Item 3 of the Declarations.

This policy shall, subject to its terms, conditions and exclusions, drop down to the attachment point of the **Underlying Insurer** that is the subject of the **DIC Event** and will pay **Loss** on behalf of the **Insured Person(s)** up to the Limit of Liability stated in Item 3 of the Declarations. In the event one or more **Underlying Insurers** also drop down, this policy shall remain excess to the aggregate limit of liability of such **Underlying Insurer(s)** after such drop-down. Nothing contained herein shall be construed to increase the Limit of Liability stated in Item 3 of the Declarations.

In the event the Limit of Liability stated in Item 3 of the Declarations is exhausted due to payment of **Loss** covered under this policy, such Limit of Liability shall be reinstated in the amount stated in Item 4 of the Declarations (the "Reinstated Limit of Liability") without any additional premium being charged by the **Insurer**. The Reinstated Limit of Liability shall not apply to any **Claim** based upon, arising out of or in any way connected to a **Claim** for which there has been any payment of **Loss** under the Limit of Liability set forth in Item 3 of the Declarations.

The Reinstated Limit of Liability shall apply only to **Loss** incurred by **Independent Directors** and shall be: (i) subject to the limit of liability stated in Item 4 of the Declarations; (ii) excess of all other insurance policies specifically excess of this policy, subject to any difference-in-conditions event involving such policies as set forth in Definition (e) of this policy; and (iii) subject to all other terms and conditions of this policy.

**Defense Costs** are not payable by the **Insurer** in addition to any Limit of Liability. **Defense Costs** are part of **Loss** and as such are subject to the Limit of Liability stated in Item 3 and Item 4 of the Declarations.

## 5. NOTICE PROVISIONS

The **Insured Person(s)** shall give written notice of a **Claim** to the **Insurer** at the address indicated in Item 7 A. of the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

The **Company** or an **Insured Person** 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 an **Insured Person** as soon as practicable after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) or the **Insured Person** seeking indemnity hereunder becomes aware of the **Claim**. In no event shall such notice be provided later than thirty (30) days after the end of the **Policy Period** (or **Discovery Period** if applicable).

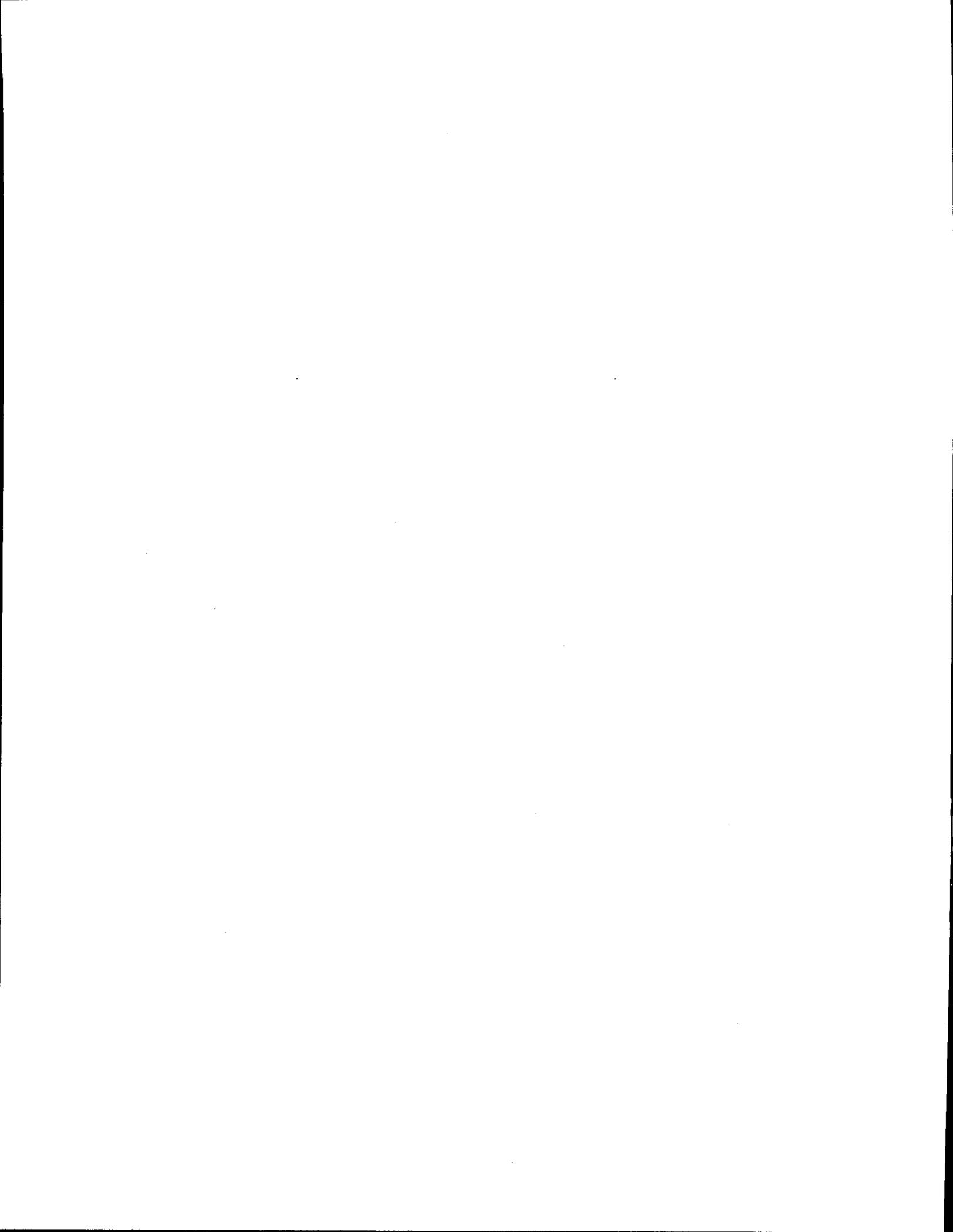
In the event the **Company** or the **Insured Persons** fail to provide notice of a **Claim** in accordance with the above, the **Insurer** shall not be entitled to deny coverage for the **Claim** based solely upon late notice, unless the **Insurer** can establish that its interests were materially prejudiced by reason of such late notice. Notwithstanding the foregoing, no amounts incurred in connection with a **Claim** prior to the time notice is provided to the **Insurer** shall be considered **Loss** under this policy.

The **Company** or the **Insured Person(s)** shall also give written notice to the **Insurer** at the address indicated in Item 7 B. of the Declarations within thirty (30) days after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) becomes aware of:

- (i) any material change in the terms and conditions of any **Underlying Policy**; or
- (ii) any **Underlying Policy** ceasing to be in effect or being uncollectible, in part or in whole, due to cancellation or non-renewal.

## 6. ADVANCEMENT OF DEFENSE COSTS

In the event the **Company** refuses or is financially unable to advance **Defense Costs** and if the **Underlying Insurers** fail to advance such **Defense Costs**, then upon the **Insured Person's** request and if proper documentation accompanies this request, the **Insurer** shall advance such **Defense Costs** on a current basis. The **Insurer** shall not advance **Defense Costs** on a current basis with respect to any **Claim** for which the **Insurer** has denied liability in full. In the event of any advance payments by the **Insurer**, the **Insured Persons** agree that they shall repay to the **Insurer**, severally according to their respective interests, all such payments in the event and to the extent it is finally determined that any such **Insured Person** is not entitled under this policy to coverage for such **Loss**.



## 7. CLAIM PARTICIPATION

The **Insurer** does not assume any duty to defend. However, the **Insurer** shall have the right, but not the duty, to fully and effectively associate with the **Insured Person(s)** in the control, investigation, defense and settlement of any **Claim**.

The **Insured Person(s)** shall defend and contest any **Claim** made against them. The **Insured Person(s)** shall not admit or assume any liability, enter into any settlement agreement or stipulate to any judgment without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. As a condition precedent, in order for a settlement amount, stipulated judgment or judgment to be recoverable as **Loss** under the terms of this policy, the following is required: (i) with respect to settlements or stipulated judgments, the **Insurer's** written consent to the terms of the settlement or stipulated judgment must be obtained in advance, or (ii) with respect to all other judgments, the **Insurer** must have been permitted, upon its request, to fully and effectively associate in the defense of the **Claim**, and the **Insurer's** consent to the trial or arbitration strategy must have been obtained, prior to such judgment.

Without prejudice to the foregoing, each and every **Insured Person** shall give the **Insurer** full cooperation and such information as it may reasonably require relating to the defense of any **Claim** and the prosecution of any counterclaim, cross-claim or third-party claim, including without limitation, the assertion of indemnification rights.

## 8. DISCOVERY CLAUSE

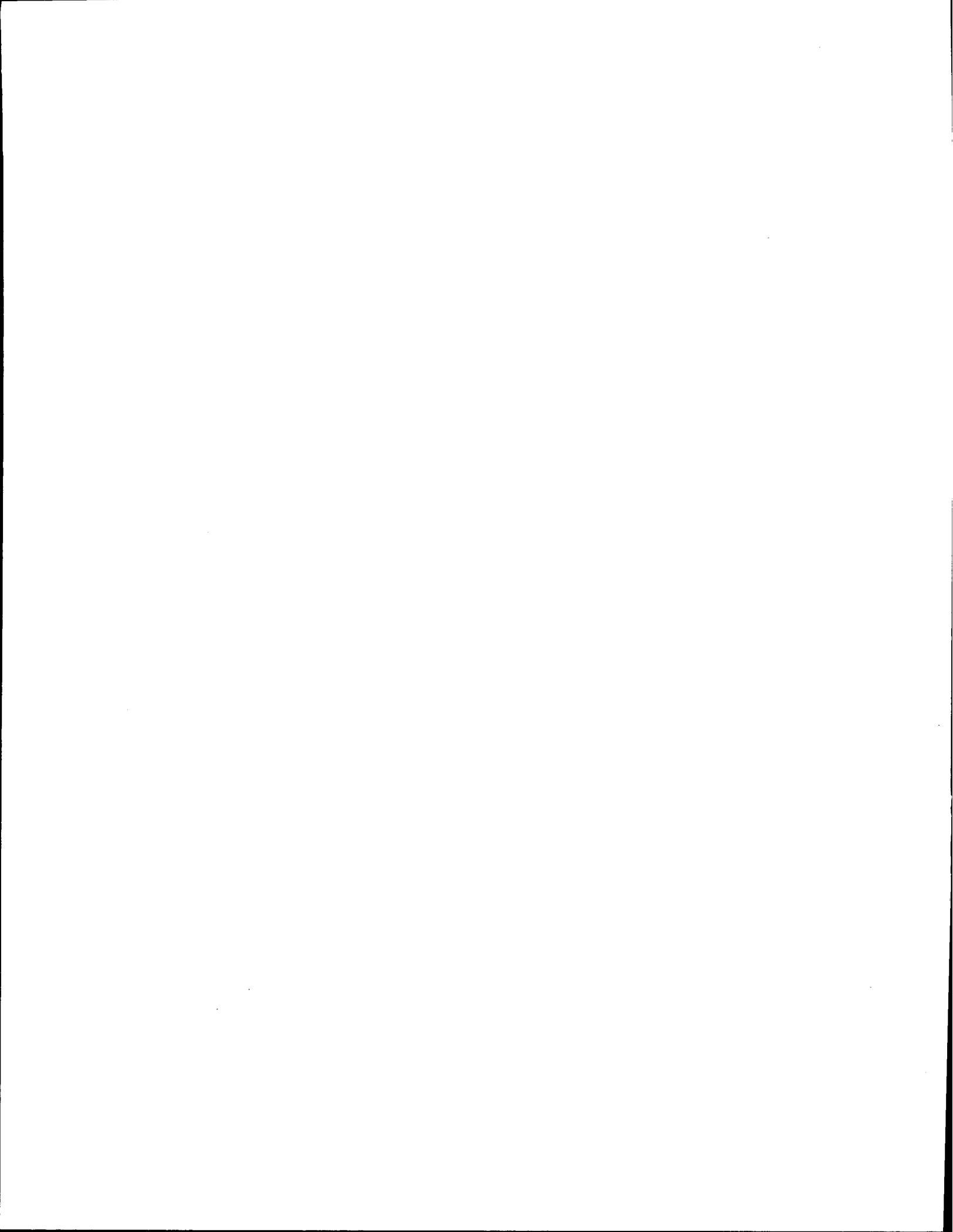
If the **Company** or the **Insurer** shall refuse to renew this policy or upon the occurrence of an **Organizational Change** as defined in Clause 11, the **Insured Person(s)** shall be entitled to a Discovery Period of one year, two years or three years following the effective date of such non-renewal or **Organizational Change**, upon payment of the Discovery Period Premium specified in Item 6 of the Declarations, within which to give to the **Insurer** written notice pursuant to Clause 5 of this policy of **Claims** made against an **Insured Person** solely with respect to **Wrongful Acts** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The Discovery Period Premium shall be deemed fully earned at the inception of the Discovery Period. The Discovery Period is not cancellable. The Discovery Period Premium is calculated as a percentage of the annual premium, and shall in no event be less than the highest percentage of the comparable premium of any **Underlying Policy**. The rights contained in this Clause 8 shall terminate unless written notice of election of a Discovery Period together with any additional premium due is received by the **Insurer** no later than thirty (30) days subsequent to the effective date of the non-renewal or **Organizational Change**.

## 9. REPRESENTATIONS AND SEVERABILITY

It is agreed that the **Insurer** has relied upon the information contained in the **Application** in issuing this policy. The **Application** shall be construed as a separate **Application** for coverage by each **Insured Person**. No knowledge, statement or representation made in the **Application** by any **Insured Person** will be imputed to any other **Insured Person** for the purpose of determining coverage under this policy for any **Insured Person**.

The **Insurer** irrevocably waives any right it may have to rescind this policy, in whole or in part, on any grounds.

In the event any portion of this policy shall be declared or deemed invalid or unenforceable under applicable law, such invalidity or unenforceability shall not affect the invalidity or unenforceability of any other portion of this policy.



## 10. CANCELLATION CLAUSE

This policy may be cancelled by the **Company**, provided that it has obtained the written consent of all **Insured Persons**, only by sending written prior notice to the **Insurer** or by surrender of this policy to the **Insurer** or its authorized agent at the address set forth in Item 7 B. of the Declarations and written notice stating when thereafter the cancellation shall be effective. The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender.

This policy shall not be cancelled by or on behalf of the **Insurer** except by reason of non-payment of the premium set forth in Item 5 of the Declarations. The **Insurer** may cancel the policy by delivering to the **Company** or by mailing to the **Company**, by registered mail, or by courier at the **Company's** address set forth in the Declarations, written notice stating when, not less than twenty (20) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. In the event of such cancellation, the policy will be deemed terminated as of the inception of the **Policy Period**.

If this policy is cancelled by the **Company**, the **Insurer** shall retain the customary short rate proportion of the premium herein.

Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

## 11. ORGANIZATIONAL CHANGES

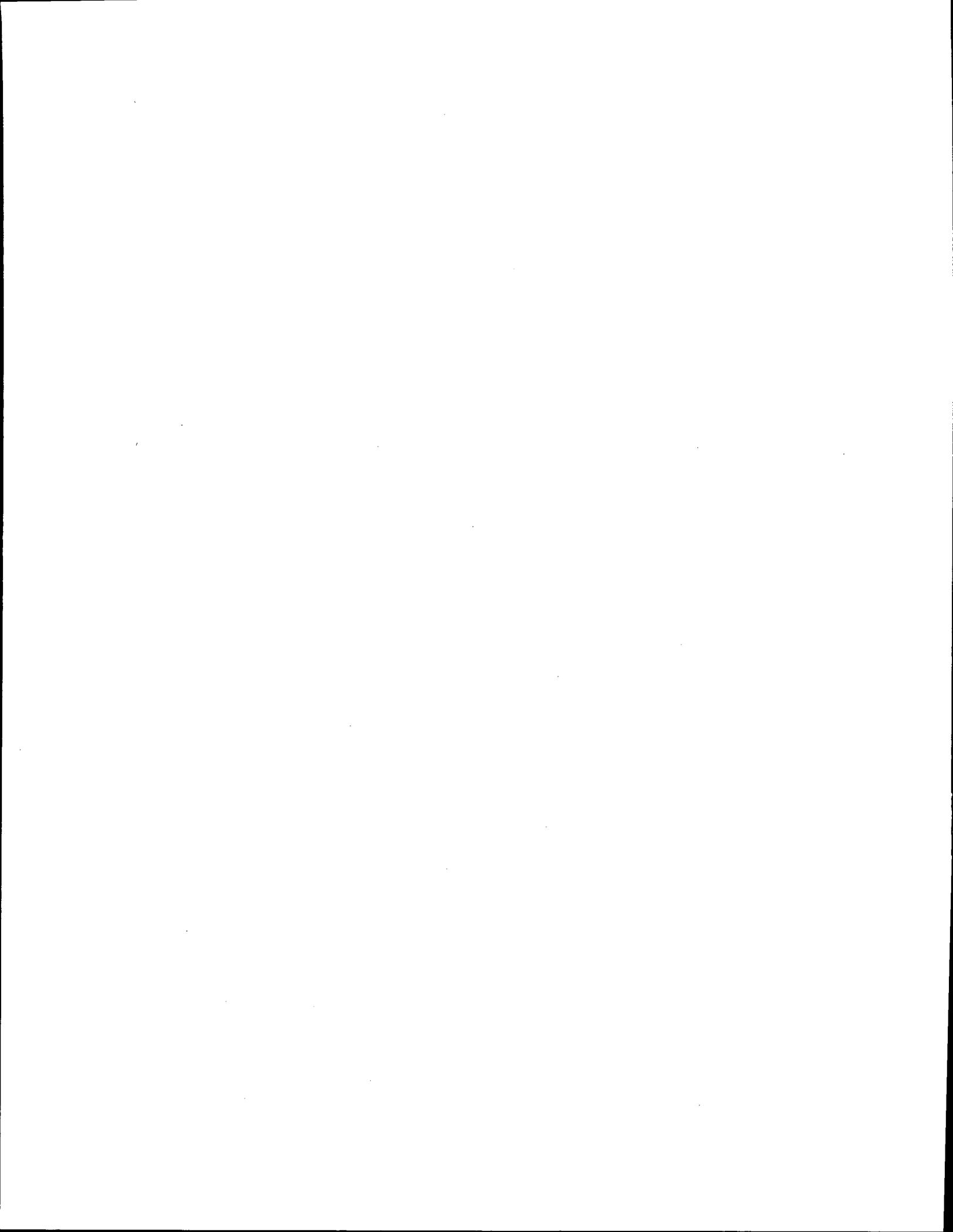
If during the **Policy Period**:

- (i) the **Company** shall consolidate with, merge into, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
- (ii) any person or entity or group of persons or entities acting in concert shall acquire more than 50% of the **Company**,

(any of the events described in (i) or (ii) above is deemed an "**Organizational Change**") then this policy shall continue in full force and effect as to **Wrongful Acts** occurring prior to the effective time of the **Organizational Change**. However, there shall be no coverage afforded by this policy for any actual or alleged **Wrongful Act** occurring after the effective time of the **Organizational Change**. The **Insured Person(s)** shall also have the right to a Discovery Period described in Clause 8 in the event of an **Organizational Change**.

## 12. OTHER INSURANCE AND INDEMNIFICATION

The insurance provided by this policy shall apply only as excess over any other valid and collectible insurance whether such insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limit of Liability provided by this policy or which is not an **Underlying 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**.



In connection with any **Claim** made against an **Outside Entity Insured Person**, this policy shall apply specifically excess of any indemnification from an **Outside Entity** and any insurance coverage provided to an **Outside Entity** or its directors, officers, trustees or governors (or equivalent). In the event such insurance coverage provided to an **Outside Entity** or its directors, officers, trustees or governors (or equivalent) is provided by the **Insurer** (or would be except for the application of any retention, exhaustion of a limit of liability or failure to submit notice of a claim) then the maximum Limit of Liability under this policy shall be reduced by the amount of the limit of liability of the other insurance provided to such **Outside Entity** or its directors, officers, trustees or governors (or equivalent) by the **Insurer** as to any such **Claim**.

### 13. NOTICE AND AUTHORITY

It is agreed that the **Company** identified in Item 1 of the Declarations shall act (unless the **Insurer** is advised expressly in writing to the contrary) on behalf of each and every **Insured Person** with respect to the giving and receiving of notice of cancellation or non-renewal, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy and the exercising or declining of any right to a Discovery Period.

### 14. COVERAGE EXTENSIONS

This policy shall cover **Loss** arising from any **Claims** made against the estates, heirs, or legal representatives of any deceased **Insured Person**, and the legal representatives of any **Insured Person** in the event of incompetency, insolvency or bankruptcy, who were **Insured Persons** at the time the **Wrongful Acts** upon which such **Claims** are based were committed.

This policy shall cover **Loss** arising from all **Claims** made against the lawful spouse or domestic partner (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) of an **Insured Person** for all **Claims** arising solely out of his or her status as the spouse or domestic partner of an **Insured Person**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Insured Person** and the spouse or domestic partner, or property transferred from the **Insured Person** to the spouse or domestic partner; provided, however, that this extension shall not afford coverage for any **Claim** for any actual or alleged **Wrongful Act** by or on the part of the spouse or domestic partner, but shall apply only to **Claims** arising out of any actual or alleged **Wrongful Acts** of an **Insured Person**.

The coverage extensions set forth in this Clause 14 are subject to all other terms and conditions of this policy.

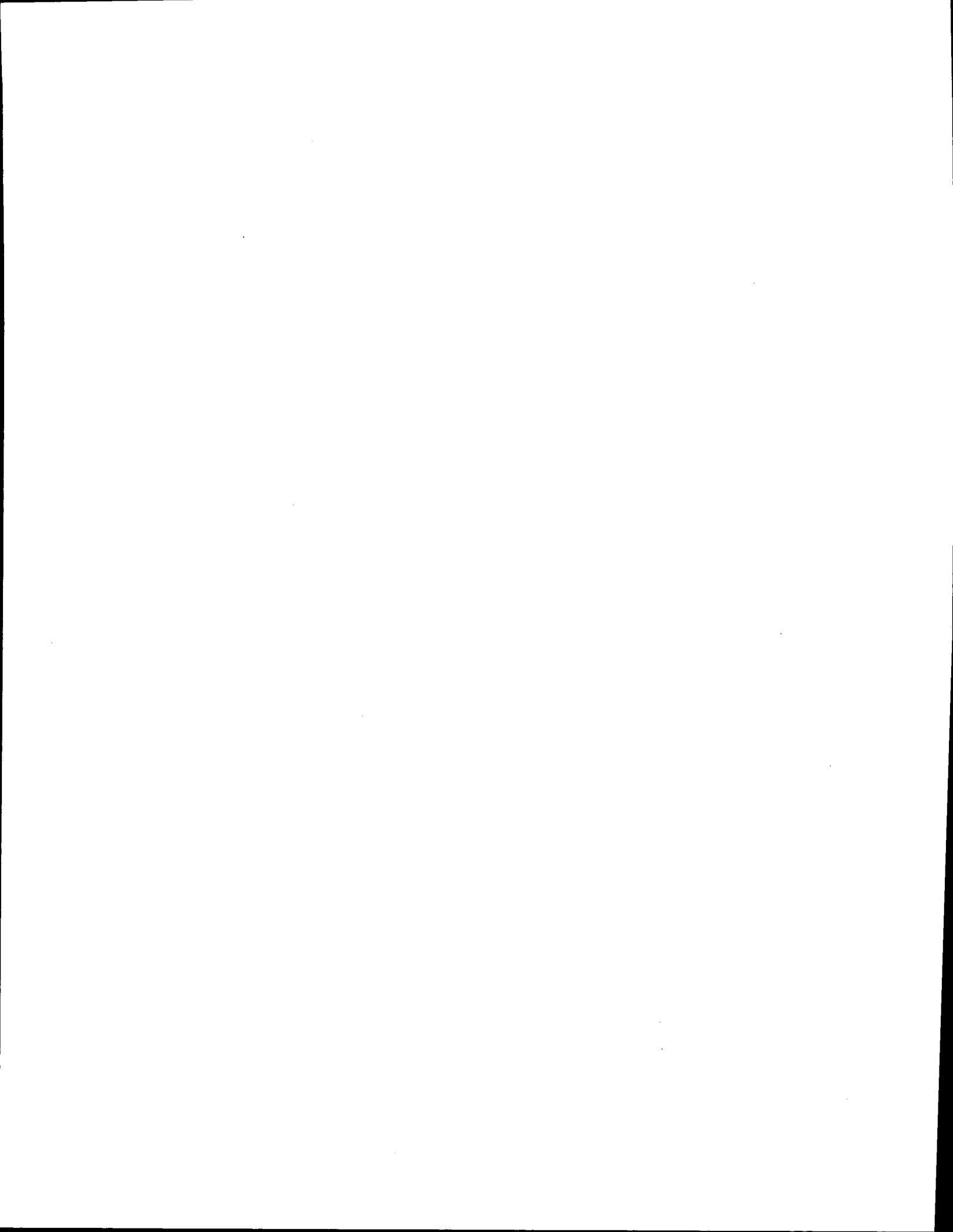
### 15. ASSIGNMENT

This policy and any and all rights hereunder are not assignable without the written consent of the **Insurer**.

### 16. BANKRUPTCY

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

It is understood and agreed that the coverage provided under this policy is intended to protect and benefit the **Insured Persons**. Further, if a liquidation or reorganization proceeding involving the **Company** is commenced (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 **Insured Persons** shall:

- (i) waive and release any automatic stay or injunction to the extent it may apply in such proceeding to the policy or its proceeds under such Bankruptcy Law; and
- (ii) agree not to oppose or object to any efforts by the **Company**, the **Insurer** or any **Insured Person** to obtain relief from any such stay or injunction.

In the event the **Company** becomes a debtor-in-possession or equivalent status under such Bankruptcy Law, and the aggregate **Loss** under this policy exceeds the remaining available Limit of Liability, the **Insurer** shall:

- (i) first pay the **Loss** allocable to **Wrongful Acts** that were actually or allegedly caused, committed, or attempted by any **Insured Person** prior to the **Company** being a debtor-in-possession or some equivalent status, then
- (ii) pay any remaining **Loss** allocable to **Wrongful Acts** that were actually or allegedly caused, committed, or attempted by any **Insured Person** after the **Company** became a debtor-in-possession or some equivalent status.

#### 17. SUBROGATION

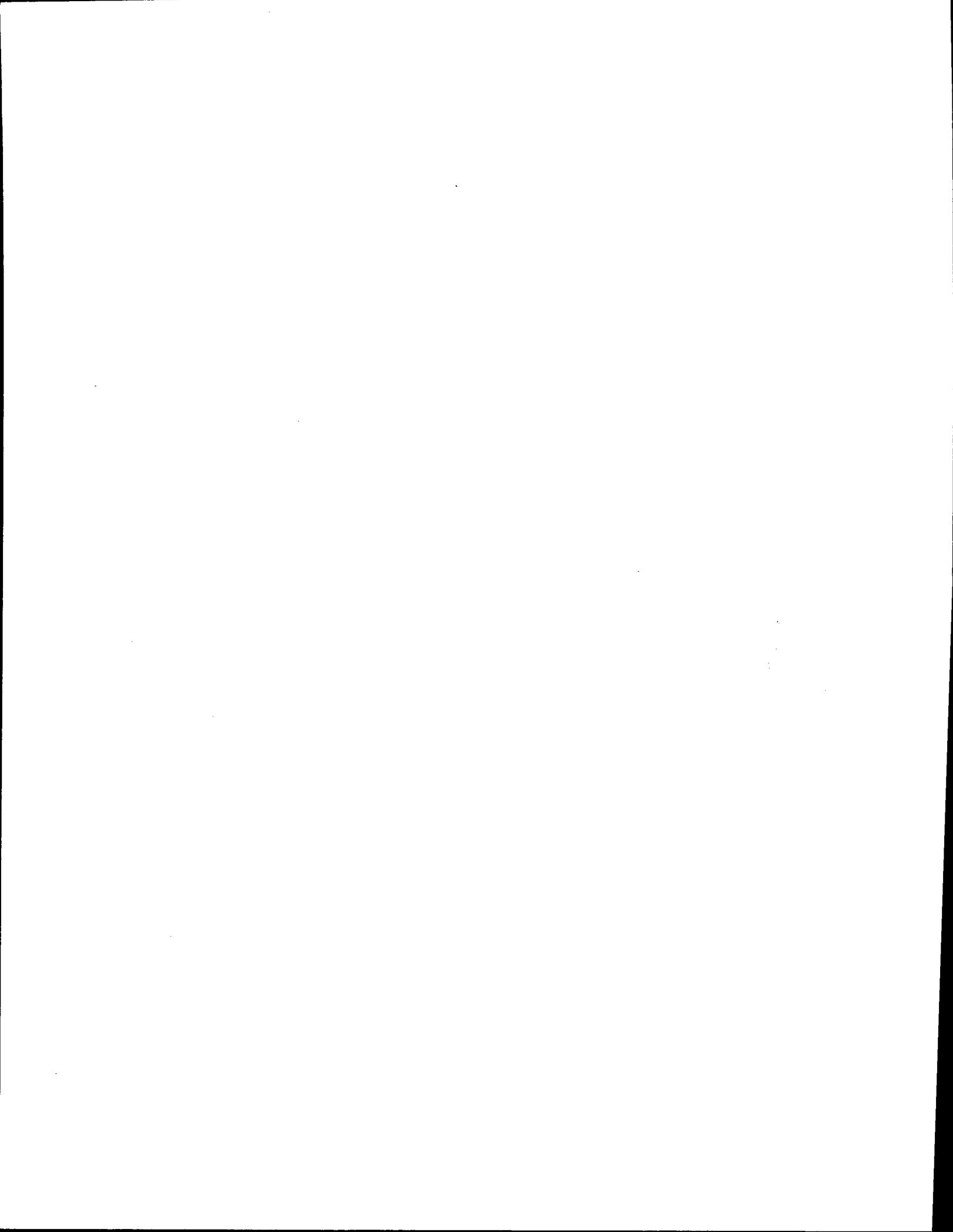
In addition to any right of subrogation existing at law, in equity or otherwise, in the event of any payment by the **Insurer** under this policy the **Insurer** shall be subrogated to the extent of such payment to all of the **Company's** and the **Insured Person(s)**' rights of recovery, including but not limited to, any of the **Company's** and the **Insured Person(s)**' rights of recovery against any **Underlying Insurer** that is the cause or subject of the **DIC Event**. The **Company** and the **Insured Person(s)** shall execute all papers required (including those documents necessary for the **Insurer** to bring suit or other form of proceeding in their name) and do everything that may be necessary to pursue and secure such rights. However, the **Insurer** shall not exercise its subrogation rights against an **Insured Person** unless and to the extent that Exclusions (d), (e) or (f) applies to such an **Insured Person**.

#### 18. ALTERNATIVE DISPUTE RESOLUTION

It is hereby understood and agreed that all disputes or differences which may arise under this policy, whether arising before or after termination of this policy, including any determination of the amount of **Loss** or the formation and validity of this policy, shall be subject to the alternative dispute resolution ("ADR") process set forth in this clause.

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

The **Insurer** and **Insured Persons** agree that there shall be two choices of ADR: (1) non-binding mediation administered by the American Arbitration Association, in which the **Insurer** and **Insured Persons** 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 under or in accordance with its then-prevailing Commercial Arbitration Rules, in which the arbitration panel shall be composed of three disinterested individuals. In either mediation or arbitration, the mediator(s) or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute.



The arbitrators shall also give due consideration to the general principles of the law of the state where the **Company** is incorporated in the construction or interpretation of the provisions of this policy; provided, however, that the terms, conditions, provisions and exclusions of this policy are to be construed in an even-handed fashion in the manner most consistent with the relevant terms, conditions, provisions or exclusions of the 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 attorneys' 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 one-hundred-twenty (120) days shall have elapsed from the date of the termination of the mediation.

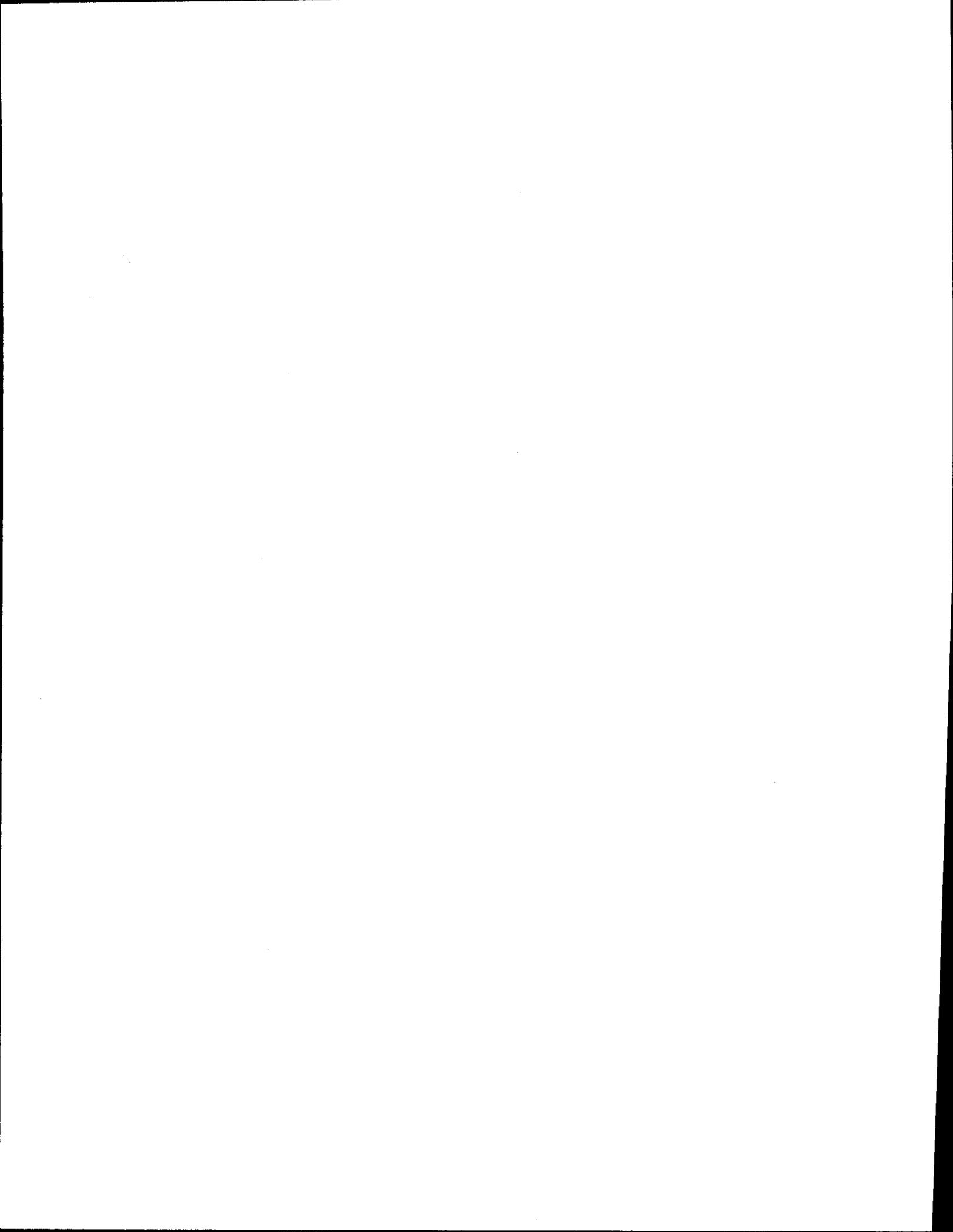
Either choice of ADR may be commenced in New York, New York; Atlanta, Georgia; Chicago, Illinois; Denver, Colorado; or in the state indicated in Item 1 of the Declarations as the mailing address for the **Company**.

#### 19. CHOICE OF LAW

Except for arbitration proceedings commenced pursuant to Clause 18, this policy shall be governed by and construed in accordance with the laws of New York without regard to conflict of laws principles.

#### 20. HEADINGS

The descriptions in the headings and any subheading of this policy (including any titles given to any endorsement attached hereto) are inserted solely for convenience and do not constitute any part of this policy's terms or conditions.



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND NON-CERTIFIED ACTS OF TERRORISM

A. It is understood and agreed that this policy does not apply to loss arising out of "injury or damage" caused directly or indirectly by, contributed to by, resulting from, or arising out of or in connection with:

1. An "act of terrorism", including action in hindering, controlling, preventing, suppressing, retaliating against, responding to or defending against an actual or expected "act of terrorism". "Injury or damage" is excluded regardless of any other cause or event that contributed concurrently or in any sequence to the "injury or damage".
2. A "certified act of terrorism". "Injury or damage" is excluded regardless of any other cause or event that contributed concurrently or in any sequence to the "injury or damage".

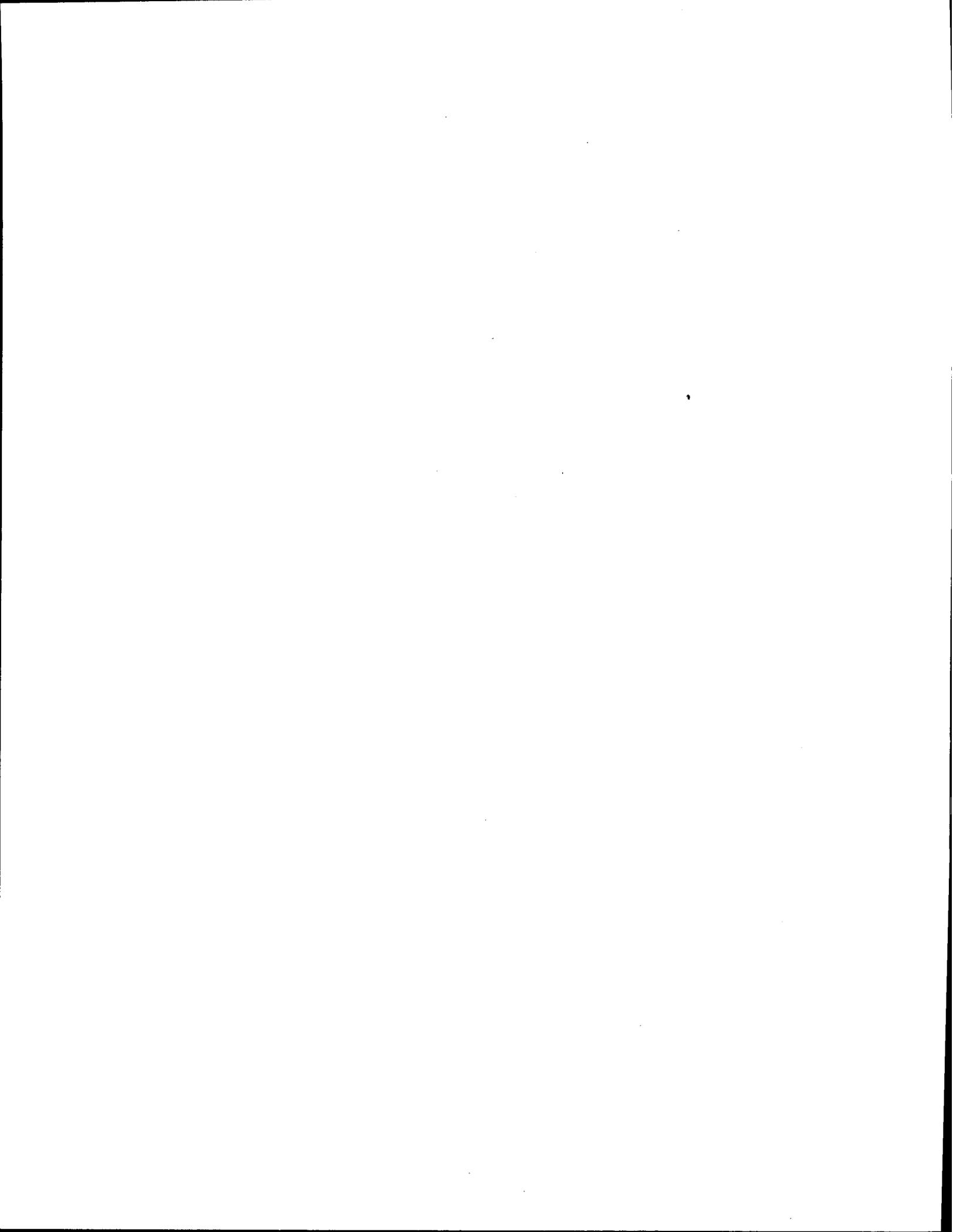
This exclusion also applies to an "act of terrorism" or a "certified act of terrorism":

1. That involves the use, release, or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination;
2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

In the event an "act of terrorism" or a "certified act of terrorism" involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes any Nuclear Hazard Exclusion.

B. The following definitions are added:

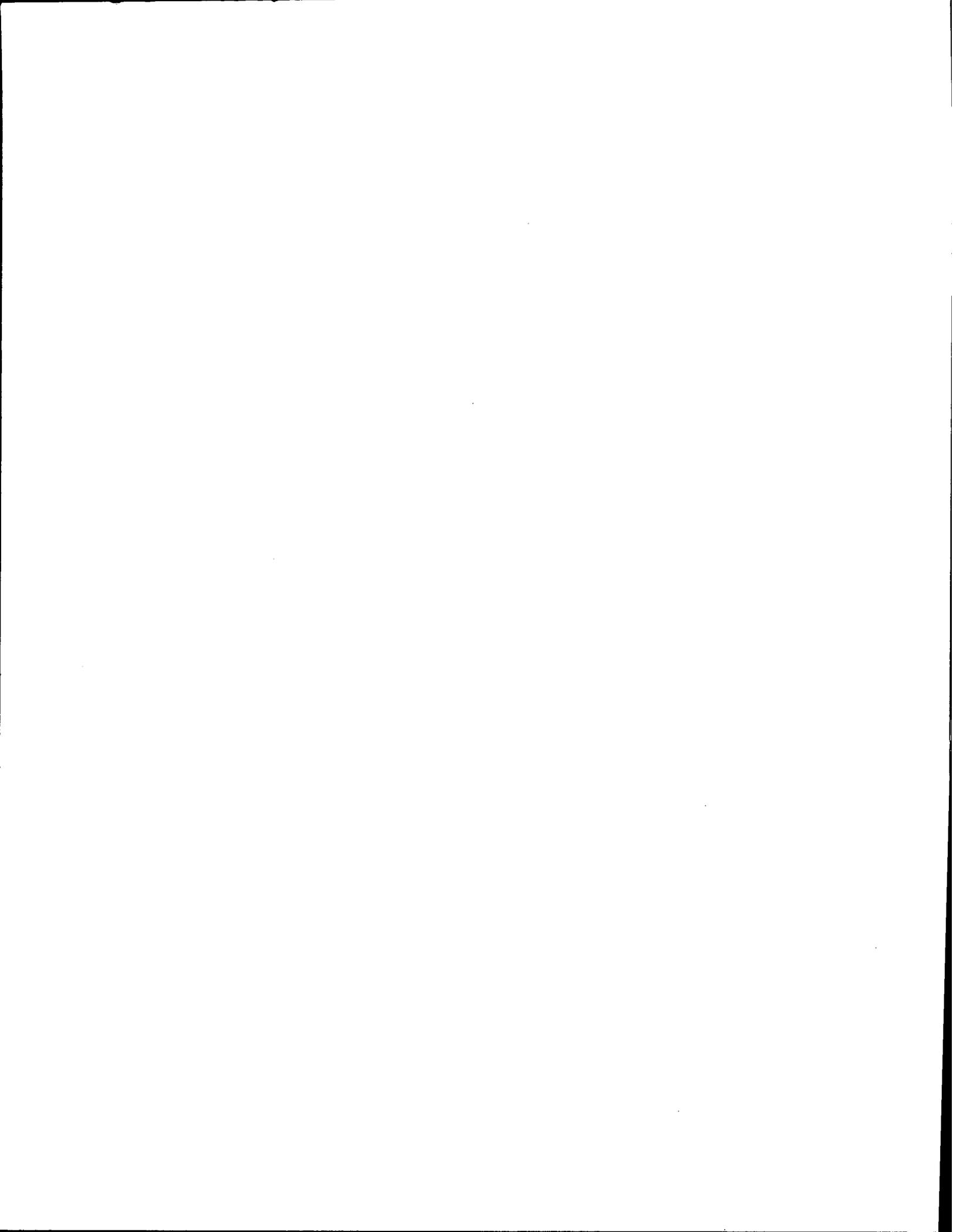
1. "Injury or damage" means any "injury or damage" covered under this policy or any underlying insurance to which this endorsement is applicable, and includes but is not limited to bodily injury, property damage, personal and advertising injury, injury or environmental damage as may be defined in this policy or any applicable underlying insurance.
2. An "act of terrorism" means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - i. Use or threat of force or violence; or



- ii. Commission or threat of a dangerous act; or
  - iii. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- b. When one or both of the following applies:
- i. The effect is to intimidate or coerce a government, de jure or de facto of any nation or any political division thereof, or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - ii. It appears that the intent is to intimidate or coerce a government, de jure or de facto of any nation or any political division thereof, or to further political, ideological, religious, social, economic or similar objectives or to express (or express opposition to) a philosophy or ideology, regardless of the amount of damages or losses.
3. A "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 and the Terrorism Risk Insurance Extension Act of 2005. The federal Terrorism Risk Insurance Act of 2002 and the Terrorism Risk Insurance Extension Act of 2005 set forth the following criteria for a "certified act of terrorism":
- a. The act resulted in aggregate losses in excess of \$5 million; and
  - b. The act is a violent act or any act that is dangerous to human life, property or infrastructure and 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.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE



**POLICYHOLDER DISCLOSURE STATEMENT  
UNDER THE  
TERRORISM RISK INSURANCE ACT OF 2002**

The Insured is hereby notified that under the federal Terrorism Risk Insurance Act of 2002 (the "Act") as amended by the Terrorism Risk Insurance Extension Act of 2005, effective December 22, 2005, the Insured now has a right to purchase insurance coverage for losses arising out of an Act of Terrorism, which is defined in the Act as an act certified by the Secretary of the Treasury (i) to be an act of terrorism, (ii) to be a violent act or an act that is dangerous to (A) human life; (B) property; or (C) infrastructure, (iii) to have resulted in damage within the United States, or outside of the United States in case of an air carrier or vessel or the premises of a U.S. mission and (iv) 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. The Insured should read the Act for a complete description of its coverage. The Secretary's decision to certify or not to certify an event as an Act of Terrorism and thus covered by the Act is final and not subject to review. There is a \$100 billion annual cap on all losses resulting from Acts of Terrorism above which no coverage will be provided under this policy and under the Act unless Congress makes some other determination.

For the Insured's information, coverage provided by this policy for losses caused by an Act of Terrorism may be partially reimbursed by the United States under a formula established by the Act. Under this formula, the United States pays 90% of terrorism losses occurring in 2006; 85% for terrorism losses occurring in 2007 covered by the Act exceeding a statutorily established deductible that must be met by the Insurer, and which deductible is based on a percentage of the Insurer's direct earned premiums for the year preceeding the Act of Terrorism.

Coverage for "insured losses" as defined in the Act is subject to the coverage terms, conditions, amounts and limits in this policy applicable to losses arising from events other than Acts of Terrorism.

The Insured should know that under federal law, the Insured is not required to purchase coverage for losses caused by Acts of Terrorism.

Please indicate the selection of the Insured below.

\_\_\_\_\_ The Insured hereby elects to purchase coverage in accordance with the Act for a premium of \$ \_\_\_\_\_.

\_\_\_\_\_ The Insured hereby rejects coverage and accepts reinstatement of the exclusion in accordance with the Act.

\_\_\_\_\_  
Signature of Insured

<INSURED NAME>

\_\_\_\_\_  
Print/Title

<Policy Number>

\_\_\_\_\_  
Date

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### EXCLUSION OF CERTIFIED ACTS OF TERRORISM

- A. It is agreed that this policy does not apply to loss arising out "injury or damage" caused directly or indirectly by, contributed to by, resulting from, or arising out of or in connection with a "certified act of terrorism". Such "injury or damage" is excluded regardless of any other cause or event that contributed concurrently or in any sequence to the "injury or damage".

This exclusion also applies to a "certified act of terrorism":

1. That involves the use, release, or escape of nuclear materials, or that directly or indirectly results in a nuclear reaction or radiation or radioactive contamination; or
2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

In the event a "certified act of terrorism" involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes any Nuclear Hazard Exclusion.

- B. The following definitions are added:

1. "Injury or damage" means any "injury or damage" covered under this policy or any underlying policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in this policy or any underlying policy.
2. A "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 and the Terrorism Risk Insurance Extension Act of 2005. The federal Terrorism Risk Insurance Act of 2002 and the Terrorism Risk Insurance Extension Act of 2005 sets forth the following criteria for a "certified act of terrorism":
  - a. The act resulted in aggregate losses in excess of \$5 million; and
  - b. The act is a violent act or any act that is dangerous to human life, property or infrastructure and 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.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

2. An "act of terrorism" means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - i. Use or threat of force or violence; or
    - ii. Commission or threat of a dangerous act; or
    - iii. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
  - b. When one or both of the following applies:
    - i. The effect is to intimidate or coerce a government, de jure or de facto of any nation or any political division thereof, or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
    - ii. It appears that the intent is to intimidate or coerce a government, de jure or de facto of any nation or any political division thereof, or to further political, ideological, religious, social, economic or similar objectives or to express (or express opposition to) a philosophy or ideology,  
  
regardless of the amount of damages or losses.
3. A "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 and the Terrorism Risk Insurance Extension Act of 2005. The federal Terrorism Risk Insurance Act of 2002 and the Terrorism Risk Insurance Extension Act of 2005 sets forth the following criteria for a "certified act of terrorism":
  - a. The act resulted in aggregate losses in excess of \$5 million; and
  - b. The act is a violent act or any act that is dangerous to human life, property or infrastructure and 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.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### AMEND COMPANY'S ADDRESS

It is understood and agreed that Item 1 of the Declarations is amended by deleting the Company's Address and replacing it with the following:

ADDRESS:

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### AMEND POLICY PERIOD

It is understood and agreed that Item 2 of the Declarations, POLICY PERIOD, is deleted in its entirety and replaced with the following:

ITEM 2: POLICY PERIOD: From: To:  
(12:01 a.m. Standard Time at the address stated in Item 1)

All **Claims** made during the **Policy Period** and during the amended or extended **Policy Period** set forth in this endorsement shall be subject to the one aggregate Limit of Liability set forth in Item 3 of the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND PENDING OR PRIOR LITIGATION EXCLUSION**  
**(All Claims, including investigations)**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any Loss in connection with any Claim based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation, administrative or regulatory proceeding or investigation as of the Pending or Prior Date set forth below, and any matters arising out of such pending and/or prior litigation, proceeding or investigation or any fact, circumstance or situation underlying or alleged in such litigation, proceeding or investigation.

**Pending or Prior Date:** *(insert date)*

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND PENDING OR PRIOR LITIGATION EXCLUSION**  
**(All Claims, including investigations; multiple dates)**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any Loss in connection with any Claim based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation, administrative or regulatory proceeding or investigation as of the Pending or Prior Date set forth below, and any matters arising out of such pending and/or prior litigation, proceeding or investigation or any fact, circumstance or situation underlying or alleged in such litigation, proceeding or investigation.

**Pending or Prior Date:** *(insert date)* as respects the first \$ \_\_\_\_\_ of the Limit of Liability set forth in Item 3 of the Declarations.

*(insert date)* as respects the \$ \_\_\_\_\_ Limit of Liability excess of the first \$ \_\_\_\_\_ of the Limit of Liability set forth in Item 3 of the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**ADD PENDING OR PRIOR LITIGATION EXCLUSION**  
**(Claims against Insured Persons)**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation or administrative or regulatory proceeding involving any **Insured Person** and of which an **Insured Person** had notice as of the **Pending or Prior Date** set forth below, and any matters arising out of such pending and/or prior litigation or proceeding or any fact, circumstance or situation underlying or alleged in such litigation or proceeding.

**Pending or Prior Date:** *(insert date)*

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**ADD PENDING OR PRIOR LITIGATION EXCLUSION**  
(Claims against Insured Persons; multiple dates)

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any Loss in connection with any Claim based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation or administrative or regulatory proceeding involving any Insured Person and of which an Insured Person had notice as of the Pending or Prior Date set forth below, and any matters arising out of such pending and/or prior litigation or proceeding or any fact, circumstance or situation underlying or alleged in such litigation or proceeding.

**Pending or Prior Date:** *(insert date)* as respects the first \$\_\_\_\_\_ of the  
Limit of Liability set forth in Item 3 of the Declarations.

*(insert date)* as respects the \$\_\_\_\_\_ Limit of Liability  
excess of the first \$\_\_\_\_\_ of the Limit of Liability set  
forth in Item 3 of the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**ADD PENDING OR PRIOR LITIGATION EXCLUSION**  
**(All Claims, except investigations)**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation or administrative or regulatory proceeding as of the **Pending or Prior Date** set forth below, involving the **Company** and/or any **Insured Person**, and any matters arising out of such pending and/or prior litigation or proceeding or any fact, circumstance or situation underlying or alleged in such litigation or proceeding.

**Pending or Prior Date:** *(insert date)*

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

---

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**ADD PENDING OR PRIOR LITIGATION EXCLUSION**  
(All Claims, except investigations; multiple dates)

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation or administrative or regulatory proceeding as of the **Pending or Prior Date** set forth below, involving the **Company** and/or any **Insured Person**, and any matters arising out of such pending and/or prior litigation or proceeding or any fact, circumstance or situation underlying or alleged in such litigation or proceeding.

**Pending or Prior Date:** *(insert date)* as respects the first \$ \_\_\_\_\_ of the  
Limit of Liability set forth in Item 3 of the Declarations.

*(insert date)* as respects the \$ \_\_\_\_\_ Limit of Liability  
excess of the first \$ \_\_\_\_\_ of the Limit of Liability set  
forth in Item 3 of the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**ADD PENDING OR PRIOR LITIGATION EXCLUSION**  
(All Claims, except investigations; multiple dates)

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** based upon, attributable to, directly or indirectly arising from, related to, or in consequence of, any pending and/or prior civil or criminal litigation or administrative or regulatory proceeding as of the **Pending or Prior Date** set forth below, involving the **Company** and/or any **Insured Person**, and any matters arising out of such pending and/or prior litigation or proceeding or any fact, circumstance or situation underlying or alleged in such litigation or proceeding.

**Pending or Prior Date:** *(insert date)* as respects the first \$ \_\_\_\_\_ of the  
Limit of Liability set forth in Item 3 of the Declarations.

*(insert date)* as respects the \$ \_\_\_\_\_ Limit of Liability  
excess of the first \$ \_\_\_\_\_ of the Limit of Liability set  
forth in Item 3 of the Declarations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### ADD PRIOR ACTS EXCLUSION

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** arising out of, based upon or attributable to the facts alleged, or to the same or related wrongful act(s) committed, attempted, or allegedly committed or attempted in whole, or in part, prior to *(insert date)*.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### **SPECIFIC LITIGATION / EVENT EXCLUSION**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with:

- (i) any of the claims, notices, events, investigations or actions described below (hereinafter "**Event**");
- (ii) the prosecution, adjudication, settlement, disposition, resolution or defense of either an **Event** or any claims arising from or based upon an **Event**; or
- (iii) any wrongful act, underlying facts, circumstances, acts or omissions in any way relating to any **Event**.

#### **Events**

- 1.
- 2.
- 3.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**SPECIFIC LITIGATION / EVENT EXCLUSION**  
(Includes SEC Filings)

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any Loss in connection with:

- (i) any of the claims, notices, events, investigations or actions described below (hereinafter "Event");
- (ii) the prosecution, adjudication, settlement, disposition, resolution or defense of either an **Event** or any claims arising from or based upon an **Event**; or
- (iii) any wrongful act, underlying facts, circumstances, acts or omissions in any way relating to any **Event**.

**Events**

- 1.
- 2.
- 3.

In addition, this policy shall not cover any Loss in connection with:

- A. any restatement, retraction, amendment or revision, in part or in whole, of any:
  - (i) document or statement filed or submitted or required to be filed or submitted with the SEC or any other similar federal, state or local agency (including but not limited to any 10K's, 10Q's or annual reports); or
  - (ii) written or oral statement made regarding the assets, revenues, sales or financial condition of the **Company**,  
  
resulting from, arising out of, based upon or attributable to any **Event** or the resolution of said **Event**; or
- B. any **Claim** alleging, arising out of, based upon, attributable to or in any way related directly or indirectly, in part or in whole, to an **Interrelated Wrongful Act** (as defined below), regardless of whether or not such **Claim** involved the same or different **Insureds**, the same or different legal causes of action or the

same or different claimants or is brought in the same or different venue or resolved in the same or different forum.

For the purpose of this endorsement only, an "Interrelated Wrongful Act" means: (i) any fact, circumstance, act or omission alleged in any **Event**; or (ii) any **Wrongful Act** which is the same as, similar to or a repetition of any **Wrongful Act** alleged in any **Event**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### AMEND CONDUCT EXCLUSIONS - FINAL ADJUDICATION

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by deleting Exclusions (d), (e) and (f) in their entirety and replacing them with the following:

- (d) arising out of, based upon or attributable to the gaining of any personal profit to which a final judgment or adjudication establishes that such **Insured Person** was not legally entitled to such personal profit; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.
- (e) arising out of, based upon or attributable to any improper or illegal remuneration paid to an **Insured Person** if a final judgment or adjudication establishes that such remuneration was improper or illegal; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.
- (f) arising out of, based upon or attributable to any deliberate fraud or any wilful violation of law by an **Insured Person** if a final judgment or adjudication establishes that such fraud or violation occurred; provided, however, that this exclusion shall not apply to **Defense Costs** incurred prior to the date this exclusion is triggered or to **Independent Directors**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### **ADD PROFESSIONAL SERVICES EXCLUSION**

It is understood and agreed that Clause 3, EXCLUSIONS, is amended by adding the following:

This policy shall not cover any **Loss** in connection with any **Claim** arising out of, based upon or attributable to the rendering of, or the failure to render, professional services by the **Insured**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF APPLICATION**  
**(Public filings not included)**

It is understood and agreed that Clause 2, DEFINITIONS, is amended by deleting Definition (a), "Application", in its entirety and replacing it with the following:

- (a) "Application" means each and every signed application, including any attachments and other materials submitted therewith or incorporated therein, submitted in connection with the underwriting of this policy or the underwriting of any other policy issued by the Insurer, or any of its affiliates, of which this policy is a renewal, replacement or which it succeeds in time.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF SUBSIDIARY –  
CHANGE ASSET THRESHOLD**

It is understood and agreed that Definition (o), "Subsidiary", is amended by changing the automatic subsidiary asset threshold in paragraphs (ii) (a) and (ii) (b) of such Definition from 35% to \_\_\_%.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF SUBSIDIARY -  
CHANGE ASSET THRESHOLD**

It is understood and agreed that Definition (o) "**Subsidiary**", is deleted in its entirety and replaced with the following:

- (o) "**Subsidiary**" shall mean any for-profit entity in which more than 50% of the outstanding securities representing the present right to vote for the election of directors or **Managers**:
  - (i) is owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** on or before the inception of the **Policy Period**; or
  - (ii) is first owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** during the **Policy Period** and:
    - (a) whose assets total less than \_\_% of the total consolidated assets of the **Company** as of its most recently filed Form 10-Q; or
    - (b) whose assets total \_\_% or more than the total consolidated assets of the **Company** as of its most recently filed Form 10-Q, but only if the **Company** shall have provided the **Insurer** with full particulars of the new **Subsidiary** within sixty (60) days after its creation or acquisition and pays any additional premium with respect to such entity within thirty (30) days after requested by the **Insurer**.

In any event, coverage as is afforded under this policy relating to any **Wrongful Act** concerning a subsidiary with respect to a **Claim** made against any **Insured Person** shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time a **Subsidiary** became a **Subsidiary**, and prior to the effective time that such **Subsidiary** ceases to be a **Subsidiary**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF SUBSIDIARY -  
CHANGE ASSET THRESHOLD  
(90 days to report)**

It is understood and agreed that Definition (o) "**Subsidiary**", is deleted in its entirety and replaced with the following:

- (o) "**Subsidiary**" shall mean any for-profit entity in which more than 50% of the outstanding securities representing the present right to vote for the election of directors or **Managers**:
  - (i) is owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** on or before the inception of the **Policy Period**; or
  - (ii) is first owned by the **Company**, directly or indirectly, through one or more **Subsidiaries** during the **Policy Period** and:
    - (a) whose assets total less than \_\_\_% of the total consolidated assets of the **Company** as of its most recently filed Form 10-Q; or
    - (b) whose assets total \_\_\_% or more than the total consolidated assets of the **Company** as of its most recently filed Form 10-Q, but only if the **Company** shall have provided the **Insurer** with full particulars of the new **Subsidiary** within ninety (90) days after its creation or acquisition and pays any additional premium with respect to such entity within thirty (30) days after requested by the **Insurer**.

In any event, coverage as is afforded under this policy relating to any **Wrongful Act** concerning a subsidiary with respect to a **Claim** made against any **Insured Person** shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time a **Subsidiary** became a **Subsidiary**, and prior to the effective time that such **Subsidiary** ceases to be a **Subsidiary**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF "OUTSIDE ENTITY" -  
ADD "OUTSIDE ENTITY INSURED PERSONS" FOR SPECIFIC ENTITIES  
WITH PENDING OR PRIOR DATES**

It is understood and agreed that Definition (m), "Outside Entity", is amended by adding the following:

"Outside Entity Insured Person" shall also mean any Insured Person listed below; however, such Insured Person is an "Outside Entity Insured Person" only as respects Wrongful Acts committed or allegedly committed after the corresponding Pending or Prior Date listed below and solely with respect to serving for the corresponding "Outside Entity".

INSURED PERSON

OUTSIDE ENTITY

PENDING OR PRIOR DATE

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF "OUTSIDE ENTITY" -  
ADD SPECIFIC ENTITIES WITH PENDING OR PRIOR DATES**

It is understood and agreed that Definition (m), "Outside Entity", is amended by adding the following:

"Outside Entity" shall also mean any entity listed below; however, such entity is an "Outside Entity" only as respects **Wrongful Acts** committed or allegedly committed after the entity's corresponding Pending or Prior Date listed below.

ENTITY

PENDING OR PRIOR DATE

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

AUTHORIZED REPRESENTATIVE

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DEFINITION OF "OUTSIDE ENTITY" -  
ADD FOR-PROFIT ENTITIES**

It is understood and agreed that Definition (m), "Outside Entity", is amended by adding the following:

**"Outside Entity"** shall also mean any for-profit entity for which an **Insured Person** acts as a director, officer, trustee or governor (or the equivalent thereof) at the written request of the **Company**. Any such **Insured Person** shall be referred to hereafter as an **"Outside Entity Insured Person"**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

---

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND NOTICE PROVISIONS**  
**(60 days post policy reporting)**

It is understood and agreed that Clause 5, NOTICE PROVISIONS, is deleted in its entirety and replaced with the following:

**5. NOTICE PROVISIONS**

The **Insured Person(s)** shall give written notice of a **Claim** to the **Insurer** at the address indicated in Item 7 A. of the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

The **Company** or an **Insured Person** 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 an **Insured Person** as soon as practicable after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) or the **Insured Person** seeking indemnity hereunder becomes aware of the **Claim**. In no event shall such notice be provided later than sixty (60) days after the end of the **Policy Period** (or Discovery Period if applicable).

In the event the **Company** or the **Insured Persons** fail to provide notice of a **Claim** in accordance with the above, the **Insurer** shall not be entitled to deny coverage for the **Claim** based solely upon late notice, unless the **Insurer** can establish that its interests were materially prejudiced by reason of such late notice. Notwithstanding the foregoing, no amounts incurred in connection with a **Claim** prior to the time notice is provided to the **Insurer** shall be considered **Loss** under this policy.

The **Company** or the **Insured Person(s)** shall also give written notice to the **Insurer** at the address indicated in Item 7 B. of the Declarations within thirty (30) days after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) becomes aware of:

- (i) any material change in the terms and conditions of any **Underlying Policy**; or
- (ii) any **Underlying Policy** ceasing to be in effect or being uncollectible, in part or in whole, due to cancellation or non-renewal.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
Authorized Representative

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

#### AMEND NOTICE PROVISIONS

(60 days post policy reporting; as soon as practicable for underlying changes)

It is understood and agreed that Clause 5, NOTICE PROVISIONS, is deleted in its entirety and replaced with the following:

#### 5. NOTICE PROVISIONS

The **Insured Person(s)** shall give written notice of a **Claim** to the **Insurer** at the address indicated in Item 7 A. of the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

The **Company** or an **Insured Person** 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 an **Insured Person** as soon as practicable after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) or the **Insured Person** seeking indemnity hereunder becomes aware of the **Claim**. In no event shall such notice be provided later than sixty (60) days after the end of the **Policy Period** (or **Discovery Period** if applicable).

In the event the **Company** or the **Insured Persons** fail to provide notice of a **Claim** in accordance with the above, the **Insurer** shall not be entitled to deny coverage for the **Claim** based solely upon late notice, unless the **Insurer** can establish that its interests were materially prejudiced by reason of such late notice. Notwithstanding the foregoing, no amounts incurred in connection with a **Claim** prior to the time notice is provided to the **Insurer** shall be considered **Loss** under this policy.

The **Company** or the **Insured Person(s)** shall also give written notice to the **Insurer** at the address indicated in Item 7 B. of the Declarations as soon as practicable after the **Company's** general counsel or risk manager (or individuals with equivalent responsibilities) becomes aware of:

- (i) any material change in the terms and conditions of any **Underlying Policy**; or
- (ii) any **Underlying Policy** ceasing to be in effect or being uncollectible, in part or in whole, due to cancellation or non-renewal.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DISCOVERY CLAUSE**  
(60 days to elect)

It is understood and agreed that Clause 8, DISCOVERY CLAUSE, is deleted in its entirety and replaced with the following:

**8. DISCOVERY CLAUSE**

If the **Company** or the **Insurer** shall refuse to renew this policy or upon the occurrence of an **Organizational Change** as defined in Clause 11, the **Insured Person(s)** shall be entitled to a Discovery Period of one year, two years or three years following the effective date of such non-renewal or **Organizational Change**, upon payment of the Discovery Period Premium specified in Item 6 of the Declarations, within which to give to the **Insurer** written notice pursuant to Clause 5 of this policy of **Claims** made against an **Insured Person** solely with respect to **Wrongful Acts** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The Discovery Period Premium shall be deemed fully earned at the inception of the Discovery Period. The Discovery Period is not cancellable. The Discovery Period Premium is calculated as a percentage of the annual premium, and shall in no event be less than the highest percentage of the comparable premium of any **Underlying Policy**. The rights contained in this Clause 8 shall terminate unless written notice of election of a Discovery Period together with any additional premium due is received by the **Insurer** no later than sixty (60) days subsequent to the effective date of the non-renewal or **Organizational Change**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**AMEND DISCOVERY CLAUSE**  
(Include notice of circumstances; 60 days to elect)

It is understood and agreed that Clause 8, DISCOVERY CLAUSE, is deleted in its entirety and replaced with the following:

**8. DISCOVERY CLAUSE**

If the **Company** or the **Insurer** shall refuse to renew this policy or upon the occurrence of an **Organizational Change** as defined in Clause 11, the **Insured Person(s)** shall be entitled to a Discovery Period of one year, two years or three years following the effective date of such non-renewal or **Organizational Change**, upon payment of the Discovery Period Premium specified in Item 6 of the Declarations, within which to give to the **Insurer** written notice pursuant to Clause 5 of this policy of **Claims** made against an **Insured Person**, or any circumstances that may be expected to give rise to a **Claim** against an **Insured Person**, solely with respect to **Wrongful Acts** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The Discovery Period Premium shall be deemed fully earned at the inception of the Discovery Period. The Discovery Period is not cancellable. The Discovery Period Premium is calculated as a percentage of the annual premium, and shall in no event be less than the highest percentage of the comparable premium of any **Underlying Policy**. The rights contained in this Clause 8 shall terminate unless written notice of election of a Discovery Period together with any additional premium due is received by the **Insurer** no later than sixty (60) days subsequent to the effective date of the non-renewal or **Organizational Change**.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

### RUN-OFF ENDORSEMENT

In consideration of the additional premium of \$\_\_\_\_\_ (which shall be fully earned at the inception date of this endorsement), it is understood and agreed that as of (*insert date*) (hereinafter the "**Effective Time**"), the policy will be amended as follows:

1. Clause 8, **DISCOVERY CLAUSE**, is deleted in its entirety and replaced by the following:

#### 8. RUN-OFF COVERAGE CLAUSE

The **Insured(s)** shall have the right to a period of \_\_\_\_ ( \_ ) years following the **Effective Time** (herein referred to as the "Discovery Period" or "Run-off Period") within which to give to the **Insurer** written notice pursuant to Clause 5 of this policy of **Claims** made against an **Insured** solely with respect to **Wrongful Acts** occurring prior to the **Effective Time** and otherwise covered by this policy.

2. Clause 10, **CANCELLATION CLAUSE**, is deleted in its entirety and replaced by the following:

#### 10. CANCELLATION CLAUSE

The coverage afforded by this endorsement may not be canceled by the **Insured** or the **Insurer** except as indicated below.

Notwithstanding the foregoing, the coverage afforded by this endorsement may be canceled by or on behalf of the **Insurer** only in the event of nonpayment of premium. In the event of non-payment of premium, the **Insurer** may cancel this policy by delivering to the **Company** or by mailing to the **Company**, by registered mail, or by courier at the **Company's** address as shown in Item 1 of the Declarations, written notice stating when, not less than twenty (20) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The **Policy Period** terminates at the date and hour specified in such notice.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

It is further understood and agreed that the premium charged for this endorsement shall be fully earned as of the **Effective Time**.

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**RUN-OFF ENDORSEMENT**  
(Include notice of circumstances)

In consideration of the additional premium of \$\_\_\_\_\_ (which shall be fully earned at the inception date of this endorsement), it is understood and agreed that as of (*insert date*) (hereinafter the "**Effective Time**"), the policy will be amended as follows:

1. Clause 8, **DISCOVERY CLAUSE**, is deleted in its entirety and replaced by the following:

**8. RUN-OFF COVERAGE CLAUSE**

The **Insured Persons** shall have the right to a period of \_\_\_\_ ( \_ ) years following the **Effective Time** (herein referred to as the "Discovery Period" or "Run-off Period") within which to give to the **Insurer** written notice pursuant to Clause 5 of this policy of **Claims** made against an **Insured Person**, or any circumstances that may be expected to give rise to a **Claim** against an **Insured Person**, solely with respect to **Wrongful Acts** occurring prior to the **Effective Time** and otherwise covered by this policy.

2. Clause 10, **CANCELLATION CLAUSE**, is deleted in its entirety and replaced by the following:

**10. CANCELLATION CLAUSE**

The coverage afforded by this endorsement may not be canceled by the **Company** or the **Insurer** except as indicated below.

Notwithstanding the foregoing, the coverage afforded by this endorsement may be canceled by or on behalf of the **Insurer** only in the event of nonpayment of premium by the **Company**. In the event of non-payment of premium by the **Company**, the **Insurer** may cancel this policy by delivering to the **Company** or by mailing to the **Company**, by registered mail, or by courier at the **Company's** address as shown in Item 1 of the Declarations, written notice stating when, not less than twenty (20) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The **Policy Period** terminates at the date and hour specified in such notice.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

It is further understood and agreed that the premium charged for this endorsement shall be fully earned as of the **Effective Time**.



Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

**FOLLOW FORM OF SECTION 11 & 12 ENDORSEMENT**

It is understood and agreed that this Policy shall follow the form of Endorsement \_\_, (*insert title of endorsement*), of the Primary Policy.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**

Endorsement No.:

This endorsement, effective:

(at 12:01 a.m. Standard Time at the address of the Company as shown in Item 1 of the Declarations)

Forms a part of Policy No.:

Issued to:

By:

#### ARKANSAS AMENDATORY ENDORSEMENT

This endorsement modifies insurance coverage provided under the SIDE 'A' DIRECTORS & OFFICERS EXCESS AND LEAD DIFFERENCE-IN-CONDITIONS ("DIC") INSURANCE POLICY.

- A. It is understood and agreed that Clause 4. LIMIT OF LIABILITY is deleted in its entirety and replaced by the following:

#### 4. LIMIT OF LIABILITY

Except in the event the Reinstated Limit of Liability (as defined below) applies, the Limit of Liability stated in Item 3 of the Declarations is the aggregate limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** reported to the **Insurer** in accordance with the terms and conditions of this policy, including all **Claims** reported to the **Insurer** during the Discovery Period (if applicable). The **Insurer's** maximum liability for any combination of **Losses** during the same **Policy Period** or Discovery Period (if applicable) shall be the Limit of Liability listed in Item 3 of the Declarations.

This policy shall, subject to its terms, conditions and exclusions, drop down to the attachment point of the **Underlying Insurer** that is the subject of the **DIC Event** and will pay **Loss** on behalf of the **Insured Person(s)** up to the Limit of Liability stated in Item 3 of the Declarations. In the event one or more **Underlying Insurers** also drop down, this policy shall remain excess to the aggregate limit of liability of such **Underlying Insurer(s)** after such drop-down. Nothing contained herein shall be construed to increase the Limit of Liability stated in Item 3 of the Declarations.

In the event the Limit of Liability stated in Item 3 of the Declarations is exhausted due to payment of **Loss** covered under this policy, such Limit of Liability shall be reinstated in the amount stated in Item 4 of the Declarations (the "Reinstated Limit of Liability") without any additional premium being charged by the **Insurer**. The Reinstated Limit of Liability shall not apply to any **Claim** based upon, arising out of or in any way connected to a **Claim** for which there has been any payment of **Loss** under the Limit of Liability set forth in Item 3 of the Declarations.

The Reinstated Limit of Liability shall apply only to **Loss** incurred by **Independent Directors** and shall be: (i) subject to the limit of liability stated in Item 4 of the Declarations; (ii) excess of all other insurance policies specifically excess of this policy, subject to any difference-in-conditions event involving such policies as set forth in Definition (e) of this policy; and (iii) subject to all other terms and conditions of this policy.

**Defense Costs** are not payable by the **Insurer** in addition to any Limit of Liability. **Defense Costs** are part of **Loss** and as such are subject to the Limit of Liability stated in Item 3 and Item 4 of the Declarations. For an additional premium the **Company** may purchase a separate limit for **Defense Costs** equal to 100% of the Limit of Liability. Such separate limit for **Defense Costs** purchased shall not be part of and shall be in addition to the Limit of Liability stated in Item 3 of the Declarations.

- B. It is understood and agreed that Clause 10. CANCELLATION CLAUSE is deleted in its entirety and replaced by the following:

#### 10. CANCELLATION CLAUSE

This policy may be cancelled by the **Company**, provided that it has obtained the written consent of all **Insured Persons**, only by sending written prior notice to the **Insurer** or by surrender of this policy to the **Insurer** or its authorized agent at the address set forth in Item 7 B. of the Declarations and written notice stating when thereafter the cancellation shall be effective. The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender.

This policy shall not be cancelled by or on behalf of the **Insurer** except by reason of non-payment of the premium set forth in Item 5 of the Declarations. The **Insurer** may cancel the policy by delivering to the **Company** or by mailing to the **Company**, by registered mail, or by courier at the **Company's** address set forth in the Declarations and to any lienholder or loss payee named in the policy, written notice stating when, not less than twenty (20) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. In the event of such cancellation, the policy will be deemed terminated as of the inception of the **Policy Period**.

If this policy is cancelled by the **Company**, the **Insurer** shall retain the customary short rate (90% of pro rata) proportion of the premium herein.

Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

- C. It is understood and agreed that the following Clauses are added to the policy:

#### NONRENEWAL

If the **Insurer** decides not to renew this policy, the **Insurer** will mail or deliver written notice of nonrenewal to the **Company** at the address set forth in the Declarations and to any lienholder or loss payee named in the policy at least sixty (60) days before the expiration date of the policy. Proof of mailing of any notice shall be sufficient proof of notice.

#### RENEWAL WITH PREMIUM INCREASE

If the **Insurer** decides to increase the current policy premium by more than 25%, the **Insurer** will deliver or mail by first class mail to the **Company** at the address set forth in the Declarations written notice advising of the **Insurer's** action, which will include the amount of premium increase at least thirty (30) days before the expiration date of the policy. Proof of mailing of any notice shall be sufficient proof of notice.