GENERAL TERMS AND CONDITIONS

In consideration of payment of the premium, and subject to all provisions of this Policy, the Insurer and the **Policyholder**, on behalf of all **Insureds**, agree as follows:

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**APPLICABILITY**

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Except as provided in a specific **Coverage Part**, the provisions in these General Terms and Conditions apply to all **Coverage Parts** of this Policy. The terms and conditions of a particular **Coverage Part** apply only to that **Coverage Part**. If there is a conflict between these General Terms and Conditions and the terms and conditions of a particular **Coverage Part**, then the terms and conditions of the individual **Coverage Part** control for purposes of that **Coverage Part**.

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**DEFINITIONS**

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Unless otherwise defined in a specific **Coverage Part**, and whether in the singular or the plural, the following Definitions apply to this Policy:

**Application** means:

1. any written application, including any attachments, and any other documents or information submitted to the Insurer in connection with the underwriting of this Policy;

2. all written warranties submitted to the Insurer in the three (3) years preceding the inception of the **Policy Period** in connection with the underwriting of this Policy and any other policy of which this Policy is a direct or indirect renewal or replacement; and

3. all public documents filed by or on behalf of an **Entity Insured** with any federal, state, local, or foreign regulatory authority during the twelve (12) months preceding the inception of the **Policy Period**.

**Claim** means:

1. a written demand for monetary, non-monetary, or injunctive relief;

2. a civil proceeding commenced by the service of a complaint or similar pleading;

3. an arbitration, mediation, or other alternative dispute resolution proceeding commenced by a written demand or other similar document;

4. a formal administrative or regulatory proceeding commenced by the filing of a notice of charges or similar document;

5. a criminal proceeding commenced by:

a. the return of an indictment, information, or similar document; or

b. a request for extradition of an **Insured Individual**, including an arrest warrant executed as part of an extradition proceeding;

6. a formal civil, criminal, administrative, or regulatory investigation of an **Insured** commenced by a target letter (within the meaning of Title 9, Section 11.151 of the United States Attorneys’ Manual), civil investigative demand, formal order of investigation, subpoena, Wells Notice, or the functional or foreign equivalent of any of the foregoing, or any similar writing from a governmental or regulatory authority or a **Self-Regulatory Organization** compelling an **Insured** to provide documents or testimony or to comply in any other way with such notice or writing, but only if such writing identifies an **Insured** as an entity or person against whom a formal proceeding may be commenced, or identifies a **Wrongful Act** of the **Insured**;

including an appeal of any of the foregoing; or

7. a request to toll or waive a statute of limitations with respect to a **Wrongful Act**.

**Claim** does not include any routine examination, inspection, or inquiry, or any sweep examination, deficiency letter, or any general or informal request for information.

**Control** means:

1. ownership of more than fifty percent (50%) of the issued and outstanding voting securities or voting rights representing the present right to elect, appoint or designate the directors, of a corporation, the **Managers** of a limited liability company, or the general partners or managing general partners of a partnership; or

2. possession of the rights to elect, appoint or designate more than fifty percent (50%) of the directors, of a corporation, the **Managers** of a limited liability company, or the general partners or managing general partners of a partnership, where such rights arise from a written contract.

**Coverage Part** means those coverage parts purchased by the **Insureds** as set forth in the Declarations.

**Defense Costs** means reasonable and necessary costs and fees, including but not limited to attorney and expert fees, and expenses (other than regular or overtime wages, salaries, fees, or benefits of the **Insured** **Individuals** or employees of, or overhead expenses of, an **Entity Insured**) incurred by or on behalf of an **Insured** in defending, settling, appealing, or investigating **Claims**, and the premiums for appeal, attachment, or similar bonds. The Insurer, however, has no obligation to furnish such bonds. Solely to the extent that a specific **Coverage Part** provides coverage for extradition, **Defense Costs** means reasonable and necessary fees, costs and expenses incurred by an **Insured Individual** in lawfully opposing, challenging, resisting, or defending against any request for the extradition of such **Insured Individual**, or appealing any order for the extradition of such **Insured Individual**. Solely to the extent that a specific **Coverage Part** provides coverage for **Derivative Investigation Costs**, **Defense Costs** means **Derivative Investigation Costs**.

**Derivative Investigation Costs** has the meaning set forth in each **Coverage Part**.

**Domestic Partner** means any natural person recognized by law or by an **Entity Insured** as a domestic partner or a party to a civil union.

**Employee** means a natural person, other than an **Executive**, who was, now is, or will become:

1. a full-time, part-time, temporary, leased, or seasonal employee or volunteer of an entity, whose labor or service is directed or controlled by such entity; and

2. an independent contractor of an entity, but only if and to the extent that such entity provides indemnification to such independent contractor, and only while such independent contractor is performing work for or on behalf of such entity pursuant to a written contract.

**Entity Insured** has the meaning set forth in each **Coverage Part**.

**Executive** means a natural person who was, now is, or will become a duly elected or appointed director, officer, **Manager**, trustee, governor, general partner, principal, general counsel, risk manager, chief compliance officer, or the functional equivalent of any of the foregoing in an entity in a jurisdiction other than the United States of America.

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

1. the appointment by any state or federal official, agency, or court of any receiver, trustee, conservator, liquidator, rehabilitator, or similar official to take control of, supervise, manage, or liquidate such entity;

2. the filing of a voluntary or involuntary bankruptcy proceeding by or on behalf of such entity; or

3. such entity becoming a debtor-in-possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.

**Independent Director** has the meaning set forth in the Registered Fund Liability **Coverage Part**, if purchased.

**Insured** has the meaning set forth in each **Coverage Part**.

**Insured Individual** has the meaning set forth in each **Coverage Part**.

**Interrelated Wrongful Acts** means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, or cause, or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.

**Investment Vehicle** has the meaning set forth in the Investment Adviser Professional Liability **Coverage Part**, if purchased.

**Loss** means amounts that the **Insured** becomes legally obligated to pay on account of a **Claim**, including, but not limited to, damages, judgments, settlement amounts, any award of pre-judgment or post-judgment interest, punitive or exemplary damages, the multiple portion of any multiplied damage award, costs and fees awarded pursuant to judgments, and **Defense Costs**.

**Loss** does not include:

1. any amount for which the **Insureds** are legally or financially absolved from payment;

2. taxes or the loss of tax benefits;

3. fines or penalties, other than civil money penalties imposed on an **Insured Individual** under 15 U.S.C. §§ 78dd-2(g)(2)(B), 78ff(c)(2)(B) for a non-willful violation of the Foreign Corrupt Practices Act, or penalties imposed on an **Insured Individual** pursuant to Section 11(1)(a) of Chapter 23 of the U.K. Bribery Act 2010;

4. costs to comply with an injunction or any other non-monetary relief, or any agreement to provide such relief;

5. any amount that represents the return of fees, charges, commissions, or other compensation paid to an **Insured**;

6. matters uninsurable under the law applicable to this Policy;

however, the Insurer shall pay **Defense Costs** in an otherwise covered **Claim** in which the foregoing are amounts that the **Insured** becomes legally obligated to pay on account of such **Claim**.

The Insurer shall not assert that **Loss** attributable to an actual or alleged violation of Sections 11, 12, or 15 of the Securities Act of 1933, as amended, constitutes uninsurable loss.

Notwithstanding the foregoing in this Definition, in determining the insurability of punitive or exemplary damages, the multiple portion of any multiplied damage award, or any civil money penalties not excluded by this Definition, the law of the jurisdiction most favorable to the insurability of those damages or penalties will control if such jurisdiction has a substantial relationship to the **Claim**, the **Insured**, or the Policy.

**Manager** means a manager, managing member, member of the board of managers, or equivalent executive of an entity that is a limited liability company.

**Non-Indemnifiable Loss** means, except as otherwise defined in a specific **Coverage Part**, **Loss** for which an **Entity Insured**:

1. is not permitted by law to indemnify an **Insured Individual**; or

2. is permitted or required by law to indemnify an **Insured Individual**, but fails to do so due to **Financial Impairment**.

**Organization** means the **Policyholder** and its **Subsidiaries**, including any such entity as a debtor-in-possession within the meaning of the United States Bankruptcy Code or the equivalent under foreign law.

**Plan** has the meaning set forth in the Fiduciary Liability **Coverage Part**, if purchased.

**Policy Period** means the period of time specified as the **Policy Period** in the Declarations, subject to prior termination in accordance with the terms of this Policy.

**Policyholder** means the entity designated as such in the Declarations.

**Pollutant** 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 any federal, state, local, or foreign governmental agency, including, but not limited to, the United States Environmental Protection Agency. **Pollutant** also includes any other air or water emission, odor, waste water, oil or oil product, infectious or medical waste, asbestos or asbestos-containing material, lead or lead-containing material, noise, electric, magnetic, or electromagnetic field, fungi, mycotoxins, viruses, bacteria, or microbes or any other biological contaminant released into the atmosphere. **Pollutants** may take any form including, but not limited to, solids, liquids, gases, thermal or radiological irritants or contaminants, smoke, vapor, soot, fumes, acids, alkalis, silica, chemicals, or waste materials.

**Private Fund** has the meaning set forth in the Private Fund Liability **Coverage Part**, if purchased.

**Registered Fund** has the meaning set forth in the Registered Fund Liability **Coverage Part**, if purchased.

**Self-Regulatory Organization** means any association of investment advisers or securities dealers registered under federal securities laws, or any national securities exchange registered with the Securities Exchange Commission under the Securities Exchange Act of 1934, as amended, or any similar foreign national or international exchange registered with an equivalent regulator.

**Subsidiary** means an entity during the time that an **Organization** either directly or indirectly has or had **Control** of such entity, whether before or during the **Policy Period**, subject to the Subsection entitled New Organizations of the General Terms and Conditions. **Subsidiary** does not include an investment fund or investment company, any general partner of any investment fund or investment company, or any portfolio company of any investment fund or investment company.

**Wrongful Act** has the meaning set forth in each **Coverage Part**.

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**COVERAGE EXTENSIONS**

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A. Spouses and Domestic Partners

Subject to all other terms and conditions of this Policy, coverage under this Policy extends to a **Claim** made against the lawful spouse or **Domestic Partner** of an **Insured Individual** solely by reason of such spouse's or **Domestic Partner’s** status as a spouse or **Domestic Partner** of the **Insured Individual**, or by reason of such spouse's or **Domestic Partner’s** ownership interest in property from which the claimant seeks recovery for a **Wrongful Act** of such **Insured Individual**. The coverage provided by this Subsection does not apply to any **Loss** attributable to any actual or alleged act, error, or omission by the **Insured Individual's** spouse or **Domestic Partner**.

B. Estates and Legal Representatives

Subject to all other terms and conditions of this Policy, coverage under this Policy extends to a **Claim** made against the estate, 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, but only if the **Claim** is for a **Wrongful Act** of such **Insured Individual**. The coverage provided by this Subsection does not apply to any **Loss** attributable to any actual or alleged act, error, or omission by the **Insured Individual's** estate, heirs, legal representatives, or assigns.

C. Extended Reporting Period

1. If the **Policyholder** cancels or nonrenews this Policy, or the Insurer nonrenews this Policy, then the **Policyholder** shall have the right to purchase an Extended Reporting Period to immediately follow the termination of the **Policy Period** for a length of time specified in the Declarations.

2 Coverage under any Extended Reporting Period applies only to **Wrongful Acts** occurring prior to the effective date of cancellation or nonrenewal.

3. Coverage under any Extended Reporting Period applies only to **Claims** first made during the Extended Reporting Period, and any **Claim** first made during the Extended Reporting Period will be deemed to have been made during the **Policy Period**.

4. The right to purchase such Extended Reporting Period will lapse unless the Insurer receives written notice from the **Policyholder** of the Extended Reporting Period elected, together with payment of the additional premium required by the Insurer, within sixty (60) days following the effective date of cancellation or nonrenewal.

5. The premium for an Extended Reporting Period will be deemed fully earned at the inception of the Extended Reporting period.

6. The Extended Reporting Period cannot be cancelled by the Insurer except for non-payment of premium.

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**GENERAL EXCLUSIONS**

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Except as otherwise provided herein or in a specific **Coverage Part**, the following Exclusions apply to all **Coverage Parts** of this Policy:

A. Employee Benefit Plan Law

The Insurer shall not be liable for **Loss** on account of any **Claim** for an actual or alleged violation of any of the responsibilities, obligations or duties imposed by any law regulating employee welfare and employee benefit plans, including the Employee Retirement Income Security Act of 1974, as amended, with respect to welfare or benefit plans established or maintained for the purpose of providing benefits to any **Insured**. This Exclusion does not apply to the Fiduciary Liability **Coverage Part**, if purchased.

B. Entity or Insured Individual v. Insured

The Insurer shall not be liable for **Loss** on account of any **Claim** brought or maintained by or on behalf of any **Insured** under this Policy; except that this Exclusion does not apply to a **Claim**:

1. brought or maintained by or on behalf of an **Insured Individual** for contribution or indemnity, if the **Claim** directly results from another **Claim** covered under this Policy;

2. brought or maintained by or on behalf of a bankruptcy or insolvency receiver, trustee, examiner, conservator, liquidator, or rehabilitator for an **Entity Insured**, or any assignee of such receiver, trustee, examiner, conservator, liquidator, or rehabilitator, or by a creditors’ committee for any **Entity Insured** subject to **Financial Impairment**;

3. brought or maintained by or on behalf of an **Insured Individual** who has not served in the capacity of an **Insured Individual** within two (2) years immediately preceding the date the **Claim** is first made, if such **Claim** is brought and maintained without the assistance, participation, or solicitation of any other **Insured**;

4. brought or maintained by or on behalf of an **Insured Individual** as a whistleblower protected pursuant to any whistleblower statute in any jurisdiction;

5. brought or maintained by or on behalf of an **Employee** of an **Entity Insured** in his or her capacity as a customer or client of the **Entity Insured** or in his or her capacity as an investor inan **Investment Vehicle**, a **Private Fund**, or a **Registered Fund**, if such **Claim** is brought and maintained without the assistance, participation, or solicitation of any other **Insured**, and if such **Claim** does not relate to any interest of such **Employee** in an **Investment Vehicle**, a **Private Fund**, or a **Registered Fund**, or profit sharing incentives awarded as compensation;

6. brought or maintained as a derivative action on behalf of an **Entity Insured** without the assistance, participation, or solicitation of any **Insured**;

7. brought or maintained by or on behalf of a **Registered Fund** or a **Private Fund**, if in the opinion of independent legal counsel chosen jointly by the Insurer and the **Insured** and paid by the **Insured**, the failure to bring such **Claim** would result in a breach of duty on the part of such **Registered Fund** or **Private Fund**, or any **Executive** of such **Registered Fund** or **Private Fund**;

8. brought or maintained by or on behalf of an advisory board member or an advisory committee member of a **Private Fund**, or the investor represented by such advisory board member or advisory committee member, solely in his or her capacity an investor in a **Private Fund**, where such **Claim** is brought and maintained without the assistance, participation, or solicitation of any other **Insured**;

9. brought against an **Independent Director** of a **Registered Fund**, or against a **Registered Fund**, so long as such **Claim** is continuously maintained against an **Independent Director**;

10. brought or maintained by or on behalf of an **Executive** of an **Entity Insured** if such **Claim** is brought and maintained outside the United States of America, Canada, or any other common law country.

This Exclusion does not apply to the Employment Practices Liability **Coverage Part** or the Fiduciary Liability **Coverage Part**, if purchased.

C. Pending or Prior Claim

The Insurer shall not be liable for **Loss** on account of any **Claim** based upon, arising from, or attributable to any litigation, administrative or regulatory proceeding, investigation, or alternative dispute resolution proceeding that was pending, or any order, decree, or judgment entered, on or prior to the applicable Pending or Prior Date set forth in the Declarations, or any fact, circumstance, situation, transaction, or event underlying or alleged therein.

D. Prior Notice

The Insurer shall not be liable for **Loss** on account of any **Claim** based upon, arising from, or attributable to any fact, circumstance, situation, transaction, event, or **Wrongful Act** that was the subject of any notice given before the inception of the **Policy Period** under any policy of insurance of which this Policy is a direct or indirect renewal or replacement.

E. Settlement Risk

The Insurer shall not be liable for **Loss** other than **Defense Costs** on account of any **Claim** based upon, arising from, or attributable to the inability of any entity or person, including but not limited to any bank, banking firm, or broker or dealer in securities or commodities, to make any payment, or the inability of any such entity or person to settle or effect any transaction of any kind; except that this Exclusion does not apply to a **Claim** arising from the **Insured’s** selection of an entity to provide services for the **Insured** under the Investment Adviser Professional Liability **Coverage Part**, the Private Fund Liability **Coverage Part**, or the Registered Fund Liability **Coverage Part**, if purchased.

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**LIMITS OF LIABILITY AND RETENTIONS**

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A. Limits of Liability

1. The Insurer’s maximum aggregate Limit of Liability for all **Loss** on account of all **Claims** under all **Coverage Parts** is the Combined Aggregate Limit of Liability set forth in the Declarations.

2. The Insurer's maximum aggregate Limit of Liability for all **Loss** on account of all **Claims** under each **Coverage Part** is the applicable Coverage Part Limit of Liability for such **Coverage Part** as set forth in the Declarations, which is part of, and not in addition to, the Combined Aggregate Limit of Liability.

3. **Defense Costs** are part of, and not in addition to, the Coverage Part Limit of Liability and the Combined Aggregate Limit of Liability, and payment by the Insurer of **Defense Costs** reduces, and may totally exhaust such Limits of Liability.

4. If a Coverage Part Limit of Liability is exhausted by payment of **Loss**, then the Insurer's obligations under such **Coverage Part** with respect to the payment of **Loss** shall be completely fulfilled and extinguished. If the Combined Aggregate Limit of Liability is exhausted by payment of **Loss**, then the Insurer’s obligations under all **Coverage Parts** of this Policy with respect to the payment of **Loss** shall be completely fulfilled and extinguished.

5. If a **Claim** is covered in whole or in part under more than one **Coverage Part**, then the terms and conditions of the applicable **Coverage Parts** shall apply separately to such **Claim**. Subject to the availability of any Limits of Liability, and subject to the terms of the applicable **Coverage Parts**, the total amount that the Insurer will pay for **Loss** on account of any such **Claim** shall not exceed the largest applicable Coverage Part Limit of Liability.

6. If an Extended Reporting Period is purchased, then the Limit of Liability for the Extended Reporting Period shall be the remaining portion, if any, of the applicable Limits of Liability for the **Policy Period**. The purchase of an Extended Reporting Period shall not increase or reinstate any Limits of Liability.

B. Retentions

1. The applicable Retention for each **Coverage Part** is set forth in the Declarations.

2. No Retention applies to **Non-Indemnifiable Loss** under this Policy.

3. The Insurer shall be liable for, and the Limits of Liability of this Policy apply to, only that part of **Loss** on account of each **Claim** that is excess of the applicable Retention for each **Coverage Part**.

4. The Retention shall be borne by the **Insureds** uninsured and at their own risk.

5. If an **Entity Insured** is permitted or required by law, or required by the by-laws or other organizational documents of such **Entity Insured**, to indemnify an **Insured Individual** for any **Loss**, or to advance **Defense Costs** on his or her behalf, and does not in fact do so, then the Insurer shall pay otherwise covered **Loss**, including **Defense Costs**, on behalf of such **Insured Individual** without regard to the Retention. If such failure or refusal to indemnify any such **Insured Individual** is for a reason other than **Financial Impairment**, then the **Entity** **Insured** shall reimburse the Insurer for such amounts up to the applicable Retention. No such payment within the Retention by the Insurer will relieve any **Entity Insured** of any duty it may have to indemnify an **Insured Individual**.

6. If more than one Retention applies to a single **Claim** under this Policy, then each Retention will be applied separately to such **Claim**, but the total Retention applicable to such **Claim** shall not exceed the largest applicable Retention.

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**DEFENSE, SETTLEMENT, AND COOPERATION**

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A. Defense and Settlement

1. It is the duty of the **Insureds** and not the duty of the Insurer to defend all **Claims** under this Policy. The **Insured** shall select defense counsel subject to the Insurer’s prior written consent, which shall not be unreasonably withheld.

2. The Insurer has the right and shall be given the opportunity to effectively associate with the **Insureds** in the investigation, defense, and settlement of any **Claim** that appears reasonably likely to be covered in whole or in part under this Policy.

3. Subject to the Subsection entitled Allocation of the General Terms and Conditions, and except as provided in the Subsection entitled Retentions of the General Terms and Conditions, upon satisfaction of the applicable Retention, the Insurer shall advance, on a current basis, covered **Defense Costs** that the **Insureds** have incurred on account of a **Claim** made against them prior to the final disposition of such **Claim**. If, however, it is ultimately established that any such **Defense Costs** are not covered under this Policy, then the **Insureds**, severally according to their interests, shall repay such **Defense Costs** to the Insurer.

4. The **Insureds** shall not settle any **Claim**, incur any **Defense Costs**, admit or assume any liability, stipulate to any judgment, or otherwise assume any obligation with respect to a **Claim** without the Insurer’s prior written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for any settlement, **Defense Costs**, admission, assumed liability, stipulated judgment, or assumed obligation to which it has not consented. Notwithstanding the foregoing, if all **Insureds** are able to fully and finally dispose with prejudice of all **Claims** subject to a single Retention for an amount, including **Defense Costs**, that does not exceed fifty percent (50%) of the applicable Retention, then the Insurer's consent is not required for such disposition.

B. Cooperation

The **Insureds** shall provide the Insurer with all information, assistance, and cooperation that the Insurer reasonably requests with respect to any **Claim** and shall not knowingly take any action that may prejudice the Insurer’s rights of recovery with respect to **Loss** paid under this Policy. However, the failure of an **Entity Insured** or an **Insured Individual** to provide the Insurer with such information, assistance, and cooperation shall not prejudice the right of any other **Insured Individual** to coverage under this Policy.

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**CIRCUMSTANCE REPORTING**

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If during the **Policy Period** or the Extended Reporting Period, if applicable, an **Insured** becomes aware of a fact, circumstance, or **Wrongful Act** that could give rise to a **Claim**, and the **Insured** gives written notice of such fact, circumstance, or **Wrongful Act** to the Insurer during the **Policy Period** or the Extended Reporting Period, if applicable, then any **Claim** that subsequently arises from such fact, circumstance, or **Wrongful Act** shall be deemed to have been made during the **Policy Period**.

As a condition precedent to coverage based upon such notice of fact, circumstance, or **Wrongful Act**, the **Insureds** shall include with any such notice a description of the fact, circumstance, or **Wrongful Act** that is the subject of the notice, the nature and extent of the potential damages, the names of the potential claimants, the manner in which the **Insured** first became aware of such fact, circumstance, or **Wrongful Act**, and give the Insurer such additional information and cooperation as it may reasonably require. In order for coverage to apply to a **Claim** that ultimately arises out of the fact, circumstance, or **Wrongful Act** that is the subject of such notice, the **Wrongful Act** for which the **Claim** is made must take place prior to the expiration of the **Policy Period**. If such **Claim** is made after the expiration of the **Policy Period** or the Extended Reporting Period, if applicable, then the **Insured** must provide notice to the Insurer of such **Claim** as soon as practicable, but no later than ninety (90) days after such **Claim** is first made against the **Insured**. No coverage shall be provided for **Loss**, fees, and expenses incurred prior to the time a **Claim** arising from such fact, circumstance, or **Wrongful Act** is made.

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**REPRESENTATIONS AND SEVERABILITY**

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A. The Insurer has relied on the statements made and information in the **Application** and the accuracy and completeness of such statements and information. Such statements and information are the basis for the Insurer’s issuance of this Policy, and are incorporated into and constitute a part of this Policy.

B. If the **Application** contains any misrepresentation or any inaccurate or incomplete information or statement, and such misrepresentation or inaccurate or incomplete information or statement either was made with the intent to deceive, or materially affected either the acceptance of the risk or the hazard assumed by the Insurer under this Policy, then no coverage shall be provided under this Policy for any **Claim** or **Loss** based upon or arising from the facts that were the subject of such misrepresentation or inaccurate or incomplete information or statement with respect to:

1. any **Insured Individual** who knew, as of the date the **Application** was signed, of the facts that were the subject of the misrepresentation or inaccurate or incomplete information or statement, whether or not such **Insured** **Individual** knew the **Application** contained the misrepresentation or inaccurate or incomplete information or statement;

2. any **Entity Insured** to the extent that such **Entity** **Insured** indemnifies an **Insured Individual** described in Paragraph 1 above; or

3. any **Entity** **Insured**, if any **Executive** of an **Entity** **Insured** knew, as of the date the **Application** was signed, of the facts that were the subject of the misrepresentation or inaccurate or incomplete information or statement, whether or not such **Executive** knew the **Application** contained the misrepresentation or inaccurate or incomplete information or statement.

C. For purposes of this Section, the knowledge of an **Entity** **Insured** or an **Insured Individual** shall not be imputed to any other **Insured Individual**.

D. The Insurer shall not void or rescind this Policy under any circumstances.

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**CHANGES TO ORGANIZATIONS**

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A. Change in Control of the Policyholder

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

1. the merger or consolidation of the **Policyholder** into or with another entity such that the **Policyholder** is not the surviving entity;

2. the acquisition by any person, entity, or group of persons or entities acting in concert, of:

a. **Control** of the **Policyholder**; or

b. all or substantially all of the assets of the **Policyholder**; or

3. 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**;

then coverage shall continue under this Policy until the end of the **Policy Period**, but only with respect to **Wrongful Acts** actually or allegedly occurring prior to such merger, consolidation, acquisition, or appointment.

The **Policyholder** shall give written notice of such merger, consolidation, acquisition, or appointment to the Insurer as soon as practicable, and shall provide such information as the Insurer may require. However, coverage under this Policy will cease as of the effective date of such merger, consolidation, acquisition, or appointment with respect to **Wrongful Acts** occurring after such event, without regard to when notice is given.

B. New Organizations

1. If during the **Policy Period** an **Organization** creates or acquires an entity such that the **Organization** obtains **Control** over such entity, or the **Organization** merges or consolidates with another entity such that the **Organization** is the surviving entity, then this Policy shall provide coverage for such created or acquired entity and its **Insured Individuals**, subject to Paragraph 2 of this Subsection and Subsection D of this Section.

2. If as a result of such creation, acquisition, merger, or consolidation:

a. the total assets under management of the **Organization** exceed the assets under management of the **Organization** immediately prior to such creation, acquisition, merger, or consolidation by more than the Asset Acquisition Threshold set forth in the Declarations; or

b. the total gross annual revenues of the **Organization** exceed the gross annual revenues of the **Organization** immediately prior to such creation, acquisition, merger, or consolidation by more than the Revenue Acquisition Threshold set forth in the Declarations;

then this Policy shall provide insurance for any such entity and any **Insured Individuals** of such entity for a period of ninety (90) days after the effective date of such acquisition, creation, merger, or consolidation, or until the end of the **Policy Period**, whichever is earlier. At its sole option, and upon submission of any and all information that it may require, the Insurer may, upon payment of any additional premium or modification of the provisions of this Policy that the Insurer may require, extend the insurance otherwise afforded to such entity and its individuals.

C. Former Organizations

If during the **Policy Period** a **Subsidiary** ceases to be a **Subsidiary**, then this Policy shall continue to provide coverage to such former **Subsidiary** and its **Insured Individuals** until the end of the **Policy Period**, subject to Subsection D of this Section.

D. In all events, there is no coverage under this Policy for:

1. any **Wrongful Act** or **Interrelated Wrongful Acts** of a **Subsidiary** or its **Insured Individuals** that take place in whole or in part before such **Subsidiary** qualifies as a **Subsidiary**; or

2. any **Wrongful Act** of a **Subsidiary** or its **Insured Individuals** that takes place after such **Subsidiary** ceases to qualify as a **Subsidiary**.

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**POLICY TERMINATION**

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A. Cancellation

1. The **Policyholder** 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 cancel this Policy only for nonpayment of premium by giving the **Policyholder** written notice of cancellation at least twenty (20) days before the effective time of cancellation. Notice of cancellation shall state the effective time of cancellation and the reason for cancellation. The **Policy Period** shall end at that time.

3. If this Policy is cancelled, the Insurer shall send any premium refund to the **Policyholder** as soon as practicable. Any such premium refund shall be calculated on a pro rata 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.

4. This Policy shall terminate upon the earlier of cancellation of the Policy pursuant to the provisions of this Subsection, or expiration of the **Policy Period**.

B. Nonrenewal

1. If the Insurer decides not to renew this Policy, the Insurer shall provide written notice of nonrenewal to the **Policyholder** at least sixty (60) days before the expiration of the **Policy Period**. Notice of nonrenewal shall state the reason for nonrenewal.

2. The offer of renewal terms, conditions, premiums, or limits different from those in effect prior to renewal by the Insurer or any affiliate of the Insurer shall not constitute a nonrenewal.

C. Notices of Termination

Notice of cancellation or nonrenewal by the Insurer shall be in writing and shall be mailed or delivered to the **Policyholder**. If notice of cancellation or nonrenewal by the Insurer is mailed, proof of mailing will be sufficient proof of notice. Proof of delivery of the notice shall be treated the same as proof of mailing. Any such notice shall be sent to the **Policyholder’s** agent or broker of record, if any.

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**GENERAL CONDITIONS**

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A. Related Claims

All **Claims** arising out of the same **Wrongful Act** or **Interrelated** **Wrongful Acts** shall be deemed one **Claim**, whether brought by one or multiple claimants, and such **Claim** shall be deemed to be first made on the earliest date on which the first of any such **Claims** is deemed to be first made against the **Insured** pursuant to the terms of this **Policy**, whether such date is before or during the **Policy Period**.

B. When a Claim is Deemed Made

Except as otherwise provided in a specific **Coverage Part**, a **Claim** is deemed made as follows:

1. when a demand, notice, request, target letter, subpoena, or other document similar to the foregoing; or

2. when service of a complaint or similar pleading;

is first received by the **Insured**; or

3. when an indictment, information, or similar document is returned; or

4. when a formal order of investigation is entered.

C. Allocation

The Insurer’s obligation to pay **Loss** shall apply only to those sums allocated to **Insureds** that are covered under this Policy and only with respect to matters that are covered under this Policy.

If the **Insureds** who are afforded coverage for a **Claim** incur **Loss** jointly with others who are not afforded coverage for such **Claim**, then the **Insureds** and the Insurer agree to determine a fair and reasonable allocation of **Loss** to the **Insureds** who are covered under this Policy. If the **Insureds** who are afforded coverage for a **Claim** incur an amount consisting of both **Loss** covered by this Policy and loss not covered by this Policy because such **Claim** includes both covered and uncovered matters, then the **Insureds** and the Insurer agree to determine a fair and reasonable allocation of such amounts to covered and uncovered **Loss**. In either case, the **Insureds** and the Insurer agree to use their best efforts based on the relative legal and financial exposures of the parties to determine such allocation.

If the **Insureds** and the Insurer agree on an allocation of **Defense Costs**, then the Insurer shall advance, on a current basis, covered **Defense Costs**. If the **Insureds** and Insurer cannot agree on an allocation of **Defense Costs**, then the Insurer shall advance, on a current basis, **Defense** **Costs** that 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** shall be applied retroactively to all **Defense Costs** on account of such **Claim**, notwithstanding any different allocation made in connection with any prior advancement of **Defense Costs**. Any allocation of **Defense Costs** on account of a **Claim** shall not apply to, or create any presumption with respect to, the allocation of other **Loss** arising from such **Claim** or any other **Claim**.

D. Priority of Payments

The Insurer will pay covered **Loss** as it becomes due and payable under this Policy without regard to future payment obligations. However, if such **Loss** exceeds the available Combined Aggregate Limit of Liability set forth in the Declarations, or the available applicable Coverage Part Limit of Liability set forth in the Declarations, then the Insurer shall first pay any **Non-Indemnifiable Loss** under all **Coverage Parts** and the **Loss** of a **Plan** under the Fiduciary Liability **Coverage Part**, if purchased, and then pay all remaining **Loss** to the extent of any remaining Limits of Liability.

E. Notices

Except as otherwise provided in this Policy, all notices under any provision of this Policy must be made in writing and delivered as follows:

Notices to the **Insureds** shall be delivered by prepaid express courier or certified mail to the **Policyholder** at the address specified in the Declarations.

Notices to the Insurer shall be delivered by prepaid express courier or certified mail, facsimile, or electronic mail to the appropriate party at the applicable address or fax number set forth in the Declarations.

Notices as described in this Subsection are deemed to be received and effective upon actual receipt by the addressee or one day following the date such notices are sent, whichever is earlier.

F. Other Insurance

If any **Loss** covered under this Policy is insured by any other valid and collectible policy, prior or current, then this Policy shall apply only in excess of the amount of any deductible, retention, and limits of liability under such other policy, whether such policy is stated to be primary, contributory, excess, contingent, or otherwise, unless such policy is written to be specifically excess of this Policy. Notwithstanding the foregoing, this Policy shall apply on a primary basis with respect to any personal umbrella excess liability insurance purchased by an **Insured Individual**.

G. Subrogation

Except as otherwise provided in a specific **Coverage Part**, 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 reasonably necessary to secure and preserve such rights, and to enable the Insurer to effectively bring suit in the name of the **Insureds**. In the event of any recovery by the Insurer of **Loss** paid under this Policy, the Insurer shall reinstate the applicable Limits of Liability to the extent of such recovery, less the costs incurred by the Insurer in obtaining such recovery. However, the Insurer assumes no duty to seek a recovery of any **Loss** paid under this Policy.

H. Bankruptcy

Bankruptcy or insolvency of an **Insured** shall not relieve the Insurer of its obligations nor deprive the Insurer of its rights or defenses under this Policy.

I. Territory, Valuation and Currency

This Policy shall apply anywhere in the world, where legally permissible. All monetary amounts under this Policy are expressed and payable in the currency of the United States of America. If a 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, the amount of the settlement is agreed upon, or the other element of **Loss** is due.

J. 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. 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 the Insurer shall not effect a waiver of, or estop, the Insurer from asserting any rights under this Policy.

K. No Action Against Insurer

No action shall lie against the Insurer unless, as a condition precedent to any such action, there has been full compliance with all the terms of this Policy. No person or entity 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 in any such action.

L. Authorization

By acceptance of this Policy, the **Policyholder** agrees to act on behalf of the **Insureds** with respect to giving and receiving of any notice under this Policy, payment of premiums and receipt of return premiums that may become due under this Policy, negotiation of, and agreement to, any changes to this Policy, and purchase of an Extended Reporting Period. The **Insureds** agree that the **Policyholder** shall act on their behalf.

M. 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.