
In consideration of payment of the premium and subject to the Declarations, limitations, conditions, provisions and other terms of this Policy, the Company and the **Insured** agree as follows:

I. INSURING CLAUSES

Insuring Clause (A): Individual Non-Indemnified Liability Coverage

- (A) The Company shall pay on behalf of an **Insured Person, Loss**, on account of a **Claim** first made against the **Insured Person** during the **Policy Period**, or the Extended Reporting Period if applicable, to the extent that such **Loss** is not indemnified by an **Organization**.

Insuring Clause (B): Individual Indemnified Liability Coverage

- (B) The Company shall pay on behalf of an **Organization, Loss**, on account of a **Claim** first made against the **Insured Person** during the **Policy Period**, or the Extended Reporting Period if applicable, to the extent the **Organization** indemnifies an **Insured Person** for such **Loss** as permitted or required by law.

Insuring Clause (C): Subpoena Defense Costs Coverage

- (C) The Company shall pay **Subpoena Defense Costs** on behalf on an **Insured Person** on account of any **Covered Subpoena** first served during the **Policy Period**, provided that the **Wrongful Act** giving rise to the **Covered Subpoena** has not resulted in a **Claim** against an **Insured Person**, but only if such **Covered Subpoena** is reported to the Company in writing as soon as practicable but no event later than ninety (90) days after such **Covered Subpoena** is first served. The Company's maximum aggregate limit of liability for such **Subpoena Defense Costs** shall be \$10,000, which shall be part of, not in addition to, the Maximum Aggregate Limit of Liability for this Policy set forth in Item 3 of the Declarations.

II. EXCLUSIONS

The Company shall not be liable for **Loss** on account of any **Claim**:

- (A) Prior Notice
based upon, arising from or in consequence of any fact, circumstance, situation, transaction, event or **Wrongful Act** that, before the inception date of this Policy set forth in Item 2(A) of the Declarations, was the subject of any notice accepted under any policy or coverage part of which this Policy is a direct or indirect renewal or replacement;
- (B) Pending or Prior Proceedings
based upon, arising from or in consequence of any written demand, suit or other proceeding pending against, or order, decree or judgment entered for or against, any **Insured Person**, on or prior to the applicable Pending or Prior Proceedings Date set forth in Item 5 of the Declarations, or the same or substantially the same fact, circumstance, situation, transaction or event underlying or alleged therein;
- (C) Bodily Injury/Property Damage
for bodily injury, mental anguish, humiliation, emotional distress, sickness, disease or death of any person or damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed; provided that this Exclusion (C) shall not apply to **Loss** for mental anguish, humiliation or emotional distress resulting from **Personal Injury**;
- (D) Pollution
based upon, arising from or in consequence of any:
- (1) discharge, emission, release, dispersal or escape of any **Pollutants** or any threat thereof;
 - (2) treatment, removal or disposal of any **Pollutants**; or

(3) regulation, order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Pollutants**;

including but not limited to any **Claim** for financial loss to an **Organization**, its securityholders or its creditors based upon, arising from or in consequence of any matter described in Paragraphs (1), (2) or (3) of this Exclusion (D);

provided that this Exclusion (D) shall not apply to **Loss** which an **Insured Person** becomes legally obligated to pay and for which such **Insured Person** is not indemnified by an **Organization** either because the **Organization** is not permitted by common or statutory law to grant such indemnification or because of the **Financial Impairment** of the **Organization**; provided that this exception shall only apply to **Claims** first made in fact during the **Policy Period** or the Extended Reporting Period, if applicable;

(E) ERISA

for any violation of the responsibilities, obligations or duties imposed by **ERISA**; provided that this Exclusion (E) shall not apply to **Loss** arising out of the performance of **Professional Services** rendered to a fiduciary of a plan sponsored by an **Organization** for the benefit of the employees and **Executives** of the **Organization**;

(F) Prior Knowledge

based upon, arising from or in consequence of any **Wrongful Act** first committed before the **First Inception Date**, if, on or before such date, any **Insured Person** knew or could have reasonably foreseen that such **Wrongful Act** did or could result in a **Claim** against any **Insured**;

(G) Insured v. Insured

(1) brought by an **Insured Person**; provided that this Exclusion (G)(1) shall not apply to a **Claim**:

- (a) for contribution or indemnity arising from another **Claim** otherwise covered under this Policy;
- (b) brought by any **Insured Person** who has ceased serving in his or her capacity as an **Insured Person** for at least one (1) year; or
- (c) brought in such **Insured Person's** capacity as a whistleblower as defined under any federal, state, local or foreign law;

(2) brought by an **Organization**; provided that this Exclusion (G)(2) shall not apply to **Loss** in the event of **Financial Impairment** of the **Organization**.

For all other **Claims** brought by an **Organization**, this Exclusion (G)(2) shall not apply to **Defense Costs**; provided further that the Company's maximum aggregate limit of liability for such **Defense Costs** on account of all such **Claims** shall be equal to eighty percent (80%) of the Maximum Aggregate Limit of Liability for this Policy stated in Item 3 of the Declarations and shall be part of, not in addition to, such Maximum Aggregate Limit of Liability; or

(3) brought by any security holder of the **Organization** on behalf of the **Organization** as a derivative action, provided this Exclusion (G)(3) shall not apply to a **Claim** brought without the solicitation, assistance, active participation, or intervention of: (a) the **Organization**; and (b) any **Insured Persons** and **Executives** who are serving or have served in such capacity within the past two (2) years;

(H) Wage and Hour

for any violation of the responsibilities, obligations or duties imposed by any federal, state, or local statutory law or common law anywhere in the world (including the Fair Labor Standards Act and the Equal Pay Act) or amendments to or regulations promulgated under any such law that governs wage, hour and payroll policies and practices ("Wage and Hour Laws"), provided that this Exclusion (H) shall not apply to **Defense Costs**;

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- (I) NLRA, WARN, COBRA and OSHA
for any violation of the responsibilities, obligations or duties imposed by the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, or any amendments thereto or any rules or regulations promulgated thereunder, or any similar provisions of any federal, state, or local statutory law or common law anywhere in the world, provided that this Exclusion (I) shall not apply to **Defense Costs**;
- (J) Employment Practices
based upon, arising from or in consequence of any employment practice not included in Exclusions (H) and (I) above, including discrimination, harassment, retaliation, breach of employment contract, or wrongful dismissal, discharge or termination; provided that this Exclusion (J) shall not apply to **Loss** for any violation of such employment practice committed by an entity or person, other than an **Employed Lawyer**, to the extent that such employment practice was committed in reliance upon **Professional Services** performed by an **Insured Person**;
- (K) Patent and Trade Secret
based upon, arising from or in consequence of any infringement of patent, false patent marking, or misappropriation of trade secrets;
- (L) Other Insurance
for which an **Insured Person** has coverage under any valid and collectible Directors and Officers Liability policy, Employment Practices Liability policy, Errors and Omissions policy, Media Liability policy, Lawyers Professional Liability policy, or any similar insurance policy; whether or not the retention or deductible of such policy has been exhausted, and regardless of whether such policy is stated to be primary, contributory, excess, contingent or otherwise. This Exclusion (L) shall not apply to the amount of **Loss** that is in excess of both the amount of any retention or deductible and the limit or remaining limit of liability of such other policy;
- (M) Notary
based upon, arising from or in consequence of any **Insured Person** notarizing any signature not made in the presence of such **Insured Person** at that time of such notarization; or
- (N) Conduct
based upon, arising from or in consequence of:
- (1) any deliberately fraudulent act or omission, or any willful violation of any statute or regulation, by an **Insured Person**, if a final, non-appealable adjudication in any underlying proceeding or action (other than a declaratory proceeding or action brought by or against the Company) establishes such an act or omission or violation; or
 - (2) an **Insured Person** having gained any profit, remuneration or other advantage to which such **Insured Person** was not legally entitled, if a final, non-appealable adjudication in any underlying proceeding or action (other than a declaratory proceeding or action brought by or against the Company) establishes the gaining of such a profit, remuneration or advantage;

provided that no conduct pertaining to any **Insured Person** shall be imputed to any other **Insured Person**.

III. REPORTING

- (A) The **Insured** shall, as a condition precedent to exercising any right to coverage under this Policy, give to the Company written notice of any **Claim** as soon as practicable after an **Insured Person** or any person with the responsibility for the management of insurance claims of the **Organization** becomes aware of such **Claim**, but in no event later than:
- (1) if this Policy expires (or is otherwise terminated) without being renewed with the Company, ninety (90) days after the effective date of such expiration or termination; or

(2) the expiration of the Extended Reporting Period, if applicable,

provided that if the Company sends written notice to the **Parent Organization**, stating that this Policy is being terminated for nonpayment of premium, the **Insured** shall give to the Company written notice of such **Claim** prior to the effective date of such termination.

- (B) If during the **Policy Period**, or any applicable Extended Reporting Period, an **Insured** becomes aware of circumstances which could give rise to any **Claim** and gives written notice of such circumstances to the Company, then any **Claim** subsequently arising from such circumstances shall be deemed made against the **Insured** during the **Policy Year** in which such circumstances were first reported to the Company, provided any such subsequent **Claim** is reported to the Company as soon as practicable, but in no event later than ninety (90) days after an **Insured Person** or any person with the responsibility for the management of insurance claims of the **Organization** becomes aware of such **Claim**.
- (C) An **Insured** shall, as a condition precedent to exercising any right to coverage under this policy, give to the Company such information, assistance and cooperation as the Company may reasonably require, and shall include in any notice under Subsections (A) or (B) above of the **Claim** or circumstances, the nature of the alleged **Wrongful Act**, the nature of the alleged or potential damage, the names of the actual or potential claimants, and the manner in which such **Insured** first became aware of the **Claim**, circumstances or alleged **Wrongful Act**.

IV. LIMIT OF LIABILITY

- (A) The Company's maximum aggregate limit of liability for all **Loss** from all **Claims** first made during each **Policy Year** shall be the Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations.
- (B) **Defense Costs** are part of, and not in addition to, the Maximum Limit of Liability set forth in Item 3 of the Declarations.
- (C) The limit of liability available during the Extended Reporting Period, if applicable, shall be part of, and not in addition to, the Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations.

V. RETENTION AND PRESUMPTIVE INDEMNIFICATION

- (A) The Company's liability under this Policy shall apply only to that part of each **Loss** which is in excess of the applicable Retention for this Policy set forth in Item 4 of the Declarations, and such Retention shall be borne by the **Insureds** uninsured and at their own risk.
- (B) If different parts of a single **Claim** are subject to different Retentions, the applicable Retentions shall be applied separately to each part of such **Claim**, but the sum of such retentions shall not exceed the largest applicable Retention.
- (C) **Claims** shall be subject to the Retention(s) applicable to the **Policy Year** during which such **Claims** are made or deemed to have been made.
- (D) If an **Organization** fails or refuses, other than for reasons of **Financial Impairment**, to indemnify an **Insured Person** for **Loss** to the fullest extent permitted by statutory or common law, then any payment by the Company of such **Loss** shall be excess of the Insuring Clause (B) Retention set forth in Item 4(B) of the Declarations.

VI. DEFENSE AND SETTLEMENT

- (A) The Company shall have the right and duty to defend any **Claim** covered by this Policy. Coverage shall apply even if any of the allegations are groundless, false or fraudulent. The Company's duty to defend any **Claim** shall cease upon exhaustion of the Maximum Aggregate Limit of Liability.
- (B) The Company may make any investigation it deems necessary and may, with the consent of the **Insured Persons** against whom a **Claim** is made, make any settlement of any **Claim** it deems appropriate.
- (C) No **Insured** shall settle any **Claim**, incur any **Defense Costs**, or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the Company's written consent, which shall not be unreasonably withheld. The Company shall not be liable for any settlement, **Defense Costs**, assumed obligation or admission to which it has not consented.
- (D) The Company shall have no obligation to pay **Loss**, including **Defense Costs**, or to defend or continue to defend any **Claim** after the Company's Maximum Aggregate Limit of Liability set forth in Item 3 of the Declarations has been exhausted by the payment of **Loss**. If the Company's Maximum Aggregate Limit of Liability is exhausted by the payment of **Loss** the premium shall be deemed fully earned.
- (E) The **Insureds** agree to provide the Company with all information, assistance and cooperation which the Company reasonably requests and agrees they will do nothing that may prejudice the Company's position or its potential or actual rights of recovery.
- (F) The Company shall not seek repayment from an **Insured** of any **Defense Costs** paid by the Company that are deemed uninsured pursuant to Exclusion (N), Conduct, unless the applicable determination standard (whether a final, non-appealable adjudication or other determination standard) set forth in such Exclusion has been met.

VII. RELATED CLAIMS

- (A) All **Related Claims** shall be deemed a single **Claim** made in the **Policy Year** in which the earliest of such **Related Claims** was first made or first deemed to have been made in accordance with Section III, Reporting (the "Earliest Related Claim").
- (B) All **Related Claims** shall be subject to the same Retention and Maximum Aggregate Limit of Liability applicable to the Earliest Related Claim.

VIII. ALLOCATION

- (A) If the **Insureds** who are afforded coverage for a **Claim** incur an amount consisting of both **Loss** that is covered by this Policy and also loss that is not covered by this Policy because such **Claim** includes both covered and uncovered matters, then such **Insured** and the Company shall allocate such amount between covered **Loss** (including an allocation of **Defense Costs**) and uncovered loss based upon the relative legal exposure of the parties to such matters. The Company shall not be liable under this Policy for the portion of such amount allocated to uncovered loss.
- (B) If such **Insured** and the Company agree on an allocation of **Defense Costs**, then the Company shall pay, on behalf of such **Insured**, **Defense Costs** allocated to covered **Loss**. If such **Insured** and the Company cannot agree on an allocation of **Defense Costs**:
 - (1) no presumption as to allocation of **Loss**, including **Defense Costs**, shall exist in any arbitration, suit or other proceeding;
 - (2) the Company shall pay, on behalf of such **Insured**, **Defense Costs** which the Company believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined; and

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- (3) the Company, if requested by such **Insured**, shall submit the dispute regarding the allocation of **Defense Costs** to binding arbitration. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel, which shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the Company, and a third independent arbitrator selected by the first two arbitrators.
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IX. PRIORITY OF PAYMENTS

In the event of **Loss** arising from a **Claim** for which payment is concurrently due under Insuring Clause (A), Individual Non-Indemnified Liability Coverage, and Insuring Clause (B), Individual Indemnified Liability Coverage, the Company shall:

- (A) first, pay **Loss** for which coverage is provided under Insuring Clause (A), Individual Non-Indemnified Liability Coverage, then
- (B) with respect to whatever remaining amount of the Maximum Aggregate Limit of Liability is available after payment under Subsection (A) above, pay such **Loss** for which coverage is provided under Insuring Clause (B), Individual Indemnified Liability Coverage.

Except as otherwise provided in this Section IX, the Company may pay covered **Loss** as it becomes due without regard to the potential for other future payment obligations under this Policy.

X. OTHER INSURANCE

- (A) If any **Loss** under this Policy is insured under any other valid and collectible insurance policy (other than a policy that is issued specifically as excess of the insurance afforded by this Policy), this Policy shall be excess of and shall not contribute with such other insurance, regardless of whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise.
- (B) Nothing in this Section X shall be construed to limit or impair the operation of Exclusion (L), Other Insurance.
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XI. INDEMNIFICATION AND SUBROGATION

- (A) This policy has been issued to the **Parent Organization** with the understanding and agreement that each **Organization** agrees to fulfill its indemnification obligations to the fullest extent permitted by: (i) any statutory or common law, or (ii) any contract or agreement providing an indemnification obligation exceeding any such statutory or common law, to any **Insured Person**. If the Company pays as **Loss** any indemnification owed to any **Insured Person** by any **Organization**, the Company does not waive or compromise any of its rights to recover such **Loss** from such **Organization**.
- (B) In the event of any payment of **Loss** under this Policy, the Company shall be subrogated to the extent of such payment of **Loss** to all of the **Insureds'** rights of recovery, including any such right to indemnification from any **Organization**, other insurer or other source. The **Insureds** shall take all reasonable actions to secure and preserve the Company's rights, including execution of such documents necessary to enable the Company to effectively bring suit or otherwise pursue subrogation rights in the name of the **Insureds**.
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XII. EXTENDED REPORTING PERIOD

- (A) If this Policy does not renew or otherwise terminates for a reason other than for failure to pay premium (each a "Termination of Coverage"), then an **Insured** shall have the right to purchase an Extended Reporting Period for the Additional Period and Additional Premium set forth in Item 6 of the Declarations.
- (B) In the event of a Termination of Coverage and upon request from an **Insured**, the Company shall, in its sole discretion, provide a quote for additional Extended Reporting Period options for Additional Periods other than as set forth in Item 6 of the Declarations. Any such additional quote offered shall be subject to such Additional Premium as the Company may require.
- (C) The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute refusal to renew.
- (D) This right to purchase an Extended Reporting Period shall lapse unless written notice of election to purchase the Extended Reporting Period for the specified length, together with payment of the applicable Additional Premium due, is received by the Company within sixty (60) days after the effective date of the Termination of Coverage.
- (E) If an Extended Reporting Period is purchased, then coverage otherwise afforded by this Policy shall be extended to apply to **Claims**: (1) first made during such Extended Reporting Period; and (2) reported to the Company pursuant to Section III, Reporting, but only to the extent such **Claims** are for **Wrongful Acts** before the effective date of such Termination of Coverage or the date of any conversion of coverage described in Section XIV, Acquisition or Reorganization of the Parent Organization, whichever is earlier. Any **Claim** made during the Extended Reporting Period shall be deemed to have been made during the **Policy Year** immediately preceding the Extended Reporting Period.
- (F) The entire premium for the Extended Reporting Period shall be deemed fully earned at the inception of such Extended Reporting Period.
- (G) The limit of liability for the Extended Reporting Period is part of, and not in addition to, the Maximum Aggregate Limit of Liability for the **Policy Year** immediately preceding the Extended Reporting Period.

XIII. ACQUISITION OR CESSATION OF A SUBSIDIARY

(A) **Acquisition of a Subsidiary**

If before or during the **Policy Period** an **Organization** acquires voting rights in another entity, such that the acquired entity becomes a **Subsidiary**, then such **Subsidiary**, and the **Insured Persons** thereof, shall be **Insureds** solely for **Claims** for **Wrongful Acts** after such acquisition.

(B) **Cessation of a Subsidiary**

If before or during the **Policy Period** an **Organization** ceases to be a **Subsidiary**, then with respect to such **Subsidiary** and its **Insured Persons** coverage shall continue until termination of this Policy in accordance with Section XIV, Acquisition or Reorganization of the Parent Organization, or Section XVII, Termination of Policy, whichever first occurs, but solely for **Claims** for **Wrongful Acts** while such **Organization** was a **Subsidiary**.

XIV. ACQUISITION OR REORGANIZATION OF THE PARENT ORGANIZATION

- (A) If during the **Policy Period** any of the following events occur:
- (1) another entity, person or group of entities or persons acting in concert, acquires more than fifty percent (50%) of the outstanding securities representing the present right to vote for the election of directors, trustees, members of the Board of Managers or management committee members of the **Parent Organization**;
 - (2) the acquisition of all or substantially all of the **Parent Organization's** assets, by another entity, person or group of entities or persons acting in concert, or the merger of the **Parent Organization** into or with another entity such that the **Parent Organization** is not the surviving entity; or
 - (3) the **Parent Organization** emerges from bankruptcy as of the effective date stated in the plan of reorganization;
- (B) then:
- (1) coverage under this Policy shall continue until the expiration of the current **Policy Period**, solely for **Claims** for **Wrongful Acts** prior to such event;
 - (2) the **Parent Organization** shall give written notice of such event to the Company as soon as practicable together with such information as the Company may require; and
 - (3) the entire premium for this Policy shall be deemed fully earned as of the effective date of such event.

XV. SPOUSES, DOMESTIC PARTNERS, ESTATES AND LEGAL REPRESENTATIVES

Subject otherwise to the limitations, conditions, provisions and other terms of this Policy, coverage shall extend to **Claims** for **Wrongful Acts** of an **Insured Person** made against:

- (A) the lawful spouse or domestic partner of such **Insured Person** solely by reason of such spouse or domestic partner's status as a spouse or domestic partner, or such spouse's or domestic partner's ownership interest in property which the claimant seeks as recovery for an alleged **Wrongful Act** of such **Insured Person**; or
- (B) the estate, heirs, legal representatives or assigns of such **Insured Person** if such **Insured Person** is deceased, or the legal representatives or assigns of such **Insured Person** if such **Insured Person** is legally incompetent, insolvent or bankrupt;

provided that, no coverage afforded by this Section XV shall apply with respect to any loss arising from an act, error or omission by an **Insured Person's** spouse, domestic partner, estate, heirs, legal representative or assigns.

XVI. NOTICE

- (A) All notices to the Company under this Policy of any **Claims** or circumstances which could give rise to a **Claim** shall be given in writing to one of the following addresses:
- (1) specialtyclaims@chubb.com; or
 - (2) Attn: Claims Department
Chubb Group of Insurance Companies
82 Hopmeadow St.
Simsbury, CT 06070-7683

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- (B) All other notices to the Company under this Policy shall be given in writing addressed to:

Attn: Chubb Specialty Insurance Underwriting Department
Chubb Group of Insurance Companies
15 Mountain View Road
Warren, New Jersey 07059

- (C) Any notice described above shall be effective on the date of receipt by the Company.
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XVII. TERMINATION OF POLICY

- (A) This Policy shall terminate at the earliest of the following times:
- (1) upon receipt by the Company of written notice of termination from the **Parent Organization**; provided that this Policy may not be terminated by the **Parent Organization** after the effective date of any event described in Section XIV, Acquisition or Reorganization of the Parent Organization.
 - (2) upon expiration of the **Policy Period** set forth in Item 2 of the Declarations;
 - (3) twenty (20) days after receipt by the **Parent Organization** of a written notice of termination from the Company based upon non-payment of premium, unless the premium is paid within such twenty (20) day period; or
 - (4) at such other time as may be agreed upon by the Company and the **Parent Organization**.
- (B) The Company shall refund the unearned premium computed at customary short rates if this Policy is terminated by the **Parent Organization**. Under any other circumstances the refund shall be computed pro rata. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of such termination, but such payment shall be made as soon as practicable.
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XVIII. BANKRUPTCY

Bankruptcy or insolvency of any **Insured** shall not relieve the Company of its obligations nor deprive the Company of its rights or defenses under this Policy.

XIX. REPRESENTATIONS AND SEVERABILITY AND NON-RESCINDABLE COVERAGE

- (A) In granting coverage to the **Insured** under this Policy, the Company has relied upon the declarations and statements in the **Application** for this Policy. Such declarations and statements are the basis of the coverage under this Policy and shall be considered as incorporated in and constituting part of this Policy.
- (B) Any **Application** for coverage shall be construed as a separate **Application** for coverage by each **Insured Person**. With respect to the declarations and statements in such **Application**, no knowledge possessed by an **Insured Person** shall be imputed to any other **Insured Person**.
- (C) However, in the event that such **Application** contains any misrepresentations made with the actual intent to deceive or contains misrepresentations which materially affect either the acceptance of the risk or the hazard assumed by the Company under this Policy, then no coverage shall be afforded for any **Claim** based upon, arising from or in consequence of any such misrepresentations with respect to any **Insured Person** who knew of such misrepresentations (whether or not such **Insured Person** knew such **Application** contained such misrepresentations) or any **Organization** to the extent it indemnifies any such **Insured Person**.

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- (D) The **Company** shall not be entitled under any circumstances to rescind this Policy with respect to any **Insured**.
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XX. VALUATION AND FOREIGN CURRENCY

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. Except as otherwise provided in this Policy, if a judgment is rendered, a settlement is denominated or any element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States of America dollars at the rate of exchange published in *The Wall Street Journal* on the date the judgment becomes final, the amount of the settlement is agreed upon or any element of **Loss** is due, respectively.

XXI. ACTION AGAINST THE COMPANY

No action may be taken against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy. No person or entity shall have any right under this Policy to join the Company as a party to any action against any **Insured** to determine such **Insured's** liability nor shall the Company be impleaded by such **Insured** or legal representatives of such **Insured**.

XXII. ROLE OF PARENT ORGANIZATION

By acceptance of this Policy, the **Parent Organization** agrees that it shall be considered the sole agent of, and shall act on behalf of, each **Insured** with respect to: (A) the payment of premiums and the receiving of any return premiums that may become due under this policy; (B) the negotiation, agreement to and acceptance of endorsements; and (C) the giving or receiving of any notice provided for in this Policy (except the giving of notice to apply for an Extended Reporting Period as provided in Section XII, Extended Reporting Period, and the giving of notice of **Claim** or circumstances as provided in Section III, Reporting). Each **Insured** agrees that the **Parent Organization** shall act on its behalf with respect to all such matters.

XXIII. ALTERATION AND ASSIGNMENT

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy which is signed by an authorized employee of Chubb & Son, a division of Federal Insurance Company.

XXIV. TERRITORY

This Policy shall apply anywhere in the world.

XXV. HEADINGS

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

XXVI. COMPLIANCE WITH TRADE SANCTIONS

This insurance does not apply to the extent that trade or economic sanctions or other similar laws or regulations prohibit the Company from providing insurance.

XXVII. DEFINITIONS

When used in this Policy:

Anniversary Date means the date and time exactly one (1) year after the date and time set forth in Item 2 (A), **Policy Period**, of the Declarations and each succeeding date and time exactly one (1) year after the previous **Anniversary Date**.

Application means:

- (A) any portion of an application given to the Company for this Policy, including any attachments, written information or materials provided to the Company by or on behalf of an **Insured** for the purposes of the Company's underwriting of this Policy;
- (B) any warranty provided to the Company within the past three years in connection with any policy of which this Policy is a renewal or replacement; and
- (C) all publicly available documents filed by or on behalf of the **Organization** with the Securities and Exchange Commission during the twelve (12) months prior to the inception date of this Policy.

Claim means any:

- (A) written demand first received by an **Insured Person** for monetary or non-monetary relief, including injunctive relief;
- (B) civil proceeding commenced by the service of a complaint or similar pleading;
- (C) criminal proceeding commenced by: (i) an arrest; or (ii) a return of an indictment, information or similar document;
- (D) formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document;
- (E) arbitration or mediation proceeding commenced by receipt of a demand for arbitration, demand for mediation or similar document; or
- (F) official request for **Extradition**;

against an **Insured Person** for a **Wrongful Act**, including any appeal therefrom;

- (G) judicial, administrative, bar association or other proceeding against an **Employed Lawyer** which concerns the eligibility or license of such **Employed Lawyer** to practice law;
- (H) civil, criminal, administrative or regulatory investigation or interview of an **Employed Lawyer** for a **Wrongful Act** once such **Employed Lawyer** is identified in writing by any investigative authority as a target of such investigation or interview, including when such **Employed Lawyer** is served with a target letter or similar document; or
- (I) written request first received by an **Insured** to toll or waive a statute of limitations relating to a potential **Claim** described in Subsections (A) through (H) above.

Covered Subpoena means a subpoena seeking documents, testimony or information solely in connection with an **Insured Person's Wrongful Act**.

Defense Costs means **Subpoena Defense Costs** and that part of **Loss** consisting of reasonable costs, charges, fees (including attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of an **Insured Person**, **Executive** or employee of the **Organization**) incurred in investigating, defending, opposing or appealing any **Claim** and the premium for appeal, attachment or similar bonds.

Employed Lawyer means any person admitted to practice law anywhere in the world who is, was or becomes a full-time or part-time employee of the **Organization** for the purpose of providing legal services to the **Organization**.

ERISA means the Employee Retirement Income Security Act of 1974 (including amendments relating to the Consolidated Omnibus Budget Reconciliation Act of 1985, and the Health Insurance Portability and Accountability Act of 1996), the English Pension Scheme Act 1993 or the English Pensions Act 1995; all as amended; any similar statutory or common law anywhere in the world; or any rule or regulation promulgated under any such Act or law.

Executive means any natural person who is, was or will be:

- (A) a duly elected or appointed director, officer, member of the Advisory Board or in-house general counsel of any **Organization** incorporated in the United States of America;
- (B) a duly elected or appointed: (1) manager or member of the Board of Managers or equivalent position; (2) member of the Advisory Board; or (3) in-house general counsel, of any **Organization** formed as a limited liability company organized in the United States of America; or
- (C) a holder of an equivalent position to those described above in Subsection (A) or (B) above in any **Organization** incorporated or organized anywhere in the world.

Extradition means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or otherwise to answer any criminal accusation, or the execution of a warrant for the arrest of an **Insured Person** where such execution is an element of **Extradition**.

Financial Impairment means the status of an **Organization** resulting from:

- (A) the appointment by any federal or state official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate such **Organization**; or
- (B) such **Organization** becoming a debtor in possession under the United States bankruptcy law or the equivalent of a debtor in possession under the law of any other country,

provided that, the court or other judicial or administrative body overseeing the receivership, conservatorship, liquidation, rehabilitation, bankruptcy or equivalent proceeding has denied a request by the **Organization** to indemnify an **Insured Person** for **Loss**; provided further that, the Company may, in its sole discretion, waive the foregoing requirement.

First Inception Date means the inception date of the first Employed Lawyers Professional Liability policy issued by the Company and continuously renewed by the Company until the inception date of this current Policy.

Independent Contractor Attorney means any person admitted to practice law who provides legal services to an **Organization**, is indemnified by the **Organization** under an independent contractor services agreement, and is not employed by a law firm.

Insured means any **Organization** and any **Insured Person**.

Insured Person means any:

- (A) **Employed Lawyer**;
- (B) **Legal Assistant**;
- (C) person who is, was or becomes a full-time or part-time employee of the **Organization** whose duties include serving as a notary public, but only while acting in his or her capacity as a notary public under the supervision of an **Employed Lawyer**;

- (D) **Temporary Attorney;**
- (E) **Independent Contractor Attorney;** and
- (F) a holder of an equivalent position to subsections (A), (B) or (C) above in any **Organization** incorporated, formed or organized anywhere in the world;

provided that **Insured Person** shall not include any **Secondment Attorney**.

Legal Assistant means any person who is, was or becomes a full-time or part-time employee of the **Organization** who supports an **Employed Lawyer** in the performance of **Professional Services**.

Loss means the amount which any **Insured Person** becomes legally obligated to pay as a result of any **Claim**, including:

- (A) compensatory damages;
- (B) punitive, exemplary or multiplied damages, if and to the extent such damages are insurable under the law of the jurisdiction most favorable to the insurability of such damages, provided such jurisdiction has a substantial relationship to the **Insured**, the Company, or to the **Claim** giving rise to such damages;
- (C) civil penalties assessed against an **Employed Lawyer** pursuant to 15 U.S.C. §78dd-2(g)(2)(B) (the Foreign Corrupt Practices Act), if and to the extent such penalties are insurable under the law of the jurisdiction in which such penalties are assessed;
- (D) judgments, including pre-judgment and post-judgment interest;
- (E) settlements; and
- (F) **Defense Costs;**

provided that, **Loss** does not include any portion of such amount that constitutes any:

- (1) cost of compliance with any order for, grant of or agreement to provide non-monetary relief, including injunctive relief;
- (2) amount uninsurable under the law pursuant to which this Policy is construed;
- (3) tax, fine, sanction or penalty imposed by law; except as provided in Subsections (B) and (C) above with respect to punitive, exemplary or multiplied damages or civil penalties;
- (4) amount incurred by an **Insured** in the defense or investigation of any action, proceeding or demand that was not then a **Claim**, other than **Subpoena Defense Costs**, even if (a) such amount also benefits the defense of a covered **Claim**; or (b) such action, proceeding or demand subsequently gives rise to a **Claim**;
- (5) amount that represents or is substantially equivalent to an increase in the consideration paid (or proposed to be paid) by an **Organization** in connection with its purchase of any securities or assets;
- (6) any salary, wages, commissions, benefits or monetary payments owed to any **Insured Person**, **Executive**, or employee of the **Organization**; or
- (7) cost incurred in cleaning-up, removing, containing, treating, detoxifying, neutralizing, assessing the effects of, testing for, or monitoring **Pollutants**.

Moonlighting Legal Services means legal services performed by an **Employed Lawyer** for others outside the scope of his or her employment with the **Organization**, including legal services rendered to an **Executive** or employee of the **Organization**, solely while such **Employed Lawyer** is a full-time or part-time employee of the **Organization**; provided that **Moonlighting Legal Services** shall not include such services performed by an **Employed Lawyer**: (A) in his or her capacity as an owner, principal, partner, director, officer, member, manager, employee or any equivalent position of an entity that is not the **Organization**; or (B) in connection with a trust or estate when such **Employed Lawyer** is also a beneficiary of such trust or estate.

Organization means the **Parent Organization** and any **Subsidiary**. **Organization** shall also mean any such entity as a debtor in possession under United States bankruptcy law or the equivalent of a debtor in possession under the law of any other country.

Parent Organization means the entity named in Item 1 of the Declarations.

Personal Injury means:

- (A) libel, slander, product disparagement, trade libel or other form of defamation;
- (B) invasion or infringement of the right of privacy or publicity, including false light, public disclosure of private facts, intrusion and commercial appropriation of name, persona or likeness;
- (C) malicious prosecution or abuse of process;
- (D) false arrest, detention or imprisonment; or
- (E) wrongful entry or eviction, or other invasion of the right of private occupancy.

Policy Period means the period of time set forth in Item 2 of the Declarations, subject to any prior termination in accordance with Section XVII, Termination of Policy.

Policy Year means the period, within the **Policy Period**, from the date and time set forth in Item 2(A), Policy Period, of the Declarations to the first **Anniversary Date**, or the period from an **Anniversary Date** to its next succeeding **Anniversary Date**, subject to any prior termination as set forth in Section XVII, Termination of Policy.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, asbestos, asbestos products or waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Professional Services means:

- (A) legal services and notary public services, rendered to an **Organization** by an **Employed Lawyer** solely while acting in his or her capacity as such;
- (B) legal services and notary public services, rendered to an **Organization** by an **Independent Contractor Attorney, Temporary Attorney** or **Legal Assistant** solely while acting: (1) in his or her capacity as such; and (2) under the supervision and direction of an **Employed Lawyer**;
- (C) **Moonlighting Legal Services**; or
- (D) pro bono legal services rendered by an **Employed Lawyer** without compensation to indigent clients or for non--profit public interest groups solely while such **Employed Lawyer** is a full-time or part-time employee of an **Organization**.

Related Claims means all **Claims** for **Wrongful Acts** based upon, arising from, or in consequence of the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.

Secondment Attorney means any person admitted to practice law anywhere in the world employed by an outside law firm and temporarily assigned by agreement between such law firm and an **Organization** to provide legal services.

Subpoena Defense Costs means reasonable attorneys fees incurred in connection with a **Covered Subpoena** including: (A) seeking to quash or modify a subpoena, (B) opposing any motion to enforce a subpoena against an **Insured Person**; and (C) representation of an **Insured Person** during the document production, witness preparation, and giving of testimony in connection with such subpoena.

Subsidiary means:

- (A) any entity while more than fifty percent (50%) of the outstanding securities representing the present right to vote for election of or to appoint directors, trustees, managers, members of the Board of Managers or equivalent positions of such entity are owned, or controlled, by the **Parent Organization**, directly or through one or more **Subsidiaries**;
- (B) any entity while:
 - (1) exactly fifty percent (50%) of the voting rights representing the present right to vote for election of or to appoint directors, trustees, managers, members of the Board of Managers or equivalent positions of such entity are owned, or controlled, by the **Parent Organization**, directly or through one or more **Subsidiaries**; and
 - (2) the **Parent Organization**, pursuant to a written contract with the owners of the remaining and outstanding voting stock of such entity, solely controls the management and operation of such entity; or
- (C) any foundation, charitable trust or political action committee while such entity is controlled by the **Parent Organization**.

Temporary Attorney means any person admitted to practice law anywhere in the world provided by a temporary employment agency through a service agreement between an **Organization** and the temporary employment agency to provide legal services to the **Organization**, but only if the **Organization** agrees in writing no later than thirty (30) days after a **Claim** is reported in accordance with Section III, Reporting, to indemnify the **Temporary Attorney** for **Loss** arising out of such **Claim**.

Wrongful Act means any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of duty or **Personal Injury** committed, attempted, or allegedly committed or attempted solely in the performance of or failure to perform **Professional Services** by an **Insured Person** while acting in his or her capacity as such.
