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

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### **Territory**

1. Coverage shall extend anywhere in the world.
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### **Terms and Conditions**

2. Except for these General Terms and Conditions or as specifically provided in any Coverage Section of this Policy, the terms and conditions of each Coverage Section shall apply only to that Coverage Section. If any provision in these General Terms and Conditions is inconsistent or in conflict with the terms and conditions of any Coverage Section, the terms and conditions of such Coverage Section shall control for purposes of that Coverage Section. Any defined term referenced in these General Terms and Conditions but defined in a Coverage Section shall, for purposes of coverage under that Coverage Section, have the meaning set forth in that Coverage Section.
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### **Definitions**

3. When used in this Policy, unless stated to the contrary in any Coverage Section of this Policy:

**Affiliate** means any entity other than a **Subsidiary**, during such time as the **Organization** has the authority to direct the financial or managerial decision making of such entity, whether by operation of law, pursuant to contract or agreement, by means of stock ownership or membership, or pursuant to such entity's charter, articles of incorporation, or by-law provisions.

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

**Application** means all signed applications, including attachments and other materials submitted therewith or incorporated therein, submitted by the **Insureds** to the Company for this Policy or for any policy of which this Policy is a direct or indirect renewal or replacement. **Application** shall also include all other information or materials provided by the **Insureds** to the Company in connection with the underwriting or issuance of this Policy, including quarterly and annual reports, financial statements, and all other filings or submissions to or with any government or regulatory agency, whether provided to the Company directly or indirectly through the use of public databases or similar sources. All such applications, attachments, materials and other information are deemed attached to, incorporated into and made a part of this Policy.



**Claim** shall have the meaning set forth in the applicable **Liability Coverage Section**.

**Coverage Event** means the event or loss which must occur or be sustained or discovered in order to invoke coverage under the applicable **Non-Liability Coverage Section**.

**Defense Costs** shall have the meaning set forth in the applicable Coverage Section.

**Domestic Partner** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Organization**.

**Employment Claim** shall have the meaning set forth in the applicable Coverage Section.

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

- (a) the appointment by any state or federal 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.

**Insured** shall have the meaning set forth in the applicable Coverage Section.

**Insured Capacity** means the position or capacity of an **Insured Person** that causes him or her to meet the definition of **Insured Person** set forth in the applicable Coverage Section. **Insured Capacity** does not include any position or capacity held by an **Insured Person** in any organization other than the **Organization**, even if the **Organization** directed or requested the **Insured Person** to serve in such position or capacity in such other organization.

**Insured Person** shall have the meaning set forth in the applicable Coverage Section.

**Loss** shall have the meaning set forth in the applicable Coverage Section.



**Liability Coverage Section** means the Directors & Officers Liability and Entity Liability, Employment Practices Liability, and Fiduciary Liability Coverage Sections of this Policy, if purchased as set forth in Item 4 of the Declarations of these General Terms and Conditions.

**Manager** means any natural person who has been, now is or shall be appointed a manager, member of the Board of Managers or equivalent executive of an **Organization** that is a limited liability company.

**Non-Liability Coverage Section** means the Crime and Kidnap/Ransom and Extortion Coverage Sections of this Policy, if purchased as set forth in Item 4 of the Declarations of these General Terms and Conditions.

**Organization** means, collectively, those organizations designated in Item 1 of the Declarations of these General Terms and Conditions except as otherwise provided in any Coverage Section, including any such organization in its capacity as a debtor in possession under the United States bankruptcy law or in an equivalent status under the law of any other country.

**Policy Period** means the period of time set forth in Item 2 of the Declarations of these General Terms and Conditions, subject to any prior termination in accordance with Subsection 17 of these General Terms and Conditions.

**Policy Year** means the period, within the **Policy Period**, from the date and time set forth in Item 2(A) of the Declarations of these General Terms and Conditions to the first **Anniversary Date**, or the period, within the **Policy Period**, from an **Anniversary Date** to its next succeeding **Anniversary Date**, subject to any prior termination in accordance with Subsection 17 of these General Terms and Conditions.

**Pollutants** means:

- (a) any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by the United States Environmental Protection Agency or any state, county, municipality or locality counterpart thereof, including, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials, or
- (b) any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, or any noise.

**Potential Employment Claim** shall have the meaning set forth in the applicable Coverage Section.

**Potential Third Party Claim** shall have the meaning set forth in the applicable Coverage Section.

**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.

**Subsidiary** means, subject to the provisions of Subsections 9, 10 and 11 of these General Terms and Conditions:

- (a) any not-for-profit entity during any time in which the **Organization** owns or controls, directly or through one or more **Subsidiaries**, the present right to elect or appoint more than fifty percent (50%) of such entity's directors or trustees; or
- (b) any not-for-profit limited liability company during any time in which the **Organization** owns or controls, directly or through one or more **Subsidiaries**, the present right to elect, appoint or designate more than fifty percent (50%) of such entity's **Managers**.

**Third Party Claim** shall have the meaning set forth in the applicable Coverage Section.

**Wrongful Act** shall have the meaning set forth in each applicable **Liability Coverage Section**.

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*Extended Reporting Period*

- 4. (a) If any **Liability Coverage Section** is either terminated or not renewed for any reason other than nonpayment of premium, any **Insured** shall have the right to purchase an Extended Reporting Period for the period set forth in Item 5(A) of the Declarations of these General Terms and Conditions. This right to purchase an Extended Reporting Period shall lapse unless written notice of election to purchase the Extended Reporting Period, together with payment of the additional applicable premium due as set forth in Item 5(B) of the Declarations of these General Terms and Conditions, is received by the Company within thirty (30) days after the end of the **Policy Period**.
- (b) If the Extended Reporting Period is purchased, then coverage otherwise afforded by such **Liability Coverage Section** will be extended to apply to **Loss** from **Claims** first made during such Extended Reporting Period but only for **Wrongful Acts** committed or allegedly committed before the end of the **Policy Period** or the date of any conversion of coverage described in Subsection 9, 10 or 11 of these General Terms and Conditions, whichever is earlier. The entire additional premium for the Extended Reporting Period shall be deemed fully earned at the inception of such Extended Reporting Period. The Limit of Liability for the Extended Reporting Period shall be part of and not in addition to the applicable Limits of Liability for the **Policy Year** immediately preceding the expiration of the **Policy Period**.

*Limits of Liability*

- 5. (a) Solely with respect to all **Liability Coverage Sections**:



- (i) If the Combined Maximum Aggregate Limit of Liability for all **Liability Coverage Sections** is elected, as set forth in Item 3 of the Declarations of these General Terms and Conditions, such amount shall be the maximum aggregate liability of the Company for all **Loss** from all **Claims** first made during each **Policy Year** under all **Liability Coverage Sections** combined, regardless of the number of **Claims**; provided that the maximum aggregate liability of the Company for all **Loss** from all **Claims** first made during each **Policy Year** under each **Liability Coverage Section** shall not exceed the respective Limit of Liability as set forth in Item 2 of the Declarations of each applicable **Liability Coverage Section**. If the Limit(s) of Liability of any **Liability Coverage Section**, as set forth in Item 2 of the Declarations for such **Liability Coverage Section**, is less than the Combined Maximum Aggregate Limit of Liability for all **Liability Coverage Sections** as set forth in Item 3 of the Declarations of these General Terms and Conditions, such lesser limit shall be a sublimit and such amount shall be part of, and not in addition to, the Combined Maximum Aggregate Limit of Liability for all **Liability Coverage Sections** as set forth in Item 3 of the Declarations of these General Terms and Conditions.
  - (ii) If the Combined Maximum Aggregate Limit of Liability for all **Liability Coverage Sections** is not elected, the maximum aggregate liability of the Company for all **Loss** from all **Claims** first made during each **Policy Year** under each **Liability Coverage Section** shall be the respective Limit of Liability as set forth in Item 2 of the Declarations for such **Liability Coverage Section**, regardless of the number of **Claims**.
  - (iii) Except as otherwise expressly provided in any **Liability Coverage Section**, **Defense Costs** are part of and not in addition to the applicable Limits of Liability set forth in Item 2 of the Declarations of the applicable **Liability Coverage Section**, and the payment by the Company of **Defense Costs** shall reduce and may exhaust such applicable Limits of Liability.
- (b) Solely with respect to each **Non-Liability Coverage Section**, the Company's maximum liability shall be the respective Limit(s) of Liability set forth in the Declarations of such **Non-Liability Coverage Section**.
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### Reporting and Notice

- 6. (a) The **Insureds** shall, as a condition precedent to exercising any right to coverage under any **Liability Coverage Section**, give to the Company written notice of any **Claim** as soon as practicable, but:



- (i) if such **Liability Coverage Section** expires (or is otherwise terminated) without being renewed and if no Extended Reporting Period is purchased with respect to such **Liability Coverage Section**, no later than the sixtieth (60th) day after the effective date of expiration or termination; or
  - (ii) if an Extended Reporting Period is purchased with respect to such **Liability Coverage Section**, no later than the last day of the Extended Reporting Period.
- (b) Solely with respect to the Directors & Officers Liability and Entity Liability Coverage Section and the Fiduciary Liability Coverage Section, if:
- (i) an **Insured** becomes aware of circumstances during the **Policy Period** which could give rise to a **Claim** and gives written notice of such circumstances to the Company as soon as practicable during the **Policy Period**, or
  - (ii) an **Insured** receives during the **Policy Period** a written request to toll or waive a statute of limitations applicable to **Wrongful Acts** committed, attempted, or allegedly committed or attempted before or during the **Policy Period** and gives written notice of such request and of such alleged **Wrongful Acts** to the Company as soon as practicable during the **Policy Period**,

then any **Claim** subsequently arising from such circumstances referred to in (i) above, or from the **Wrongful Acts** referred to in (ii) above shall be deemed to have been first made against the **Insured** during the **Policy Year** in which the written notice described in (i) or (ii) above was first given by an **Insured** to the Company, provided any such subsequent **Claim** is reported to the Company as set forth in Subsection 6(a) above. With respect to any such subsequent **Claim**, no coverage under the Directors & Officers Liability and Entity Liability Coverage Section or the Fiduciary Liability Coverage Section shall apply to loss incurred prior to the date such subsequent **Claim** is actually made.

- (c) Solely with respect to the Employment Practices Liability Coverage Section, if during the **Policy Period** any **Insured**:
- (i) becomes aware of a **Potential Employment Claim** or **Potential Third Party Claim** and gives written notice of such **Potential Employment Claim** or **Potential Third Party Claim** to the Company as soon as practicable during the **Policy Period**; and
  - (ii) requests coverage under the Employment Practices Liability Coverage Section for any **Employment Claim** or **Third Party Claim** subsequently resulting from such **Potential Employment Claim** or **Potential Third Party Claim**;



then any **Employment Claim** or **Third Party Claim** subsequently arising from such **Potential Employment Claim** or **Potential Third Party Claim** referred to in (i) above shall be deemed to have been first made against the **Insured** during the **Policy Year** in which the written notice described in (i) and (ii) above was first given by an **Insured** to the Company, provided any such subsequent **Employment Claim** or **Third Party Claim** is reported to the Company as set forth in Subsection 6(a) above. With respect to any such **Employment Claim** or **Third Party Claim**, no coverage under the Employment Practices Liability Coverage Section shall apply to loss incurred prior to the date such subsequent **Employment Claim** or **Third Party Claim** is actually made.

- (d) Solely with respect to any **Non-Liability Coverage Section**, the **Insureds** shall give notice of a **Coverage Event** in accordance with the applicable Proof of Loss and Legal Proceedings Subsection of such Coverage Section.
- (e) The **Insureds** 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 Subsection 6(a), (b) or (c) above a description of the **Claim, Potential Employment Claim, Potential Third Party Claim** or circumstances, the nature of any alleged **Wrongful Acts**, the nature of the alleged or potential damage, the names of all actual or potential claimants, the names of all actual or potential defendants, and the manner in which such **Insured** first became aware of the **Claim, Potential Employment Claim, Potential Third Party Claim** or circumstances.

***Spouses, Estates and Legal Representatives***

- 7. Subject to all limitations, conditions, provisions and other terms of these General Terms and Conditions and of the applicable **Liability Coverage Section**, coverage shall extend to **Claims** for the **Wrongful Acts** of an **Insured Person** made against:
  - (a) 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 incompetent, insolvent or bankrupt; or
  - (b) the lawful spouse or **Domestic Partner** of such **Insured Person** solely by reason of such spouse's 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**.

All provisions of these General Terms and Conditions and of the applicable **Liability Coverage Section**, including without limitation the Retention, that are applicable to **Loss** incurred by the **Insured Person** shall also apply to loss incurred by the estate, heirs, legal representatives, assigns, spouse and/or **Domestic Partner** of such **Insured Person**. The coverage provided by this Subsection 7 shall not apply with respect to any loss arising from an act or omission by an **Insured Person's** estate, heirs, legal representatives, assigns, spouse or **Domestic Partner**.



*Notice*

8. Any notice to the Company with respect to any Coverage Section shall designate the Coverage Section under which notice is being given and shall be treated as notice only under the Coverage Section(s) so designated.

**Notice to the Company of a Claim, Potential Employment Claim or Potential Third Party Claim or of circumstances which could give rise to a Claim under any Liability Coverage Section or of a Coverage Event under any Non-Liability Coverage Section, shall be given in writing addressed to:**

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

All other notices to the Company shall be given in writing addressed to:

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

Any such notice shall be effective on the date of receipt by the Company at such address.

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*Changes in Exposure*

9. Acquisition /Creation of Another Organization
- (a) If before or during the **Policy Period** any **Organization**:
- (i) acquires securities or voting rights in another organization or creates another organization, which as a result of such acquisition or creation becomes a **Subsidiary**; or
  - (ii) acquires another organization by merger into or consolidation with the **Organization** such that the **Organization** is the surviving entity,
- then coverage shall be provided for such other organization, and its **Insureds**, with respect to any:
- (1) **Liability Coverage Section**: solely for **Wrongful Acts** committed, attempted, or allegedly committed or attempted after the effective date of such acquisition or creation unless the Company agrees, after presentation of a complete application and all other appropriate information, to provide coverage by endorsement for **Wrongful Acts**





committed, attempted, or allegedly committed or attempted by such **Insureds** before such acquisition or creation; or

- (2) **Non-Liability Coverage Section:** after the effective date of such event, pursuant to the Liability for Prior Losses Subsection of such **Non-Liability Coverage Section**.
- (b) If, at the time of an acquisition or creation described in paragraph 9(a) above,
- (i) the total assets of any such acquired or created organization exceed twenty-five percent (25%) of the total assets of the **Organization** (as reflected in the most recent audited consolidated financial statements of such organization and the **Organization**, respectively, as of the date of such acquisition or creation); or
  - (ii) solely with respect to the Employment Practices Liability Coverage Section, if purchased as set forth in Item 4 of the Declarations of these General Terms and Conditions, the total number of employees of the acquired or created organization exceeds twenty-five percent (25%) of the total number of employees of the **Organization** immediately prior to the acquisition or creation,

then the **Organization** shall give written notice of such acquisition or creation to the Company as soon as practicable, but in no event later than sixty (60) days after the date of such acquisition or creation, together with such other information as the Company may require and shall pay any reasonable additional premium required by the Company. If the **Organization** fails to give such notice within the time specified in the preceding sentence, or fails to pay the additional premium required by the Company, coverage for such acquired or created organization and its **Insured Persons** shall terminate with respect to **Claims** first made more than sixty (60) days after such acquisition or creation. Coverage for any acquired or created organization described in this paragraph, and for its **Insureds**, shall be subject to such additional or different terms, conditions and limitations of coverage as the Company in its sole discretion may require.

10. Acquisition by Another Organization

If:

- (a) the **Organization** merges into or consolidates with another organization and the **Organization** is not the surviving entity; or
- (b) another organization or person or group of organizations and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by the other organization(s) or person(s) of more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for the election of or to appoint directors or **Managers** of the **Organization**,

then coverage under this Policy with respect to:

- (i) any **Liability Coverage Section:** shall continue until termination of such Coverage Section, but only with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted by the **Insureds** before such merger, consolidation or acquisition;



- (ii) the Crime Coverage Section: shall terminate subject to Subsection 19, Exclusions, of such Coverage Section; or
- (iii) the Kidnap/Ransom and Extortion Coverage Section: shall terminate subject to Subsection 7(h), Exclusions, of such Coverage Section.

Upon the occurrence of any event described in paragraph 10(a) or (b) above, the entire premium for this Policy shall be deemed fully earned. The **Organization** shall give written notice of such merger, consolidation or acquisition to the Company as soon as practicable, but in no event later than sixty (60) days after the date of such merger, consolidation or acquisition, together with such other information as the Company may require. Upon receipt of such notice and information and at the request of the **Organization**, the Company shall provide to the **Organization** a quotation for an extension of coverage (for such period as may be negotiated between the Company and the **Organization**) with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted by the **Insureds** before such merger, consolidation or acquisition. Any coverage extension pursuant to such quotation shall be subject to such additional or different terms, conditions and limitations of coverage, and payment of such additional premium, as the Company in its sole discretion may require.

11. Cessation of Subsidiary

In the event an organization ceases to be a **Subsidiary** before or during the **Policy Period**, then with respect to any:

- (a) **Liability Coverage Section:** coverage with respect to such former **Subsidiary** and its **Insureds** shall continue until termination of such Coverage Section, but only with respect to **Claims** for **Wrongful Acts** committed, attempted, or allegedly committed or attempted while such organization was a **Subsidiary**; or
- (b) **Non-Liability Coverage Section:** such former **Subsidiary** and its **Insureds** shall cease to be **Insureds** as of the effective date of such cessation, and coverage under such **Non-Liability Coverage Section** shall thereafter apply only as provided in such **Non-Liability Coverage Section**.

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**Valuation and Foreign Currency**

- 12. 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 any Coverage Section, 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.
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*Subrogation*

13. In the event of any payment under this Policy, the Company shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery, and such **Insured** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit or otherwise pursue subrogation rights in the name of the **Insured**.
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*Action Against the Company*

14. 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**.
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*Organization Rights and Obligations*

15. By acceptance of this Policy, the **Organization** first named in Item 1 of the Declarations of these General Terms and Conditions ("First Named **Organization**") agrees that it shall be considered the sole agent of, and shall act on behalf of, each **Insured** with respect to: the payment of premiums and the receiving of any return premiums that may become due under this Policy; the negotiation, agreement to and acceptance of endorsements; the giving or receiving of any notice provided for in this Policy (except the giving of notice to apply for an Extended Reporting Period); the adjustment of loss amounts; and the receipt or enforcement of payment of **Loss** (and the First Named **Organization** further agrees that it shall be responsible for application of any such payment as provided in this Policy). Each **Insured** agrees that the First Named **Organization** shall act on its behalf with respect to all such matters.
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*Alteration and Assignment*

16. 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.
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*Termination of Policy or Coverage Section*

17. This Policy or any Coverage Section shall terminate at the earliest of the following times:
- (a) upon expiration of the **Policy Period** as set forth in Item 2(B) of the Declarations of these General Terms and Conditions;
  - (b) twenty (20) days after receipt by the **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



- (c) at such other time as may be agreed upon by the Company and the **Organization**.

The Company shall refund the unearned premium computed pro rata. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of a notice of termination, but such payment shall be made as soon as practicable thereafter.

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***Termination of Prior Bonds or Policies***

18. Any bonds or policies issued by the Company or its affiliates and set forth in Item 6 of the Declarations of these General Terms and Conditions shall terminate, if not already terminated, as of the inception of this Policy.
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***Representations and Severability***

19. (a) In granting coverage to the **Insureds** under this Policy, the Company has relied upon the declarations and statements in the **Application**. Such declarations and statements are the basis of the coverage granted in this Policy and shall be considered as incorporated in and constituting part of this Policy.
- (b) Solely with respect to any **Liability Coverage Section**, the **Application** shall be construed as a separate application for coverage by each **Insured Person**, and no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of determining if coverage is available.
- (c) The statements and representations in the **Application** will be deemed to have been made by all **Organizations**. For the purpose of determining if coverage is available, facts pertaining to and knowledge possessed by:
- (i) the Chief Financial Officer, President, Executive Director, Chief Executive Officer or Chairperson of an **Organization** shall be imputed only to that **Organization** and its **Subsidiaries** and their respective **Plans**; and
  - (ii) any individual signing the **Application** shall be imputed to all **Organizations, Subsidiaries, Affiliates and Plans**.
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***Bankruptcy***

20. 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.
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*Headings*

21. The descriptions in the headings and sub-headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.
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*Compliance With Applicable Trade Sanction Laws*

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