
Directors and Officers Liability And Reimbursement Excess Policy In consideration of payment of the required premium and subject to the Declarations made a part hereof and the limitations, conditions, provisions and other terms of this policy, the Company agrees with the **Insureds** as follows:

Insuring Clause 1. The Company shall provide the **Insureds** with insurance during the Policy Period excess of the **Underlying Insurance**. Coverage hereunder shall attach only after all such **Underlying Insurance** has been exhausted by payment of claim(s) and shall then apply in conformance with the terms, conditions, exclusions and endorsements of the **Primary Policy**, together with all limitations, restrictions or exclusions contained in or added by endorsements to any other **Underlying Insurance**, except as specifically set forth in the terms and conditions and endorsements of this policy. In no event shall this policy grant broader coverage than would be provided by any of the exhausted **Underlying Insurance**.

Maintenance of Underlying Insurance 2. All of the underlying Policy(ies) scheduled in item 4 of the Declarations shall be maintained during the Policy Period in full effect and affording coverage at least as broad as the **Primary Policy**, except for any reduction of the aggregate limit(s) of liability available under the **Underlying Insurance** solely by reason of payment of losses thereunder. Failure to comply with the foregoing shall not invalidate this policy but the Company shall not be liable to a greater extent than if this condition had been complied with.

In the event of any actual or alleged (a) failure by the **Insureds** to give notice or to exercise any extensions under any **Underlying Insurance** or (b) misrepresentation or breach of warranties by any of the **Insureds** with respect to any **Underlying Insurance**, the Company shall not be liable hereunder to a greater extent than it would have been in the absence of such actual or alleged failure, misrepresentation or breach.

Depletion Of Underlying Limit(s) 3. In the event of the depletion of the limit(s) of liability of the **Underlying Insurance** solely as the result of payment of losses thereunder, this policy shall, subject to the Company's limit of liability and to the other terms of the policy, continue to apply for subsequent losses as excess insurance over the amount of insurance remaining under such **Underlying Insurance**. In the event of the exhaustion of all of the limit(s) of liability of such **Underlying Insurance** solely as a result of payment of losses thereunder, the remaining limits available under this policy shall, subject to the Company's limit of liability and to the other terms of this policy, continue for subsequent losses as primary insurance and any retention specified in the **Primary Policy** shall be imposed under this policy; otherwise no retention shall be imposed under this policy.

Limit Of Liability 4. The amount set forth in item 3 of the Declarations is the limit of liability of the Company and shall be the maximum liability of the Company in each **Policy Year**.

Claim Participation 5. The Company may, at its sole discretion, elect to participate in the investigation, settlement or defense of any claim against any of the **Insureds** for matters covered by this policy even if the **Underlying Insurance** has not been exhausted.

**Subrogation-
Recoveries**

6. In the event of any payment under this policy, the Company shall be subrogated to all the **Insureds'** rights of recovery against any person or organization, as stated in the **Primary Policy**, and the **Insureds** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.

Any amount recovered after payment of loss hereunder shall be apportioned in the inverse order of payment to the extent of actual payment. The expenses of all such recovery proceedings shall be apportioned in the ratio of respective recoveries.

Notice

7. The Company shall be given notice in writing as soon as is practicable (a) in the event of the cancellation of any **Underlying Insurance** and (b) of any notice given or additional or return premiums charged or paid in connection with any **Underlying Insurance**.

Notice of any claim shall be given in writing to the Company at 161 Bay Street, Suite 2400, Toronto, Ontario M5J 2s1 or any branch office of the Company.

**Company Authorization
Clause**

8. By acceptance of this policy, the Parent Corporation named in Item 1 of the Declarations agrees to act on behalf of all the **Insureds** with respect to the giving and receiving of notice of claim or cancellations, the payment of premiums and the receiving of any return premiums that may become due under this policy; and the **Insureds** agree that the Parent Corporation shall act on their behalf.

Alteration

9. No change in or modification of this policy shall be effective except when made by written endorsement signed by an authorized employee of Chubb Insurance Company of Canada.

Policy Termination

10. This policy may be terminated prior to the expiration of the policy period, as set forth in Item 5 of the Declarations, by any of the methods contained in the following paragraphs.

This policy may be cancelled by the Parent Corporation at any time by written notice or by surrender of this policy to the Company. This policy may also be cancelled by or on behalf of the Company by delivery to the Parent Corporation or by mailing to the Parent Corporation, by registered, certified or other first class mail, at the address shown in item 2 of the Declarations, written notice stating when, not less than thirty days thereafter, the cancellation shall become effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this policy shall terminate 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.

The Company shall refund the unearned premium computed at customary short rates if the policy is terminated in its entirety by the Parent Corporation. Under any other circumstances the refund shall be computed pro rata.

**Termination Of
Primary Policy**

11. This policy shall terminate immediately upon the termination of the **Primary Policy**, whether by the **Insureds** or the primary insurer. Notice of cancellation or non-renewal of the **Primary Policy** duly given by the primary insurer shall serve as notice of the cancellation or non-renewal of this policy by the Company.

Termination Of Prior Policy(ies)

12. The taking effect of this policy shall terminate, if not already terminated, the policy(ies) specified in item 7 of the Declarations.

Policy Definitions

13. **Insureds** means those persons or organizations Insured under the **Primary Policy**.

Primary Policy means the policy scheduled in Item 4(A) of the Declarations.

Policy Year means the one year period between the anniversaries of the **Primary Policy**, provided that: (1) the first **Policy Year** of this policy shall be the period between the inception of this policy and the next subsequent anniversary of the **Primary Policy**, and (2) the last **Policy Year** of this policy shall be the period between the termination of this policy and the anniversary of the **Primary Policy** immediately preceding such termination. If any discovery period extension is exercised such extension shall be treated as set forth in the **Primary Policy**.

Underlying Insurance means all those policies scheduled in Item 4 of the Declarations.