



AXIS INVESTMENT MANAGEMENT INSURANCE POLICY

(May Include Investment Adviser Professional Liability, Mutual Fund Management and Professional Liability, Service Provider Professional Liability, and Directors, Officers and Corporate Liability)

DECLARATIONS

THIS POLICY IS WRITTEN ON A CLAIMS MADE AND REPORTED BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD, OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE, AND REPORTED IN WRITING TO THE INSURER WITHIN THE TIME AND PURSUANT TO THE TERMS HEREIN. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED AND MAY BE TOTALLY EXHAUSTED BY AMOUNTS INCURRED AS DEFENSE COSTS. PLEASE READ THIS POLICY CAREFULLY.

COMPANY: Axis Surplus Insurance Company

POLICY NUMBER:

Item 1. Parent Company:

 _____ (Name)
 _____ (Address)

Item 2. Policy Period:

- a. Inception Date
- b. Expiration Date

Both dates at 12:01 a.m. at the address listed in Item 1.

Item 3. Limits of Liability and Retentions:

(A) Maximum aggregate Limit of Liability for all **Loss** for all **Claims** under all Insuring Agreements during the **Policy Period:** \$ _____

(B) Maximum aggregate Sub-Limit of Liability for Each Coverage Part and Retention for Each Claim:

Insuring Agreement	Included (Yes or No)	Maximum Aggregate Sublimit of Liability	Retention Each Claim	Pending or Prior Claim Date
A. Investment Adviser Professional Liability	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____	\$ _____	_____
B. Mutual Fund Management and Professional Liability	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____	\$ _____	_____
C. Service Provider Professional Liability	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____	\$ _____	_____
D. Directors, Officers & Corporate Liability	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____	\$ _____	_____

(C) No Retention shall apply for non-indemnifiable **Loss** under any Insuring Agreement(s)

Item 4. Extended Reporting Period:

(A) Additional Premium: percent of annualized premium for the **Policy Period** _____

(B) Extended Reporting Period: _____

Item 5. Continuity Date: _____

Item 6. Notices to Insurer:

Notice of **Claim(s)** or Circumstances To Be Sent To:

All Other Notices To Be Sent To:

Axis Financial Insurance Solutions Claims
Address: Connell Corporate Park
300 Connell Drive
P.O. Box 357
Berkeley Heights, NJ 07922-0357
Facsimile: (908) 508-4389
Toll-Free Number: (866) 259-5435

Axis Financial Insurance Solutions
Address: Connell Corporate Park
300 Connell Drive
P.O. Box 357
Berkeley Heights, NJ 07922-0357
Facsimile: (908) 508-4301
Toll-Free Number: (866) 259-5435

Item 7. Endorsements Effective at Inception: _____

Item 8: Terrorism Coverage:

Coverage Purchased by **Policyholder**: Yes No

If yes, Terrorism Coverage Premium: \$ _____

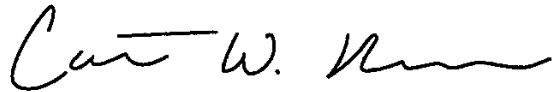
The Insurer has caused this Policy to be signed and attested by its authorized officers, but it shall not be valid unless also signed by another duly authorized representative of the Insurer.

Authorized Representative

Date



Secretary



President

AXIS INVESTMENT MANAGEMENT INSURANCE POLICY

(May Include Investment Adviser Professional Liability, Mutual Fund Management and Professional Liability, Service Provider Professional Liability, and Directors, Officers and Corporate Liability)

GENERAL TERMS AND CONDITIONS

In consideration of payment of the premium, and in reliance on all statements made in the Application for this Policy and all information provided to the Insurer, and subject to all the provisions of this Policy, the Insurer designated as such in the Declarations and the **Parent Company**, on behalf of all **Insured**, agree as follows:

I. DEFINITIONS

Definitions Applicable To the Coverage Afforded Under All Insuring Agreements:

A. **Claim(s)** means:

1. A written demand against an **Insured** for monetary or non-monetary relief;
2. A civil, arbitration, administrative or regulatory proceeding against any **Insured** commenced by:
 - (a) The service of a complaint or similar pleading;
 - (b) The filing of a notice of charge, investigative order or like document; or
 - (c) Written notice or subpoena from an authority identifying such **Insured** as an entity or person against whom a formal proceeding may be commenced; or
3. A criminal proceeding against any **Insured Individual(s)** commenced by:
 - (a) The return of an indictment, information, or similar pleading; or
 - (b) Written notice or subpoena from an authority identifying such **Insured Individual(s)** as an individual against whom a formal proceeding may be commenced.

With respect to Insuring Agreements A, B and C, if purchased, **Claim(s)** shall also include any such written demand or proceeding brought by any **Self-Regulatory Organization**.

- #### B. **Defense Costs** means reasonable and necessary fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries, fees or benefits of the **Insured Individual(s)** or employees of the **Policyholder** or the **Policyholder's** overhead expenses) incurred by or on behalf of the **Insured** in defending, settling, appealing or investigating **Claim(s)**, and the premiums for appeal, attachment or similar bonds. The Insurer, however, shall have no obligation to furnish such bonds.

- C. Employment Wrongful Act** means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty, actually or allegedly committed or attempted by the **Policyholder** or by one or more **Insured Individual(s)** in their capacities as such or by any other person for whom the **Insured** are legally responsible, for any actual or alleged:
1. Wrongful dismissal, discharge or termination (either actual or constructive) of employment;
 2. Breach of any implied employment contract;
 3. Employment-related misrepresentation(s) to an employee;
 4. Violation of any federal, state, or local statute, regulation, ordinance, or common law concerning employment or discrimination in employment;
 5. Sexual harassment (as that term is defined by the EEOC) or other illegal workplace harassment;
 6. Wrongful failure to employ or promote;
 7. Wrongful reference, discipline or deprivation of a career opportunity;
 8. Wrongful demotion or adverse change in the terms, conditions or status of employment;
 9. Failure to grant tenure or adopt adequate workplace or employment policies and procedures;
 10. Illegal retaliatory treatment of employee(s);
 11. Negligent hiring, supervision, evaluation or retention of employee(s);
 12. Employment-related invasion of privacy or defamation;
 13. Employment-related wrongful infliction of emotional distress; or
 14. Employment-related libel, slander, false arrest, detention, imprisonment, or other workplace torts.
- D. Entity Insured** means an **Insured** that is not a natural person.
- E. Executive Officer(s)** means any one or more natural persons who are a past, present or future chairperson of the board of directors, president, chief executive officer, general partner, chief operating officer, chief financial officer, in-house general counsel, risk manager or the functional equivalent of any of the foregoing.
- F. Financial Impairment** means:
1. 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 the **Policyholder**; or
 2. The **Policyholder** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.
- G. Independent Director** means any person who is a past, present or future duly elected or appointed director who is not and has not been an "interested person" as that term is defined under Section 2(a)(19) of the Investment Company Act of 1940, as amended.
- H. Insured** shall have the meaning ascribed to that term under each Insuring Agreement designated as "Included" in Item 3.(B) in the Declarations and that is attached hereto.
- I. Insured Individual(s)** shall have the meaning ascribed to that term under each Insuring Agreement

designated as "Included" in Item 3.(B) in the Declarations and that is attached hereto.

- J. Interrelated Wrongful Acts** means any and all **Wrongful Act(s)** that have as a common nexus any fact, circumstance, situation, event, transaction, or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.
- K. Loss** means the amount(s) which the **Insured** becomes legally obligated to pay on account of a **Claim(s)**, including damages, punitive or exemplary damages, the multiplied portion of any multiplied damage award judgments, any award of prejudgment or post-judgment interest, settlement amounts, costs and fees awarded pursuant to judgments, and **Defense Costs**. **Loss** does not include:
1. Any amounts for which the **Insured** are legally or financially absolved from payment;
 2. Any investigative costs other than **Defense Costs** in connection with a **Claim(s)**;
 3. Taxes or the loss of tax benefits, or fines or penalties imposed by law;
 4. Matters uninsurable under the law applicable to this Policy;
 5. Loss of or loss caused by theft of the actual money, securities, property or other items of value in the custody or control of any **Insured** or its, his or her agents or in transit; or
 6. Costs of compliance with any regulatory or administrative directives or with injunctive or other nonpecuniary relief.

However, in determining the insurability of punitive or exemplary damages, or the multiplied portion of any multiplied damage award, it is agreed that the law of the jurisdiction most favorable to the insurability of those damages will control for purposes of resolving any dispute between the Insurer and the **Insured**, provided that such jurisdiction is:

1. Where the punitive, exemplary or multiplied damages were awarded or imposed;
 2. Where the **Wrongful Act(s)** underlying the **Claim(s)** took place;
 3. Where either the Insurer or any **Insured** is incorporated, has its principal place of business or resides; or
 4. Where this Policy was issued or became effective.
- L. Manager(s)** means any one or more natural persons who are a past, present or future manager, managing member, member of the board of managers or equivalent executive of a company that is a limited liability company.
- M. Mutual Fund** means an **Insured** that is an investment company created or sponsored by the **Policyholder** as of the effective date of this Policy which is (1) registered as an investment company under the Investment Company Act of 1940, as amended, including any portfolio of any such investment company, and (2) is scheduled by written endorsement to this Policy as a **Mutual Fund**. If Insuring Agreement B is designated as "Included" under this Policy, the term **Mutual Fund** will include any **New Mutual Fund(s)**, as defined in the coverage offered under Insuring Agreement B.
- N. Parent Company** means the company designated in Item 1. in the Declarations.
- O. Policyholder** means the **Parent Company** and its **Subsidiaries**, including any such organization as a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.
- P. Policy Period** means the period of time specified in Item 2. in the Declarations, subject to prior termination in accordance with General Terms and Conditions, Section VII.C.

- Q. Pollutants** means 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 other federal agency, or any similar state, county, municipality or locality. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odor, waste water, oil or oil product, infectious or medical waste, asbestos or asbestos product, lead or lead product, noise, and electric, magnetic or electromagnetic field.
- R. Self-Regulatory Organization** means any association of investment advisors or securities dealers registered under federal securities laws or any national securities exchange registered with the Securities Exchange Commission under the Securities and Exchange Act of 1934, as amended, or any similar Canadian or other national or international exchange or commission.
- S. Subsidiary(ies)** means any entity in which and for so long as the **Parent Company**, either directly or indirectly:
1. Owns more than fifty (50) percent of the issued and outstanding voting stock; or
 2. Controls rights representing the present right to elect or to appoint more than fifty (50) percent of the directors or trustees;
- on or before the effective date of this Policy and solely with regard to **Wrongful Act(s)** occurring at or after the time such entity became a **Subsidiary**.
- T. Wrongful Act(s)** shall have the meaning ascribed to that term under each Insuring Agreement designated as "Included" in Item 3.(B) in the Declarations and that is attached hereto.

II. GENERAL EXCLUSIONS

A. Exclusions Applicable To All Insuring Agreements:

The Insurer shall not be liable for **Loss** from any **Claim(s)** made against any **Insured**:

1. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving any fact, circumstance, transaction, event or **Wrongful Act(s)** which before the Inception Date set forth in Item 2. of the Declarations, was the subject of any notice of claim, loss or notice of potential claim or potential loss given under any other investment management liability, errors and omissions, or professional liability policy of insurance including directors and officers liability;
2. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - (a) any demand, suit or other proceeding pending, or order, decree or judgment entered, against any **Insured** on or prior to the applicable Pending or Prior Claim Date set forth in Item 3.(B) in the Declarations, or any **Wrongful Act(s)**, fact, circumstance or situation underlying or alleged therein; or
 - (b) any other **Wrongful Act(s)** whenever occurring, which together with a **Wrongful Act(s)** described in (a) above, constitute **Interrelated Wrongful Acts**;
3. for any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person or damage to or destruction of any tangible property including loss of use thereof;

4. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - (a) any nuclear reaction, radiation or contamination; or
 - (b) the actual, alleged or threatened discharge, release, escape, seepage, migration, dispersal or disposal of **Pollutants** into or on real or personal property, water or the atmosphere; or any direction or request that the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so (such costs hereinafter "Clean Up Costs") including, but not limited to, any **Claim(s)** alleging damage to a **Policyholder** or its securities holders, purchasers or sellers;
5. brought or maintained by or on behalf of any **Insured** except a **Claim(s)**:
 - (a) that is a derivative action brought or maintained on behalf of the **Policyholder** by one or more persons who are not **Insured Individual(s)** and who bring and maintain the **Claim(s)** totally independent of and without the solicitation, assistance, participation, or intervention of any **Insured**;
 - (b) brought or maintained by any **Insured Individual(s)** for contribution or indemnity, if the **Claim(s)** directly results from another **Claim(s)** covered under this Policy;
 - (c) brought or maintained by or on behalf of a bankruptcy or insolvency receiver, trustee, examiner, conservator, liquidator or rehabilitator for a **Policyholder**, or any assignee of such receiver, trustee, examiner, conservator, liquidator or rehabilitator; or
 - (d) brought or maintained by one or more **Insured Individual(s)** who have not served as directors, trustees, **Manager(s)**, officers, or equivalent executives of the **Policyholder** within three (3) years immediately preceding the date the **Claim(s)** is first made, and the **Claim(s)** is brought and maintained totally independent of and without the solicitation, assistance, active participation, or intervention of the **Policyholder** or any **Insured Individual(s)** not described in this subparagraph (d);
6. based upon, arising from or attributable to the provision of estate planning, accounting or tax services, including but not limited to the provision of tax advice and tax form preparation or tax planning;
7. based upon, arising from or attributable to any **Insured's** activities as an Underwriter, Broker or Dealer. As used in this Exclusion:
 - (a) "Underwriter" means an underwriter as defined in Section 2.(11) of the Securities Act of 1933, as amended; and
 - (b) "Broker" or "Dealer" shall mean broker or dealer as those terms are defined in section 3.(a)(4) and section 3.(a)(5) of the Securities Exchange Act of 1934, as amended;
8. for actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, or any violation of any federal, state, local or foreign statutory law or common law that governs the same areas or subject matters and any rules, regulations and amendments thereto;
9. based upon, arising from or attributable to any actual or alleged infringement, misuse, violation or

dilution of copyright, patent, title, trademark, trade name, service mark, service name, or trade secrets; misappropriation of name or likeness; misappropriation of property rights, information or ideas; plagiarism; or any other violation or misuse of intellectual property rights;

10. based upon, arising from or attributable to any **Employment Wrongful Act**; or
11. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - (a) the gaining of any profit, remuneration, or advantage to which the **Insured** was not legally entitled; or
 - (b) any criminal or deliberately fraudulent act, error or omission by an **Insured**;if evidenced by any judgment, final adjudication, or alternate dispute resolution proceeding.

With respect to Exclusion A. 11. set forth above no fact pertaining to, knowledge possessed by or conduct by any **Insured Individual(s)** shall be imputed to any other **Insured Individual(s)**.

III. COVERAGE EXTENSIONS

A. Spouses

If a **Claim(s)** made against an **Insured Individual** includes a claim against the **Insured Individual's** lawful spouse solely by reason of (1) such spouse's status as a spouse of the **Insured Individual**, or (2) such spouse's ownership interest in property from which the claimant seeks recovery for the **Wrongful Act(s)** of the **Insured Individual**, all loss which such spouse becomes legally obligated to pay on account of such claim shall be treated for purposes of this Policy as **Loss** which the **Insured Individual** is legally obligated to pay on account of the **Claim(s)** made against the **Insured Individual**. Such loss shall be covered under this Policy only if and to the extent that such loss would be covered under this Policy if incurred by the **Insured Individual**.

The coverage extension afforded by this subsection does not apply to any **Claim(s)** alleging any wrongful act or omission by an **Insured Individual's** spouse. The term "spouse" as used in this paragraph shall include any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law in the United States of America.

B. Estates and Legal Representatives

Coverage under this Policy shall extend to a **Claim(s)** made against the estates, heirs, legal representatives or assigns of an **Insured Individual** who is deceased or against the legal representatives or assigns of an **Insured Individual** who is incompetent, insolvent or bankrupt for the **Wrongful Act(s)** of such **Insured Individual**.

The coverage extension afforded by this subsection does not apply to any **Claim(s)** alleging any wrongful act or omission by the **Insured Individual's** estates, heirs, legal representatives or assigns.

C. Extended Reporting Period

If the Insurer chooses not to renew or the **Parent Company** cancels or chooses not to renew this Policy, the **Policyholder** or the **Insured Individual(s)** shall have the right, upon payment of the additional premium required by the Insurer in Item 4.(A) in the Declarations, to a one year Extended Reporting Period following the termination of the **Policy Period**, but only with respect to **Wrongful Act(s)** occurring prior to the effective date of such cancellation or nonrenewal.

The right to purchase the Extended Reporting Period shall not be available in the event of nonrenewal or cancellation of this Policy resulting from the failure to pay any premium due. The offer of renewal terms, conditions or premiums different from those in effect prior to renewal shall not constitute a refusal to

renew.

This right to elect any Extended Reporting Period shall lapse unless written notice of the Extended Reporting Period being elected, together with payment of the additional premium due, is given by the **Policyholder** or **Insured Individual** and is received by the Insurer within sixty (60) days following the effective date of cancellation. Coverage under the Extended Reporting Period shall apply only to a **Claim(s)** that is first made against the **Policyholder** or **Insured Individual** during the Extended Reporting Period, and any **Claim(s)** made during the Extended Reporting Period shall be deemed to have been made during the immediately preceding **Policy Period**. The Limit of Liability applicable to the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability for the immediately preceding **Policy Period**.

IV. LIMITS OF LIABILITY, RETENTION, DEFENSE AND SETTLEMENT

A. Limits of Liability

The Insurer's maximum aggregate Limit of Liability for **Loss** arising from all **Claim(s)** under each Insuring Agreement shall be the applicable Limit of Liability for such Insuring Agreement as set forth in Item 3.(B) in the Declarations. Such Limit of Liability for each applicable Insuring Agreement shall be part of and not in addition to the Insurer's maximum aggregate Limit of Liability set forth in Item 3.(A) in the Declarations. In all events, the Insurer's maximum aggregate Limit of Liability for all **Loss** from all **Claim(s)** first made during the **Policy Period** under all Insuring Agreements shall be the Limit of Liability set forth in Item 3.(A) in the Declarations. The Limit(s) of Liability for the Extended Reporting Period, if exercised, shall be part of and not in addition to the Limit(s) of Liability for the immediately preceding **Policy Period**. The purchase of the Extended Reporting Period shall not increase or reinstate the Limit(s) of Liability, which shall be the maximum Limit(s) of Liability of the Insurer for such **Policy Period** and Extended Reporting Period, combined.

If, and at such time as, the Limit(s) of Liability are exhausted by payment of **Loss**, the Insurer's obligations under this Policy shall be completely fulfilled and extinguished.

All **Claim(s)** arising from the same **Wrongful Act(s)** and all **Interrelated Wrongful Acts** shall be deemed one **Claim(s)** and such **Claim(s)** shall be deemed to be first made on the earlier date that: (1) any of the **Claim(s)** is first made against an **Insured** under this Policy or any prior policy, or (2) valid notice was given by the **Insureds** under this Policy or any prior policy of any **Wrongful Act(s)**, or any fact, circumstance, situation, event, transaction or cause which underlies such **Claim(s)**. Coverage under this Policy shall apply only with respect to **Claim(s)** deemed to have been first made during the **Policy Period** and reported in writing to the Insurer in accordance with the terms herein.

B. Retentions

The Insurer shall be liable for only that part of **Loss** arising from a **Claim(s)** under the Insuring Agreements which is excess of the applicable Retention for such Insuring Agreement set forth in Item 3.(B) in the Declarations, and such Retention shall be borne by the **Insured** uninsured and at their own risk. Notwithstanding the foregoing, if the **Policyholder** is permitted or required by law or pursuant to the by-laws or other organizational documents of the **Policyholder** to indemnify the **Insured Individual(s)** for any **Loss**, or to advance **Defense Costs** on their behalf, and does not in fact do so other than for reasons of **Financial Impairment**, the Insurer shall pay **Loss**, or pay **Defense Costs**, on behalf of the **Insured Individual(s)** without regard to the Retention, but the **Policyholder** shall reimburse the Insurer for such amounts up to the Retention set forth in Item 3.(B) in the Declarations.

If different Retentions are applicable to different parts of any **Loss** under this Policy, the applicable Retention will be applied separately to each part of such **Loss**, and the sum of such Retentions will not exceed the largest applicable Retention set forth in Item 3.(B) in the Declarations.

C. Defense

It shall be the duty of the **Insured** and not the Insurer's duty to defend **Claim(s)**. The Insurer shall have

the right and shall be given the opportunity to effectively associate with the **Insured** in the investigation, defense and settlement, including but not limited to the negotiation of a settlement, of any **Claim(s)** that appears reasonably likely to be covered in whole or in part hereunder.

Subject to General Terms and Conditions, Section IV.D. Allocation and the satisfaction of the applicable Retention, the Insurer shall advance on behalf of the **Insureds Defense Costs** which the **Insureds** have incurred in connection with **Claim(s)** made against them, prior to the final disposition of such **Claim(s)**, provided that to the extent it is finally established that any such **Defense Costs** are not covered under this Policy, the **Insureds**, severally according to their interests, shall repay such **Defense Costs** to the Insurer upon demand.

D. Allocation

If in any **Claim(s)** the **Insureds** who are afforded coverage for such **Claim(s)** incur **Loss** jointly with others (including other **Insureds**) who are not afforded coverage for such **Claim(s)**, or incur an amount consisting of both **Loss** covered by this Policy and loss not covered by this Policy because such **Claim(s)** includes both covered and uncovered matters, then the **Insureds** and the Insurer agree to use their best efforts to determine a fair and proper allocation of covered **Loss**. The Insurer's obligation shall relate only to those sums allocated to matters and **Insured** which are afforded coverage. The Insurer and the **Insureds** agree to use their best efforts to agree on a fair and reasonable allocation. If the **Insureds** and Insurer cannot agree on an allocation of **Defense Costs**, the Insurer shall advance **Defense Costs** which the Insurer believes to be covered under the Policy until a different allocation is negotiated, arbitrated or judicially determined.

Any negotiated, arbitrated or judicially determined allocation of **Defense Costs** on account of a **Claim(s)** shall be applied retroactively to all **Defense Costs** on account of such **Claim(s)**, notwithstanding any different allocation made in connection with any prior advancement of **Defense Costs**. Any allocation of **Defense Costs** on account of a **Claim(s)** shall not apply to or create any presumption with respect to the allocation of other **Loss** arising from such **Claim(s)** or any other **Claim(s)**.

E. Consent, Cooperation and Settlement

The **Insureds** shall not settle any **Claim(s)**, select any defense counsel, incur any **Defense Costs**, admit or assume any liability, stipulate to any judgment, or otherwise assume any obligation without the Insurer's prior written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for any settlement, **Defense Costs**, assumed obligation, admission or stipulated judgment to which it has not consented or for which the **Insureds** are not legally obligated. The **Insureds** shall not knowingly take any action which increases the Insurer's exposure for **Loss** under this Policy.

The **Insureds** shall provide the Insurer with all information, assistance and cooperation which the Insurer reasonably requests and shall do nothing that may prejudice the Insurer's potential or actual rights of recovery with respect to **Loss** paid on account of a **Claim(s)**.

If the Insurer recommends a settlement within the Policy's applicable Limits of Liability which is acceptable to the claimant and the **Insureds** refuse to consent to such settlement, then the Insurer's liability for all **Loss** on account of such **Claim(s)** shall not exceed the amount for which the Insurer could have settled such **Claim(s)**, plus an additional fifty (50) percent of such amount, plus **Defense Costs** incurred up to the date the **Insureds** refused to settle such **Claim(s)**. However, in no event shall the Insurer's liability exceed the applicable Limit of Liability set forth in General Terms and Conditions Section IV.A. Limits of Liability.

V. AWARENESS PROVISION

- A. If during the **Policy Period** any **Insured** becomes aware of circumstances which could give rise to a **Claim(s)**, and the **Insured** gives written notice of such circumstances to the Insurer during the **Policy Period**, then any **Claim(s)** subsequently arising from such circumstances shall be considered to have been made during the **Policy Period** in which the circumstances were first reported to the Insurer. No coverage shall be provided for fees and expenses incurred prior to the time such circumstances result in

a **Claim(s)**.

B. The **Insureds** shall, as a condition precedent to exercising their rights hereunder:

1. include with any notice of circumstances a specific description of such circumstances, the specific nature of the **Wrongful Act(s)**, the nature and extent of the potential damages, the names or descriptions of potential claimants, and the manner in which the **Insured** first became aware of such circumstances, and
2. give the Insurer such additional information and cooperation as it may reasonably require.

VI. NOTICES

All notices under any provision of this Policy must be made in writing and delivered by prepaid express courier, certified mail or facsimile. Notices to the **Insureds** shall be given to the **Parent Company**. Notices to the Insurer shall be given to the appropriate party at the address set forth in Item 6. in the Declarations. Notices given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee or one day following the date such notices are sent, whichever is earlier.

VII. GENERAL CONDITIONS

A. Transactions That Impact Coverage

1. Acquisition or Creation of Another Organization:

(a) If, after the effective date of this Policy, the **Policyholder**:

(i) creates or acquires an entity;

(ii) merges with another entity such that the **Policyholder** is the surviving entity; or

(iii) assumes voting rights representing the present right to vote for election or to appoint more than fifty (50) percent of the directors or trustees of an entity;

then such entity and any subsidiaries shall be deemed to be a **Subsidiary**, only if the fair market value of all cash, securities, assumed indebtedness and other consideration paid by the **Policyholder** in such creation, merger, acquisition or assumption does not exceed twenty-five (25) percent of the total consolidated assets of the **Policyholder** as of the date of the **Policyholder's** most recent audited consolidated financial statement prior to such creation, merger, acquisition or assumption.

Notwithstanding the above, if such consideration paid exceeds twenty-five (25) percent of the total consolidated assets of the **Policyholder**, this Policy shall provide insurance for such entities and any subsidiaries for a period of ninety (90) days after the effective date of such creation, merger, acquisition or assumption, or until the end of the **Policy Period**, whichever is sooner. At its sole option and upon submission of any and all information as it may require, the Insurer may, upon payment of any additional premium or modification of the provisions of this Policy that may be warranted, extend the insurance otherwise afforded through this subsection.

(b) there shall be no coverage for any **Wrongful Act(s)** by such created, acquired or merged entity or by any persons or entities considered to be an **Insured** pursuant to paragraph (a) above, where such **Wrongful Act(s)** occurred in whole or in part before the effective date of such creation, acquisition or merger or for any **Wrongful Act(s)** occurring on or after such date which, together with any **Wrongful Act(s)** occurring before such date, constitute **Interrelated Wrongful Acts**.

2. Acquisition of **Parent Company**

If, during the **Policy Period**, any of the following events occurs:

- (a) the acquisition of the **Parent Company**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of the **Parent Company** into or with another entity such that the **Parent Company** is not the surviving entity; or
- (b) the acquisition by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate at least fifty (50) percent of the directors of the **Parent Company**;

then coverage under this Policy shall continue until termination of the **Policy Period** and shall not be cancellable by the **Parent Company**, but only with respect to **Wrongful Act(s)** occurring prior to such merger, consolidation or acquisition. The **Parent Company** shall give written notice of such merger, consolidation or acquisition to the Insurer as soon as practicable together with such information as the Insurer may require. However, coverage under this Policy will cease as of the effective date of such merger, consolidation or acquisition with respect to **Wrongful Act(s)** occurring after such event.

The appointment by any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Parent Company**, or the **Parent Company** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, shall not be considered an acquisition within the meaning of this subsection.

3. Cessation of a **Subsidiary**

If before or during the **Policy Period** an organization ceases to be a **Subsidiary**, coverage with respect to such **Subsidiary** and its **Insured Individuals** shall continue until termination of the **Policy Period**, but only with respect to **Wrongful Act(s)** occurring prior to the date such organization ceased to be a **Subsidiary**.

B. Representations and Severability With Respect To Application

In granting coverage to any one of the **Insureds**, the Insurer has relied upon the statements made in the written Application for this Policy and all information provided to the Insurer and upon the statements in the original written Application and information submitted to any other insurer with respect to prior coverage incepting as of the Continuity Date, if any, set forth in Item 5. in the Declarations. All such statements and information are the basis of this Policy and shall be incorporated in and constitute part of this Policy as if physically attached hereto.

In order to determine if coverage is available under this subsection:

1. Only facts pertaining to and knowledge possessed by any **Executive Officer(s)** of the **Policyholder** shall be imputed to the **Policyholder**; and
2. No declaration or statement in any application or knowledge possessed by the **Policyholder** or any **Insured Individual(s)** shall be imputed to any other **Insured Individual(s)**. Any written application(s) for coverage shall be construed as a separate application for coverage by each **Insured Individual(s)**.

C. Cancellation/Nonrenewal

1. The **Parent Company** may cancel this Policy during the **Policy Period** by giving the Insurer advance written notice of cancellation stating when thereafter such cancellation will be effective.

2. The Insurer may only cancel this Policy in the event of nonpayment of premium by giving the **Parent Company** written notice of cancellation at least twenty (20) days before the effective time of cancellation.
3. Notice of cancellation shall state the effective time of cancellation. The **Policy Period** shall end at that time.
4. If this Policy is cancelled, the Insurer shall send the **Parent Company** any premium refund as soon as practicable. If the **Parent Company** cancels, the refund shall be on the customary short rate basis. The return or tender of a return premium is not a condition precedent to the cancellation becoming effective at the time stated in the cancellation notice.
5. If the Insurer decides not to renew this Policy, the Insurer shall provide written notice to the **Parent Company** at least sixty (60) days prior to the end of the **Policy Period**.
6. If any controlling law requires a longer period of notice by the Insurer, the Insurer shall give such longer notice.

D. Other Insurance

If any **Loss** arising from any **Claim(s)** is insured by any other policy(ies), prior or current, then this Policy shall apply only in excess of the amount of any deductibles, retentions, and limits of liability under such other policy(ies) whether such policy(ies) is stated to be primary, contributory, excess, contingent or otherwise, unless such policy(ies) is written to be specifically excess of this Policy by reference in such other policy(ies) to this Policy's Policy Number indicated in the Declarations.

E. Territory

This Policy shall apply to **Claim(s)** made against the **Insureds** anywhere in the world, regardless of where the **Wrongful Act(s)** was actually or allegedly committed.

F. Valuation and Currency

All premiums, limits, Retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in the *Wall Street Journal* on the date the judgment becomes final or payment of the settlement or other element of **Loss** is due.

G. Subrogation

In the event of any payment under this Policy, the Insurer shall be subrogated to the extent of such payment to all the **Insureds'** rights of recovery, and the **Insureds** 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 Insurer effectively to bring suit in the name of the **Insured**.

H. No Action Against Insurer

No action shall lie against the Insurer unless, as a condition precedent thereto, there has been full compliance with all the terms of this Policy. No person or organization shall have any right under this Policy to join the Insurer as a party to any action against the **Insureds** to determine the **Insureds'** liability, nor shall the Insurer be impleaded by the **Insureds** or their legal representatives.

I. Bankruptcy

Bankruptcy or insolvency of the **Policyholder** or of any **Insured Individual(s)** shall not relieve the Insurer of its obligations nor deprive the Insurer of its rights or defenses under this Policy.

J. Authorization

By acceptance of this Policy, the **Parent Company** agrees to act on behalf of the **Insureds** with respect to the giving and receiving of any notice provided for in this Policy (except the giving of notice to apply for any Extended Reporting Period), the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements, and the **Insureds** agree that the **Parent Company** shall act on their behalf.

K. Alteration and Assignment of Interest

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by a written endorsement to this Policy which is signed by an authorized representative of the Insurer. The **Insureds** agree that this Policy constitutes the entire agreement between the **Insureds** and the Insurer, or any of their agents or brokers. Notice to or knowledge possessed by the Insurer, the **Insureds** or any agent, broker or other person acting on behalf of the **Insureds** or Insurer shall not effect a waiver of or estop the Insurer or the **Insureds** from asserting any rights under this Policy.

L. 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.

AXIS INVESTMENT MANAGEMENT INSURANCE POLICY

INSURING AGREEMENT A: INVESTMENT ADVISER PROFESSIONAL LIABILITY

I. INSURING AGREEMENT

If Insuring Agreement A is designated as an “Included” Insuring Agreement as set forth in Item 3.(B) in the Declarations, the Insurer shall pay in connection with a **Wrongful Act(s)** which takes place before or during the **Policy Period** all **Loss** on behalf of any **Insured** arising from any **Claim(s)** for a **Wrongful Act(s)** first made against such **Insured** during the **Policy Period** or Extended Reporting Period, if applicable, and reported in writing to the Insurer as soon as practicable after any **Executive Officer(s)** of an **Entity Insured** first becomes aware of such **Claim(s)**, but in no event later than sixty (60) days after the expiration of the **Policy Period** or Extended Reporting Period, if applicable.

II. DEFINITIONS

The following definitions are applicable to the coverage afforded under Insuring Agreement A:

A. **Insured** means:

1. **Insured Individual(s)**;
2. **Investment Adviser**;
3. **New Investment Adviser**; or
4. Any entity scheduled by written endorsement to this Policy as an **Insured** under Insuring Agreement A.

B. Insured Individual(s) means any one or more natural persons who are past, present or future duly elected or appointed director(s), officer(s), **Manager(s)** or employee(s) of any **Entity Insured** or his or her functional equivalent if serving in such a position outside the United States.

C. Investment Adviser means any **Insured** which, as of the effective date of this Policy, is (1) registered under the Investment Advisers Act of 1940, as amended, and (2) is scheduled by written endorsement to this Policy as an **Investment Adviser**. Subject to the conditions set forth in Section II. Definitions E. in this Insuring Agreement A, **Investment Adviser** also means a **New Investment Adviser**.

D. Investment Advisory Services means providing to a client of the **Investment Adviser** financial, economic or investment advice, including performing investment management services regarding investments in securities and determining which securities are to be purchased or sold, pursuant to a written contract defining the scope of such advice and the compensation to be paid therefor.

E. **New Investment Adviser** means any entity which the **Policyholder**:

1. Creates or acquires;
2. Merges with and the **Policyholder** is the surviving entity;
3. Acquires all or substantially all of the assets of such entity; or
4. Assumes voting rights representing the present right to vote for election or to appoint more than fifty (50) percent of the directors or trustees of such entity;

after the effective date of this Policy and is an **Investment Adviser** as defined in this Policy.

Notwithstanding the above:

1. If, at the time of completion of such creation, acquisition, merger or assumption, the total assets under management of such **New Investment Adviser** do not exceed twenty-five (25) percent of the total assets under management of the **Policyholder**, this Policy shall provide insurance for such **New Investment Adviser** and any **Insured Individual(s)** of such **New Investment Adviser** until the end of the **Policy Period**.
2. If, at the time of completion of such creation, acquisition, merger or assumption, the total assets under management of such **New Investment Adviser** exceed twenty-five (25) percent of the total assets under management of the **Policyholder**, this Policy shall provide insurance for such **New Investment Adviser** and any **Insured Individual(s)** of such **New Investment Adviser** for a period of ninety (90) days after the effective date of such creation, merger, acquisition or assumption or until the end of the **Policy Period**, whichever is sooner. At its sole option and upon submission of any and all information it may require, the Insurer may, upon payment of any additional premium or modification of the provisions of this Policy that may be warranted, extend the insurance otherwise afforded under this Insuring Agreement.

Notwithstanding the above, the **Policyholder** shall provide notice to the Insurer within sixty (60) days after the termination or expiration of the **Policy Period** of all the **New Investment Advisers** created, sponsored or acquired during the **Policy Period**.

- F. Wrongful Act(s)** means any error, misstatement, misleading statement, act, omission, neglect, or breach of fiduciary or other duty actually or allegedly committed or attempted by an **Insured** solely in the performance of **Investment Advisory Services**.

III. EXCLUSIONS

The following exclusions are applicable to the coverage afforded under Insuring Agreement A:

- A.** The Insurer shall not be liable for **Loss** arising from any **Claim(s)** made against any **Insured**:

1. For the inability to make any payment by any bank or banking firm, broker or dealer in securities or commodities, or any other person or entity or the inability of any such entity or person to settle or effect any transaction of any kind; provided however, this exclusion shall not apply to **Claim(s)** for **Wrongful Act(s)** in connection with the **Insured's Investment Advisory Services** related to the selection of such entities by the **Insured** to provide services for the **Insured**;
2. For an **Insured's** liability under any contract or agreement, regardless of whether such liability is direct or assumed; provided that this exclusion shall not apply to:
 - a. Any **Claim(s)** against an **Insured** by a client or customer of the **Insured**, if and solely to the extent that the **Claim(s)** alleges a breach of contractual obligations in the rendering of or failure to render **Investment Advisory Services**; or
 - b. To liability which would attach to an **Insured** even in the absence of a contract or agreement;
3. Based upon, arising from or attributable to any actual or alleged investment in securities issued by the **Parent Company**, any **Subsidiary** or any affiliate thereof; provided that this Exclusion shall not apply to an investment in securities issued by a registered investment company, as that term is defined in the Investment Company Act of 1940, as amended, which is sponsored by the **Parent Company**, any **Subsidiary** or any affiliate thereof; or

4. For any **Wrongful Act(s)** by any **New Investment Adviser** or by any director(s), officer(s), **Manager(s)** or employee(s) of any **New Investment Adviser**, or his or her functional equivalent if serving in such a position outside the United States, where such **Wrongful Act(s)** occurred in whole or in part before the **New Investment Adviser** was created, acquired or merged with the **Policyholder** or became a **Subsidiary** of the **Policyholder**, or for any **Wrongful Act(s)** occurring on or after such date which, together with any **Wrongful Act(s)** occurring before such date, constitute **Interrelated Wrongful Acts**.

B. Modifications to the Exclusions of the General Terms and Conditions Section

The exclusions set forth in Section II.A.5. of the General Terms and Conditions shall not apply to any **Claim(s)** against an **Entity Insured** under this Insuring Agreement A brought by or on behalf of an entity that qualifies as a **Mutual Fund** if in the opinion of independent legal counsel selected by the **Policyholder** and the **Independent Directors** of such **Mutual Fund** (selection of such counsel being subject to approval by the Insurer, which approval shall not be unreasonably withheld) and at the expense of the **Policyholder** (and not the Insurer), the failure to make such **Claim(s)** would result in liability upon the directors, officers, partners or trustees of such **Mutual Fund** for failure to assert such **Claim(s)**.

IV. CHANGES IN EXPOSURE

- A.** If, during the **Policy Period**, any **Investment Adviser** changes its name but does not make any material changes or modifications to its ownership or operations, this Policy shall continue to provide insurance to such **Insured** for the remainder of the **Policy Period**. The **Policyholder** shall provide notice to the Insurer within sixty (60) days after the termination or expiration of the **Policy Period** of all **Investment Advisers** that have changed names during the **Policy Period**.

If, during the **Policy Period**, any **Investment Adviser** other than the **Parent Company** ceases operations or ceases to be more than fifty (50) percent owned by the **Policyholder** (either no longer owning more than fifty (50) percent of the issued and outstanding voting stock or no longer having the right to elect or appoint more than fifty (50) percent of the directors or trustees), coverage with respect to such **Investment Adviser** and its **Insured Individual(s)** shall continue until the termination of the **Policy Period**, but only with respect to a **Wrongful Act(s)** occurring prior to the date such **Investment Adviser** ceases operations or ceases to be more than fifty (50) percent owned by the **Policyholder**. The **Parent Company** shall provide notice to the Insurer within sixty (60) days after the termination or expiration of the **Policy Period** of all **Investment Advisers** that have ceased operations or ceased to be more than fifty (50) percent owned by the **Policyholder**. If the **Parent Company** is acquired as described in General Terms and Conditions Section VII.A.2., neither the **Investment Adviser** nor its **Insured Individual(s)** shall have the right to coverage provided pursuant to this paragraph.

AXIS INVESTMENT MANAGEMENT INSURANCE POLICY

INSURING AGREEMENT D: DIRECTORS, OFFICERS AND CORPORATE LIABILITY

I. INSURING AGREEMENT

If Insuring Agreement D is designated as an "Included" Insuring Agreement as set forth in Item 3.(B) in the Declarations, the Insurer shall pay in connection with a **Wrongful Act(s)** which takes place before or during the **Policy Period** all **Loss** on behalf of any **Insured** arising from any **Claim(s)** for a **Wrongful Act(s)** first made against such **Insured** during the **Policy Period** or Extended Reporting Period, if applicable, and reported in writing to the Insurer as soon as practicable after any **Executive Officer(s)** of an **Entity Insured** first becomes aware of such **Claim(s)**, but in no event later than sixty (60) days after the expiration of the **Policy Period** or Extended Reporting Period, if applicable.

No retention shall apply to **Loss** under the above Insuring Agreement incurred by an **Insured Individual(s)** for which the **Policyholder** is not permitted to indemnify, or for which the **Policyholder** is permitted to indemnify but does not do so by reason of **Financial Impairment**.

II. DEFINITIONS

The following definitions are applicable to the coverage afforded under Insuring Agreement D:

A. Employee(s) means any one or more natural persons who are past, present or future:

1. Duly elected or appointed director(s), officer(s) or trustee(s) of the **Policyholder**;
2. Individual(s) whom the **Policyholder** compensates by wages, salary and/or commissions, and whose labor or service is directed by the **Policyholder**, whether such labor or service is on a part-time, temporary, seasonal, or full-time basis; or
3. Leased employees and volunteers whose labor or service is directed by the **Policyholder**.

B. Insured means the **Insured Individual(s)** and the **Policyholder**.

C. Insured Individual(s) means any one or more natural persons who are past, present or future:

1. Duly elected or appointed director(s), officer(s), trustee(s) or **Manager(s)** of the **Policyholder** or their functional equivalent if serving in such a position outside the United States;
2. Management committee members of a joint venture which otherwise qualifies as a **Subsidiary**; or
3. **Employee(s)** who are named in any **Claim(s)** that also names a past, present or future duly elected or appointed director, officer, **Manager(s)** or trustee of the **Policyholder**.

D. Nonprofit Entity means any nonprofit corporation, community chest, fund or foundation that is not included in the definition of **Policyholder** and that is (i) exempt from federal income tax as an organization described in section 501(c) (3) of the Internal Revenue Code of 1986, as amended, or (ii) organized for a religious or charitable purpose under any nonprofit organization statute.

E. Outside Entity means:

1. Any **Nonprofit Entity**; or
2. Any other entity that is scheduled by endorsement to this Policy as an **Outside Entity**.

- F. **Outside Position** means the position of director, officer, trustee or other equivalent executive position held by any **Insured Individual(s)** in an **Outside Entity** if service in such position is at the request of the **Policyholder**.
- G. **Policyholder** has the same meaning set forth in Section I. O. of the General Terms and Conditions and shall also include any foundation or charitable trust controlled by the **Parent Company** and/or its **Subsidiaries**.
- H. **Subsidiary(ies)** has the same meaning set forth in Section I. S. of the General Terms and Conditions and shall also include any entity created or acquired after the effective date of this Policy if the entity is covered pursuant to Section IV.A. CONDITIONS of this Insuring Agreement D, but solely with regard to **Wrongful Act(s)** occurring at or after the time such entity became a **Subsidiary**.
- I. **Wrongful Act(s)** means:
1. Any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by:
 - a. Any **Insured Individual(s)** in their capacity as such;
 - b. Any **Insured Individual(s)** serving in an **Outside Position**; or
 - c. The **Policyholder**; or
 2. Any matter claimed against any **Insured Individual(s)** solely by reason of their serving in their capacity as such or by reason of their serving in an **Outside Position**.

Any insurance provided under this Policy for a **Claim(s)** for a **Wrongful Act(s)** against an **Insured Individual(s)** in an **Outside Position**, shall be specifically excess of any indemnification and insurance available to such **Insured Individual(s)** from the **Outside Entity**.

III. EXCLUSIONS

The following exclusions are applicable to the coverage afforded under Insuring Agreement D:

- A. The Insurer shall not be liable for **Loss** arising from any **Claim(s)** made against any **Insured**:
1. Brought by or on behalf of a **Self-Regulatory Organization**;
 2. Based upon, arising from, or attributable to any public offering of securities by the **Policyholder** or alleging a purchase or sale of such securities subsequent to such public offering; provided however, this Exclusion shall not apply to:
 - a. Any purchase or sale of securities exempted pursuant to Section 3(b) of the Securities Act of 1933. Coverage for such purchase or sale transaction shall not be conditioned upon payment of any additional premium; however the **Policyholder** shall give the Insurer written notice of any public offering exempted pursuant to Section 3(b), together with full details and as soon as practicable, but not later than 60 days after the effective date of the public offering; or
 - b. Any public offering of securities (other than a public offering described in subparagraph a. above), as well as any purchase or sale of such securities subsequent to such public offering, provided always that within 30 days prior to the effective time of such public offering: (i) the **Policyholder** shall give the Insurer written notice of such public offering together with full details and underwriting information required thereto and (ii) the **Policyholder** accepts such terms, conditions and additional premium required by the Insurer for such coverage. Such coverage is also subject to the **Policyholder** paying when due any such additional premium.

In the event the **Policyholder** gives written notice with full details and underwriting information pursuant to subparagraph 2.b.(i) above, then the Insurer shall offer a quote for coverage otherwise excluded by this subparagraph 2.;

3. Based upon, arising from or attributable to any actual or alleged libel, slander, defamation, false light or any other form of harm or injury to the character or reputation of any person, entity or product; invasion or infringement of any right of privacy;
 4. Based upon, arising from, or attributable to any actual or alleged contractual liability of the **Policyholder** under any express contract or agreement;
 5. For any **Claim(s)** brought by or on behalf of any shareholders or limited partners of any investment company or any type of investment fund;
 6. For any **Wrongful Act(s)** of an **Insured Individual(s)** in the discharge of their duties in their capacities, or solely by reason of their status, as director(s), officer(s), **Manager(s)**, or employee(s) of any entity other than an **Insured**, any **Entity Insured** covered under Insuring Agreement B, any investment company, any hedge fund, any investment fund or any limited partnership, or his or her functional equivalent if serving in such a position outside the United States, even if directed or requested by director(s), officer(s), **Manager(s)**, or employee(s) of such other entity; provided that this Exclusion A. 6. shall not apply to any **Claim(s)** for a **Wrongful Act(s)** against an **Insured Individual(s)** in his or her capacity as a director, officer, **Manager(s)** or employee of the **Policyholder** or an **Insured Individual(s)** serving in an **Outside Position** with respect to an **Outside Entity**; or
 7. For the rendering of or failure to render any service to a customer or client, including, but not limited to, **Investment Advisory Services, Mutual Fund Services, or Service Provider Services** as each of those terms is defined in Insuring Agreements A, B and C, respectively, whether or not purchased.
- B. Modifications to the Exclusions set forth in Section II. A. of the General Terms and Conditions Section:
- Section II.A.5. of the General Terms and Conditions Section shall not apply to the extent a **Claim(s)**:
1. that is made against an **Insured Individual(s)**, is otherwise covered under this Insuring Agreement D, and the **Loss** incurred by such **Insured Individual(s)** in connection with such **Claim(s)** is not permitted or required to be indemnified by the **Policyholder**, or the **Policyholder** is permitted or required to indemnify but does not do so by reason of **Financial Impairment**; or
 2. that is brought by or on behalf of any securities holders in their capacity as such, is brought and maintained while acting totally independent of and without the solicitation, assistance, participation or intervention of the **Policyholder** or any **Insured Individual(s)**.

IV. CONDITIONS

Acquisition or Creation of Another Organization

- A. If, after the effective date of this Policy, the **Policyholder**:
1. Creates or acquires an entity;
 2. Merges with another entity such that the **Policyholder** is the surviving entity;
 3. Acquires all or substantially all of the assets of another entity; or
 4. Assumes voting rights representing the present right to vote for election or to appoint more than fifty (50) percent of the directors or trustees of an entity;

then such entity and any subsidiaries shall be deemed to be a **Subsidiary(ies)**, only if the fair market value of all cash, securities, assumed indebtedness and other consideration paid by the **Policyholder** in such creation, merger, acquisition or assumption does not exceed twenty-five (25) percent of the total consolidated assets of the **Policyholder** as of the date of the **Policyholder's** most recent audited consolidated financial statement prior to such creation, merger, acquisition or assumption.

Notwithstanding the above, if such consideration paid exceeds twenty-five (25) percent of the total consolidated assets of the **Policyholder** as of the date of the **Policyholder's** most recent audited consolidated financial statement prior to such creation, merger, acquisition or assumption, this Policy shall provide insurance for such entities and any subsidiaries and their directors, officers, trustees, **Manager(s)** or employees for a period of ninety (90) days after the effective date of such creation, merger, acquisition or assumption, or until the end of the **Policy Period**, whichever is sooner. At its sole option and upon submission of any and all information as it may require, the Insurer may, upon payment of any additional premium or modification of the provisions of this Policy that may be warranted, extend the insurance otherwise afforded through this Subsection.

- B.** There shall be no coverage for any **Wrongful Act(s)** by such created, acquired, merged or assumed entity or by any persons or entities considered to be **Insured** pursuant to subparagraph IV.A. above, where such **Wrongful Act(s)** occurred in whole or in part before the effective date of such creation, acquisition, merger or assumption or for any **Wrongful Act(s)** occurring on or after such date which, together with any **Wrongful Act(s)** occurring before such date, constitute **Interrelated Wrongful Act(s)**.