



EXCESS INSURANCE POLICY

NOTICE: THIS IS A CLAIMS-MADE POLICY AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING PERIOD APPLIES. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

The Insurer and the **Insureds** agree as follows, in consideration of the payment of the premium and in reliance upon the **Application**:

I. INSURING AGREEMENT

The Insurer shall provide the **Insureds** with excess coverage over the **Underlying Limits** during the **Policy Period**. Coverage hereunder shall attach only after the insurers of the **Underlying Insurance** shall have paid in legal currency the full amount of the **Underlying Limits** and the **Insureds** shall have paid any applicable retentions or deductibles thereunder. Coverage under this Policy shall then apply in conformance with the provisions of the **Primary Policy**, or any more restrictive provisions of the **Underlying Excess Policies**, except for the premium, Limit of Liability, and any other provision specifically set forth in this Policy. In no event shall this Policy provide broader coverage than is provided by the most restrictive terms of any **Underlying Insurance**.

II. POLICY DEFINITIONS

1. **Application** means any documents, information or material submitted to any underlying insurer or the Insurer, or deemed included within the definition of **Application** in accordance with any **Underlying Insurance** Policy's definition of **Application**.
2. **Claim** shall have the same meaning in this Policy as that set forth in the **Primary Policy** or any more restrictive provisions of the **Underlying Excess Policies**.
3. **Insureds** means those natural persons or entities covered under the **Primary Policy** or any more restrictive provision of the **Underlying Excess Policies**.
4. **Named Entity** means the entity named in Item 1 of the Declarations.
5. **Policy Period** means the period from the effective date to the expiration date of this Policy, as set forth in Item 2 of the Declarations, or its earlier cancellation date or termination date, if any. If the Extended Reporting Period is purchased, then such period shall be part of and not in addition to the **Policy Period**.
6. **Primary Policy** means the policy scheduled in Item 4a of the Declarations.
7. **Underlying Excess Policies** means all policies scheduled in Item 4b of the Declarations.
8. **Underlying Insurance** means all policies scheduled in Item 4 of the Declarations.
9. **Underlying Limits** means an amount equal to the total of all of the aggregate Limits of Liability, as set forth in Item 4 of the Declarations, for all **Underlying Insurance**.



III. EXTENDED REPORTING PERIOD

1. If the **Named Entity** has, and exercises, the right to purchase a discovery period under every and all of the **Underlying Insurance** policies, the **Named Entity** shall also have the right to purchase, upon payment of an additional premium, an extension of this Policy in conformance with the terms, conditions and limitations of the discovery period purchased under the **Primary Policy** except as set forth in paragraph 2 below. This period shall be referred to herein as the Extended Reporting Period, which shall in no event be longer than the shortest discovery period elected under all of the **Underlying Insurance**.
2. The Limits of Liability for all **Claims** reported during the Extended Reporting Period shall be part of and not in addition to the Limits of Liability for the **Policy Period** as set forth in the Declarations and Section IV, Limit of Liability of this Policy.

IV. LIMIT OF LIABILITY

1. The amount set forth in Item 3 of the Declarations shall be the maximum aggregate limit of liability of the Insurer for all loss under this Policy, regardless of the number of **Claims** made against the **Insureds** or the time of payment.
2. If this Policy affords coverage for a **Claim** against natural person **Insureds** serving in an “outside position”, as such term, or its equivalent, is used under the most restrictive **Underlying Insurance**, then payment by the Insurer or any affiliate of the Insurer under another policy as a result of such **Claim** shall reduce, by the amount of such payment, the Insurer’s Limit of Liability under this Policy with respect to such **Claim**.
3. If the Limit of Liability under this Policy is exhausted by payment of loss, the Insurer’s obligations under this Policy shall be deemed completely fulfilled and extinguished.

V. MAINTENANCE OF THE TERMS AND CONDITIONS OF UNDERLYING INSURANCE

1. The **Underlying Insurance** shall be maintained during the **Policy Period** (including any applicable Extended Reporting Period) on the same terms and conditions in effect upon the inception date of this Policy, subject to any reduction of the aggregate limits of liability available under the **Underlying Insurance** solely by reason of payment in legal currency of losses covered thereunder. Except as provided in Section VII below, failure to comply with the foregoing shall not invalidate this Policy but the Insurer shall not be liable to a greater extent than if this condition had been complied with. To the extent that any **Underlying Insurance** is not maintained during the **Policy Period** (including any applicable Extended Reporting Period) on the same terms and conditions in effect upon the inception date of this Policy:
 - a. the **Insureds** shall be deemed to be self-insured for any loss not covered under the **Underlying Insurance** due to such failure, and
 - b. the **Underlying Limits** shall not be deemed to be depleted due to any loss payments covered under the **Underlying Insurance** on account of such changes in terms and conditions of such **Underlying Insurance**.
2. The **Named Entity** shall notify the Insurer in writing as soon as practicable before the effective date of any change in the terms and conditions of any **Underlying Insurance**. This Policy shall become subject to such changes only if and to the extent the Insurer agrees thereto in writing, prior to the effective date of such changes, and only if the **Insureds** pay any additional premium required by the Insurer.



VI. EXHAUSTION OF UNDERLYING LIMITS

1. In the event of the exhaustion of the **Underlying Limits** solely as the result of actual payment in legal currency of losses covered under the **Underlying Insurance** by the applicable insurers, this Policy subject to the Insurer's Limit of Liability and to the other terms of this Policy, shall continue for subsequent losses as primary insurance and any retention specified in the **Primary Policy** shall be imposed under this Policy as provided in the **Primary Policy**.
2. Notwithstanding paragraph 3 below, if any loss covered under any **Underlying Insurance** is subject to a sub-limit, then this Policy provides no coverage excess of such **Underlying Insurance** sub-limits. However, the **Underlying Limits** shall be deemed depleted by payment of any such sub-limits.
3. This Policy only provides coverage excess of the **Underlying Limits**. This Policy does not provide coverage for any loss not covered by any **Underlying Insurance** except and to the extent that such loss is not paid under the **Underlying Insurance** solely by reason of the depletion or exhaustion of the available **Underlying Insurance** through payment in legal currency of loss covered thereunder. This Policy shall not drop down for any reason other than exhaustion of the **Underlying Limits**, including, but not limited to, uncollectibility (in whole or in part) of any **Underlying Insurance** or any **Underlying Insurance** containing terms and conditions different than the **Primary Policy**. The risk of uncollectibility of such **Underlying Insurance** (in whole or in part), whether because of financial impairment or insolvency of an underlying insurer or for any other reason, is expressly retained by the **Insureds** and is not in any way or under any circumstances insured or assumed by the Insurer.
4. In the event the insurer issuing any of the **Underlying Insurance** fails to pay loss in connection with any **Claim** covered under the **Underlying Insurance** as a result of the insolvency, bankruptcy, or liquidation of such insurer, then the **Insureds** shall be deemed to be self-insured for the amount of the limit of liability of the **Underlying Insurance** issued by such insurer which is not paid as a result of such insolvency, bankruptcy or liquidation.

VII. TERMINATION OF UNDERLYING INSURANCE

1. This Policy shall terminate immediately and automatically upon the termination of any **Underlying Insurance**, whether such **Underlying Insurance** termination is automatic or pursuant to cancellation by the **Insureds** or the insurer of any of the **Underlying Insurance**. Notice of termination, cancellation or non-renewal of any of the **Underlying Insurance** duly given by any insurer of any of the **Underlying Insurance** shall serve as notice of termination, cancellation or non-renewal of this Policy by the Insurer.
2. To the extent that any **Underlying Insurance** is rescinded in whole or in part, this Policy shall be deemed similarly rescinded.

VIII. NOTICES TO THE INSURER

1. The **Insureds** shall, as a condition precedent to their rights under this Policy and notwithstanding provisions in the **Primary Policy** to the contrary, give the Insurer written notice of any **Claim** in the same manner required by the terms and conditions of the **Primary Policy**.
2. Written notice to the Insurer shall be given to the address specified in Item 6 of the Declarations, which notice shall be effective upon receipt.
3. The **Insureds** shall furnish the Insurer with copies of reports, investigations, pleadings, related papers, and such other information, assistance and cooperation as the Insurer may reasonably request.
4. It is a condition precedent to coverage under this Policy that notice to the Insurer shall be provided as soon as practicable and no later than the provision of any notice under any **Underlying Insurance**.



IX. CLAIM PARTICIPATION

1. The **Insureds** shall not incur or consent to defense costs, admit or assume liability, stipulate or consent to any judgment, agree to any settlement or make any settlement offer with respect to a **Claim** which reasonably may attach to and be covered under this Policy without the Insurer's prior written consent, such consent not to be unreasonably withheld. The Insurer shall not be liable for any loss incurred by an **Insured** to the extent the loss results from such **Insured** incurring or consenting to defense costs, admitting or assuming liability, stipulating or consenting to any judgment, agreeing to any settlement or making any settlement offer without the Insurer's prior written consent.
2. The **Insureds** agree that they shall not knowingly take any action that increases the Insurer's exposure under this Policy.
3. The Insurer has the right, but not the obligation, at its sole discretion, to elect to participate in the investigation, settlement, prosecution or defense of any **Claim** reasonably likely to attach to and be covered under this Policy or any **Underlying Insurance**, even if the **Underlying Limits** have not been exhausted.

X. SUBROGATION AND RECOVERIES

1. As this Policy provides only excess coverage, the **Insureds'** and the Insurer's right of recovery against any natural person or organization may not be exclusively subrogated, however, in the event of any payment under this Policy, the Insurer shall be subrogated to all the **Insureds'** rights of recovery against any natural person or organization, and the **Insureds** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.
2. Any amounts recovered after payment of loss hereunder shall be apportioned so that any interests, including those of the **Insureds**, that have paid an amount over and above any payment hereunder shall first be reimbursed first up to the amount paid by them. The Insurer shall then be reimbursed out of any remaining balance, up to the amount paid hereunder. The interests, including those of the **Insureds**, of which this coverage is in excess shall then be reimbursed for the amount of the residue, if any. Expenses necessary to the recovery of any such amounts shall be apportioned between the interests concerned, including those of the **Insureds**, in the ratio of their respective recoveries as finally settled.

XI. CHANGES

Notice to or knowledge possessed by any agent or other person acting on behalf of the Insurer shall not effect a waiver or a change in any part of this Policy or stop the Insurer from asserting any right under the provisions of this Policy, nor shall the provisions be waived or changed except by written endorsement issued to form a part of this Policy.

XII. COMPANY AUTHORIZATION

The **Insureds** agree that the **Named Entity** will act on behalf of the **Insureds** with respect to giving all notices to the Insurer, receipt of notices from the Insurer, payment of premiums, receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

XIII. NO ACTION AGAINST INSURER

1. No action shall be taken against the Insurer unless, as a condition precedent, there shall have been full compliance with all the provisions of this Policy, nor until the amount of the **Insureds** obligation to pay shall have



been finally determined either by final and non-appealable judgment against the **Insureds** after trial, or by written agreement of the **Insureds**, the claimant and the Insurer.

- 2. No person or organization shall have the right under this Policy to join the Insurer as a party to any **Claim** against the **Insureds** to determine the **Insureds'** liability, nor shall the Insurer be impleaded by the **Insureds** or their legal representatives in any such **Claim**.

XIV. ASSIGNMENT OF INTEREST

Assignment of interest under this Policy shall not bind the Insurer unless its consent is endorsed to this Policy.

XV. TERRITORY

Coverage shall apply worldwide.

XVI. HEADINGS

The section headings in this Policy are for expediency only and do not form a part of the terms and conditions of the Policy.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be executed by its Chairman and Secretary, but this Policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary




