

Admiral Insurance Company

Fiduciary Liability Insurance Coverage Section

CLAIMS MADE WARNING FOR POLICY

NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSUREDS AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD THAT MAY APPLY.

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

In consideration of the payment of the premium, in reliance on all statements in the **Proposal** and all other information provided to the **Insurer**, and subject to all provisions of this **Policy**, the **Insurer** and **Insureds** agree as follows:

I. Insuring Agreement

Fiduciary Liability Insurance

This **Policy** shall pay on behalf of the **Insureds** all **Loss** arising from any **Claim** first made against the **Insureds** during the **Policy Period** and reported to the **Insurer** in writing during the **Policy Period** or within 90 days thereafter, for any actual or alleged **Wrongful Act**.

II. Extensions

A. Severability of Exclusions

The **Wrongful Act** of an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of the Exclusions set forth in section IV. of this **Coverage Section**.

B. Compliance Resolution Costs

The **Insurer** will pay up to a maximum aggregate limit of \$100,000 per **Policy Period** for **Compliance Resolution Costs**. Any payments made hereunder shall be part of, and not in addition to, the Limits of Liability stated in Item 4. of the Declarations. The Deductible shall not apply to this coverage.

C. Coverage for New Plans

If during the **Policy Period** the **Insured Entity**:

1. forms or acquires an employee welfare benefit plan, as defined by **ERISA**, which is sponsored solely by the **Insured Entity** or jointly by the **Insured Entity** and a labor organization exclusively for the benefit of employees of the **Insured Entity**, this **Coverage Section** shall automatically apply, or
2. forms or acquires an employee pension benefit plan or pension plan, as defined by **ERISA**, which is sponsored solely by the **Insured Entity** or jointly by the **Insured Entity** and a labor organization exclusively for the benefit of employees of the **Insured Entity** and whose assets are less than 10 percent of the total consolidated assets of the **Insured Entity** as of the **Policy** inception date, this **Coverage Section** shall automatically apply, or
3. forms or acquires an employee pension benefit plan or pension plan, as defined by **ERISA**, which is sponsored solely by the **Insured Entity** or jointly by the **Insured Entity** and a labor organization exclusively for the benefit of employees of the **Insured Entity** and whose assets are equal to or greater than 10 percent of the total consolidated assets of the **Insured Entity** as of the **Policy** inception date, then coverage is provided under this **Coverage Section**, but only upon the condition that within 90 days of it becoming an **Employee Benefit Plan**, the **Named Insured** provides the **Insurer** with full particulars of the new **Employee Benefit Plan** and agrees to any additional premium and/or amendment of the provisions of this **Coverage Section** required by the **Insurer** related to such new **Employee Benefit Plan**. Further, coverage as shall be afforded to the new **Employee Benefit Plan** is conditioned upon the **Named Insured** paying when due any additional premium required by the **Insurer** relating to such new **Employee Benefit Plan**.

In all events, coverage as is afforded with respect to this section II. C. shall not apply to an Employee Stock Ownership Plan, a Multi Employer Plan, a Multiple Employer Plan, or a Defined Benefit Plan.

D. Sale or Termination of a Plan

If during the **Policy Period** the **Insured Entity** sells or terminates an **Employee Benefit Plan**, then coverage under this **Coverage Section**, with respect to such sold or terminated **Employee Benefit Plan**, shall continue until termination of this **Coverage Section** for those who were an **Insured** at the time of such **Employee Benefit Plan** sale or termination or who would have been an **Insured** at the time of termination if this **Coverage Section** had been in effect, with respect to the **Wrongful Acts** committed or allegedly committed prior to or after the date the **Employee Benefit Plan** was sold or terminated.

III. Definitions

In addition to the Definitions listed in section III. of the Common Policy Terms and Conditions Section of this **Policy**, whenever printed in boldface type, and whether in the singular or plural form in this **Coverage Section**, the following terms shall have the meanings indicated below.

A. Administration means:

1. giving advice, counsel or interpretation to employees regarding any **Employee Benefits**, or
2. handling of records affecting enrollment, termination or cancellation of employees under any **Employee Benefits**.

B. Claim means:

1. a written demand for monetary or non-monetary relief, or
2. a civil, criminal, administrative or arbitration proceeding, or
3. a formal administrative or regulatory investigation or proceeding brought or initiated by or before a federal, state or local government agency, including but not limited to, the Department of Labor or the Pension Benefit Guaranty Corporation, or
4. a written request made by a claimant to the **Named Insured** to toll or waive the statute of limitations for any **Wrongful Act**,

provided, however, the term **Claim** shall not include any grievance or arbitration subject to a collective bargaining agreement. A **Claim** shall be deemed to have been first made at the time notice of the **Claim** is first received by any **Insured**.

C. Compliance Resolution Costs means:

1. fines, penalties, sanctions, voluntary correction fees, compliance fees or user fees assessed against or collected from an **Insured** by the Internal Revenue Service ("IRS") pursuant to a written agreement to correct an inadvertent **Employee Benefit Plan** defect under an Employee Plans Compliance Resolution System, including but not limited to the Closing Agreement Program ("CAP"), provided, however, that the **Insured** gives prior written notice to the **Insurer** of its intent to enter into any such written agreement with the **IRS** during the **Policy Period** and the **Insured** had no knowledge of such violations prior to the **Policy** inception date (or during the **Policy Period** of a policy issued by the **Insurer** of which this **Policy** is a continuous renewal), or
2. penalties assessed by the by the U.S. Department of Labor ("DOL") or the IRS under a Delinquent Filer Voluntary Compliance Program for inadvertent failure to file Form 5500, provided, however, that the failure to file such Form 5500 occurred during the **Policy Period** (or during the **Policy Period** of a policy issued by the **Insurer** of which this **Policy** is a continuous renewal).

D. Costs of Defense means reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond) resulting solely from the investigation, adjustment, defense and appeal of a covered or potentially covered **Claim** against the **Insureds**, but excluding salaries, wages, overhead or benefit expenses associated with any **Insured**, or any amount covered by the duty to defend obligation of any other insurer.**E. Damages** means:

1. a monetary judgment, award or settlement, or
2. pre-judgment interest and post-judgment interest,

provided, however, **Damages** shall not include:

- a. taxes, civil or criminal fines, sanctions, or penalties imposed by law, except the 5 percent or less, or the 20 percent or less, civil penalties imposed upon an **Insured** as a fiduciary under Section 502(i) or (l), respectively, of **ERISA**, or
- b. any amount for which an **Insured Entity** or an **Insured Person** is absolved from payment by reason of any covenant, agreement (other than indemnification of an **Insured Person** by the **Insured Entity**) or court order, or
- c. matters which are uninsurable under the law pursuant to which this **Policy** is construed.

- F. **Employee Benefit Plan** means:
1. any employee welfare benefit plan, as defined by **ERISA**, which is sponsored solely by the **Insured Entity** or jointly by the **Insured Entity** and a labor organization exclusively for the benefit of employees of the **Insured Entity**, or
 2. any employee pension benefit plan or pension plan, as defined by **ERISA**, which is sponsored solely by the **Insured Entity** or jointly by the **Insured Entity** and a labor organization exclusively for the benefit of employees of the **Insured Entity**, identified in the Proposal Form attached to this **Policy**, or
 3. any employee pension benefit plan or pension plan identified by endorsement to this **Policy**, or
 4. an employee welfare benefit plan that an **Insured Entity** forms or acquires during the **Policy Period**, subject to the terms of section II. C. of this **Coverage Section**.

Employee Benefit Plan shall not include any Employee Stock Ownership Plans, Multi Employer Plans, or Multiple Employer Plans.

In all events, coverage as is afforded pursuant to this **Coverage Section** with respect to a **Claim** made against an **Employee Benefit Plan** shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time that such **Employee Benefit Plan** became an **Employee Benefit Plan** and prior to the time that such **Employee Benefit Plan** ceased to be an **Employee Benefit Plan**.

- G. **Employee Benefits** means benefits provided under an **Employee Benefit Plan**, workers' compensation insurance, unemployment insurance, social security, disability insurance and the Consolidated Omnibus Budget Reconciliation Act of 1985, including amendments thereto, exclusively for the benefit of the employees of the **Insured Entity**.
- H. **ERISA** means the Employee Retirement Income Security Act of 1974, including amendments thereto, or any similar provisions of state statutory law or common law.
- I. **Insured** means:
1. any **Insured Person** or any **Insured Entity**, or
 2. any **Employee Benefit Plan**.
- J. **Insured Person** means, while acting in their capacity as a fiduciary of an **Employee Benefit Plan**, any past, present or future duly elected or appointed director, trustee, officer or employee of the **Insured Entity** or of any **Employee Benefit Plan**.
- Coverage will automatically apply to all new **Insured Persons** after the **Policy** inception date.
- K. **Wrongful Act** means a **Wrongful Fiduciary Act**.
- L. **Wrongful Fiduciary Act** means:
1. any actual or alleged breach of the responsibilities, obligations or duties imposed by **ERISA** upon **Insureds** in their capacity as fiduciaries of any **Employee Benefit Plans**, or
 2. any actual or alleged negligent act, error or omission of any **Insured** in the **Administration** of any **Employee Benefits**, or
 3. any other matter claimed against an **Insured** solely by reason of their services as a fiduciary of an **Employee Benefit Plan**.

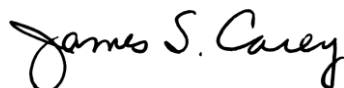
IV. Exclusions

In addition to the Exclusions listed in section IV. of the Common Policy Terms and Conditions Section of this **Policy**, the **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against any **Insured**:

- A. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the gaining of any profit or advantage to which an **Insured** was not legally entitled, provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** gained such profit or advantage to which an **Insured** was not legally entitled;
- B. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any criminal or deliberate fraudulent act, provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** committed such criminal or deliberate fraudulent act;
- C. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving payments to an **Insured** of any remuneration without the previous approval of the security holders of the **Insured Entity**, which payment without such previous approval shall be held to have been illegal, provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** received such payments;

- D. for:
 - 1. physical injury to or destruction of any tangible property, including the loss of use thereof, or
 - 2. bodily injury, sickness, disease, death, assault or battery of any person, or
 - 3. wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, libel, slander, mental anguish, humiliation, emotional distress, oral or written publication of defamatory or disparaging material;
- E. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged discrimination, retaliation or wrongful termination of employment, provided, however, this exclusion shall not apply to **Claims** asserted under Section 510 of **ERISA**;
- F. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
 - 1. any prior or pending litigation, administrative or arbitration proceeding, or investigation as of the **Prior and Pending Litigation Date**, or
 - 2. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, administrative or arbitration proceeding, or investigation,
 regardless of the legal theory upon which such **Claim** is predicated;
- G. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged liability of others assumed by any **Insured** under any oral, written or implied contract or agreement, provided, however, this exclusion shall not apply to the extent that:
 - 1. an **Insured** would have been liable in the absence of the contract or agreement, or
 - 2. the liability was assumed in accordance with or under the agreement or declaration of trust pursuant to which the **Employee Benefit Plans** were established;
- H. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged violation of responsibilities, duties or obligations imposed on an **Insured** under any workers' compensation, social security, disability benefits, or unemployment compensation law, including amendments thereto, or any similar provisions of any federal, state, local or foreign statutory or common law, the Worker's Adjustment and Retraining Notification Act, the Fair Labor Standards Act, the Occupational Safety and Health Act, the National Labor Relations Act, including amendments thereto, or any similar or related law, provided, however, this exclusion shall not apply to any **Claim** for any actual or alleged violations of the Consolidated Omnibus Budget Reconciliation Act of 1985 or the Health Insurance Portability and Accountability Act of 1996;
- I. which constitutes:
 - 1. the return or reversion to an employer of any contribution or asset of an **Employee Benefit Plan**, or
 - 2. costs of compliance with any order for, grant of, or agreement to provide non-monetary relief, or
 - 3. benefits due or to become due under the terms of any **Employee Benefit Plan**, or benefits which would be due under the terms of any **Employee Benefit Plan** if such terms complied with all applicable law, except to the extent that:
 - a. an **Insured** is a natural person and the benefits due are payable by such **Insured** as a personal obligation, and
 - b. recovery for the benefits is based upon a covered **Wrongful Act**,
 provided, however, the **Insurer** will provide a defense for any such **Claims**, without any liability by the **Insurer** to pay such sums that any **Insured** shall become legally obligated to pay as **Damages**;
- J. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual or alleged failure to collect an employer's contributions owed to an **Employee Benefit Plan** unless the failure is because of negligence of any **Insured**, provided, however, the **Insurer** will provide a defense for any such **Claims**, without any liability by the **Insurer** to pay such sums that any **Insured** shall become legally obligated to pay as **Damages**.

In witness whereof, the **Insurer** has caused this **Policy** to be signed by its President and Chief Executive Officer and Secretary, but this **Policy** shall not be valid unless countersigned on the Declarations Page by a duly authorized representative of the **Insurer**.



President and Chief Executive Officer



Secretary