

THIS IS A CLAIMS-MADE POLICY AND APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AGAINST THE INSURED AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, THE EXTENDED REPORTING PERIOD APPLIES. DEFENSE COSTS REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

The Insurer and the **Named Company Insureds** agree as follows, in consideration of the payment of the premium and in reliance upon all statements made in the **Application** furnished to the Insurer designated in the Declarations, a stock insurance corporation, hereafter called the "Insurer:"

I. TERMS AND CONDITIONS

The terms and conditions of each **Coverage Part** apply only to that **Coverage Part** and shall not apply to any other **Coverage Part**. If any provision in the General Terms & Conditions is inconsistent or in conflict with the terms and conditions of any **Coverage Part**, the terms and conditions of such **Coverage Part** shall control for purposes of that **Coverage Part**.

II. DEFINITIONS

For purposes of this Policy, words in bold have the meaning set forth below. However, any bolded word referenced in these General Terms & Conditions but defined in a **Coverage Part** shall, for purposes of coverage under that **Coverage Part**, have the meaning set forth in that **Coverage Part**.

1. **Application** means all signed applications for this Policy and for any policy in an uninterrupted series of policies issued by the Insurer or any affiliate of the Insurer of which this Policy is a renewal or replacement. **Application** includes any materials submitted or required to be submitted therewith. An "affiliate of the Insurer" means an insurer controlling, controlled by or under common control with the Insurer.
2. **Coverage Part** means only those coverage parts designated as included in the Declarations.
3. **Defense Costs** means all fees charged by attorneys designated by the Insurer, or by the **Named Company**, with the Insurer's written consent and all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** if incurred by the Insurer, or by the **Named Company Insureds** with the written consent of the **Insurer**, including the costs of appeal, attachment or similar bonds. The Insurer has no obligation to provide such bonds. **Defense Costs** shall not include salaries, wages, fees, overhead or benefit expenses associated with the directors, officers, and employees of **Named Company** or any **Subsidiary**.
4. **ERISA or any Similar Act** means the Employee Retirement Income Security Act of 1974, as amended, or any similar common or statutory law of the United States, Canada or their states, territories or provinces or any other jurisdiction anywhere in the world.
5. **Executive Officer** means:
 - a. with respect to **Named Company** or any **Subsidiary**, its chairperson, chief executive officer, president, chief financial officer and in-house general counsel, and, under the Employment Practices Liability **Coverage Part** (if included) only, the director of human resources or equivalent position; and
 - b. with respect to a **Plan**, its natural person fiduciaries as defined in **ERISA or any Similar Act**.

6. **Financial Insolvency** means, with respect to any organization or **Plan** covered under any **Coverage Part** designated as "Included" in the Declarations and attached hereto:
 - a. the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate such organization or **Plan**; or such organization or **Plan** becoming a debtor in possession; and
 - b. the inability of such organization or **Plan** financially or under applicable law to advance **Defense Costs** or indemnify the **Insured Persons** for **Loss**.
7. **Interrelated Wrongful Acts** means any **Wrongful Acts** which are logically or causally connected by reason of any common fact, circumstance, situation, transaction or event.
8. **Named Company** means the company named in Item 1 of the Declarations, including such company as a debtor in possession under United States bankruptcy law or an equivalent status under the law of any other country.
9. **Named Company Insureds** means all organizations, **Plans** and **Insured Persons** covered under any **Coverage Part**.
10. **Policy Period** means the period from the effective date of this Policy to the Policy expiration date stated in Item 2 of the Declarations, or its earlier cancellation date.
11. **Policy Premium** means the original premium and the fully annualized amount of any additional premiums, other than the Extended Reporting Period premium, charged by the Insurer before or during the **Policy Period**.
12. **Pollutants** means any substance exhibiting hazardous characteristics as, is or may be defined or identified on any list of hazardous substances issued by the United States Environmental Protection Agency or any state or local or foreign counterpart. **Pollutants** also means, without limitation, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste (including materials to be recycled, reconditioned or reclaimed), as well as any air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos, or asbestos products or any noise.
13. **Single Loss** means all **Loss** arising from each **Claim**;
14. **Subsidiary** means any entity in which and so long as more than 50% of the voting stock is owned by **Named Company**, either directly or indirectly:
 - a. on or before the effective date of this Policy; or
 - b. after the effective date of this Policy by reason of being created or acquired by **Named Company** or any **Subsidiary** after such date, if and to the extent coverage with respect to the entity is afforded pursuant to Section **XIV. 1**,including any such entity as a debtor in possession under United States bankruptcy law or an equivalent status under the law of any other country.
15. **Takeover** means:
 - a. the acquisition by another entity or person, or group of entities or persons acting in concert, of (i) the ownership or control of voting stock of **Named Company** resulting in the ownership or control of more than 50% of the voting stock of **Named Company** or (ii) assets of **Named Company** resulting in the ownership of more than 50% of the total consolidated assets of **Named Company** as of the date of **Named Company's** most recent audited consolidated financial statement prior to such acquisition;
 - b. the merger of **Named Company** into another entity such that **Named Company** is not the surviving entity; or
 - c. the consolidation of **Named Company** with another entity.

III. EXTENDED REPORTING PERIOD

1. If **Named Company** cancels or non-renews this Policy or if the Insurer decides not to offer any renewal terms for this Policy, the **Named Company** shall have the right to purchase, upon payment of an additional premium equal to 75% of the annualized **Policy Premium**, an extension of this Policy for a period of 12 months immediately following the end of the **Policy Period**, but only with respect to any **Wrongful Act** committed before the earlier of the end of the **Policy Period** or the effective date of any **Takeover**;

This period shall be referred to as the Extended Reporting Period.

2. As a condition precedent to the right to purchase the Extended Reporting Period, the total premium for this Policy must have been paid. The right to purchase the Extended Reporting Period shall end unless the Insurer receives written notice and full payment of the premium for such period within 30 days after the end of the **Policy Period**.
3. If the Extended Reporting Period is purchased, the entire premium shall be deemed fully earned at its commencement without any obligation by the Insurer to return any portion thereof.
4. There is no separate or additional limit of liability for the Extended Reporting Period.

IV. ESTATES, LEGAL REPRESENTATIVES AND SPOUSES

The estates, heirs, legal representatives, assigns and spouses of **Insured Persons** shall be considered **Named Company Insureds** under any **Coverage Part**; provided, however, coverage is afforded to such estates, heirs, legal representatives, assigns and spouses only for a **Claim** arising solely out of their status as such and, in the case of a spouse, where such **Claim** seeks damages from marital community property, jointly held property or property transferred from the **Insured Person** to the spouse. No coverage is provided for any act, error or omission of an estate, heir, legal representative, assign or spouse. All terms and conditions of this Policy, including without limitation the retention, applicable **Loss** incurred by the **Insured Person** shall also apply to loss incurred by such estates, heirs, legal representatives, assigns and spouses.

V. LIMIT OF LIABILITY/RETENTIONS

1. This Policy is offered with one of the following options as set forth in item 5 of the Declarations:
 - a. a Single Limit of Liability and Single Retention,
 - b. a Single Limit of Liability and Scheduled Retentions, or
 - c. the Scheduled Limits of Liability and Scheduled Retentions.
2. Where the Single Limit of Liability Option and Single Retention Option has been selected:
 - a. the limit of liability set forth in Item 5 of the Declarations shall be the maximum aggregate limit of liability of the Insurer for all **Loss** under this Policy, regardless of the number of **Coverage Parts** purchased or **Claims** made against or **Losses** incurred by the **Named Company Insureds**. The Insurer's obligations under this Policy shall be completely fulfilled and extinguished if the limit of liability is exhausted by payment of **Loss**;
 - b. the single retention set forth in Item 5 of the Declarations shall apply to each **Single Loss**.

3. Where the Single Limit of Liability Option and Scheduled Retentions Option has been selected:
 - a. the limit of liability set forth in Item 5 of the Declarations shall be the maximum aggregate limit of liability of the Insurer for all **Loss** under this Policy, regardless of the number of **Coverage Parts** purchased or **Claims** made against or **Losses** incurred by the **Named Company Insureds**. The Insurer's obligations under this Policy shall be completely fulfilled and extinguished if the limit of liability is exhausted by payment of **Loss**;
 - b. Separate Retentions as set forth in Item 5 of the Declarations as the Scheduled Retentions shall apply to each **Single Loss** under each **Coverage Part**.
4. Where the Scheduled Limits of Liability and Scheduled Retentions Option has been selected:
 - a. the scheduled Limits of Liability set forth in Item 5 of the Declarations as the Scheduled Limits of Liability for each **Coverage Part** shall be separate Limits of Liability for each such **Coverage Part** and shall be the maximum aggregate limit of liability of the Insurer for all **Loss** under the respective **Coverage Part**, regardless of the number of **Claims** made against the **Named Company Insureds**;
 - b. Separate Retentions as set forth in Item 5 of the Declarations as the Scheduled Retentions shall apply to each **Single Loss** under each **Coverage Part**.
5. If the limit of liability for any **Coverage Part** is exhausted by payment of **Loss**, the Insurer's obligations under such **Coverage Part** shall be deemed completely fulfilled and extinguished.
6. The Insurer shall pay **Loss** as it becomes due and payable to the **Named Company Insureds**.
7. Retentions
 - a. Subject to paragraph b. below, the Insurer's obligation to pay **Loss** is in excess of any applicable retentions. The Insurer will have no obligation to pay all or any portion of any applicable retention. Should the Insurer, in its sole discretion, pay any retention, then the **Named Company** shall have the obligation to reimburse the Insurer for such amounts.
 - b. No retention applies with respect to any **Claim** against any **Insured Persons** if the **Named Company**, any **Subsidiary** and/or any **Plan** are not permitted to advance **Defense Costs** or to indemnify such **Insured Persons** for **Loss** by reason of:
 - (i) **Financial Insolvency**; or
 - (ii) a good faith determination by **Named Company**, any **Subsidiary** and/or any **Plan** that such payment is not permitted under the broadest construction of applicable law.If **Named Company**, any **Subsidiary** and/or any **Plan** fail to pay the retention applicable to any such **Claim** for any reason other than (i) or (ii) above, then the Insurer on behalf of the **Insured Persons** shall advance **Defense Costs** and pay **Loss** without regard to such retention, but **Named Company**, any **Subsidiary** and/or any **Plan** further agree that they shall reimburse the Insurer for such amounts up to and including the applicable retention.
 - c. Subject to Section **XIII** below, if a **Single Loss** is covered under more than one **Coverage Part** and if more than one retention applies to such **Single Loss**, the maximum total retention amount applicable to such **Single Loss** shall be the highest of such applicable retentions.

VI. DEFENSE/SETTLEMENT/ALLOCATION

1. Defense of **Claims**

The Insurer has the right and duty to defend all **Claims**, even if the allegations are groundless, false or fraudulent. The Insurer shall have the right to appoint counsel and to make such investigation and defense of a **Claim** as it deems necessary. Alternatively the Insurer may, at its option, give its written consent to the defense of any such **Claim** by the **Named Company Insureds**. The Insurer's obligation to defend any **Claim** or pay any **Loss**, including **Defense Costs**, shall be completely fulfilled and extinguished if the limit of liability has been exhausted by payment of **Loss**.

2. Settlement

a. Consent

The Insurer shall not settle a **Claim** without the written consent of the **Named Company**. If the **Named Company** refuses to consent to a settlement or compromise recommended by the Insurer, and acceptable to the claimant, then the applicable limit of liability under this Policy shall be reduced to the amount for which the **Claim** could have been settled plus all **Defense Costs** incurred up to the time the Insurer made its recommendation. This reduction in our limit of liability for such **Claim** does not apply to a settlement or compromise proposed by a mediator pursuant to paragraph b. below but rejected by the **Named Company**.

b. Mediation

If, prior to institution of arbitration proceedings or service of suit or within 60 days of the institution of such proceedings or service of suit, the Insurer and the **Named Company** agree to use a process of non binding intervention by a neutral third party to resolve any **Claim** reported to the Insurer, and if such **Claim** is resolved through such process, the Insurer will reduce the retention applicable to such **claim** by fifty percent or ten thousand dollars (\$10,000.00), whichever is less.

3. Cooperation of **Named Company Insureds**

The **Named Company Insureds** shall not admit liability, consent to any judgment, agree to any settlement or make any settlement offer without the Insurer's prior written consent, such consent not to be unreasonably withheld. The Insurer shall not be liable for any **Loss** to which it has not consented. The **Named Company Insureds** agree that they shall not knowingly take any action which increases the Insurer's exposure for **Loss** under this Policy.

4. Payment of **Loss** in Excess of Retentions

The Insurer is liable to pay only that amount of a covered **Single Loss** in excess of the applicable retention, if any, up to the applicable limit of liability. The retention shall be uninsured.

VII. NOTICE/DATE OF CLAIM/INTERRELATED CLAIM CLAUSE

1. If, during the **Policy Period** or any Extended Reporting Period, if applicable, any **Claim** is first made against the **Named Company Insureds** the **Named Company Insureds** shall, as a condition precedent to the obligations of the Insurer under this Policy, give a written notice to the Insurer as soon as practicable but in no event later than ninety days after the **Policy Period** or the Extended Reporting Period, if applicable.
2. If, during the **Policy Period** or the Extended Reporting Period, if applicable, the **Named Company Insureds** first become aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** and during such period give written notice to the Insurer of:
 - a. the names of any potential claimants and a description of the **Wrongful Act** which forms the basis of their potential **Claim**,

- b. the identity of the specific **Named Company Insureds** allegedly responsible for such specific **Wrongful Act**,
- c. the consequences which have resulted or may result from such specific **Wrongful Act**,
- d. the nature of the potential monetary damages or non-monetary relief which may be sought in consequence of such specific **Wrongful Act**, and
- e. the circumstances by which **Named Company Insureds** first became aware of such specific **Wrongful Act**,

then any **Claim** otherwise covered pursuant to a **Coverage Part** which is subsequently made and which arises out of such **Wrongful Act** shall be deemed to have been first made and reported to the Insurer by the **Named Company Insureds** at the time such written notice was received by the Insurer. No coverage is provided for fees and expenses incurred prior to the time such notice results in a **Claim**.

3. Any notice to the Insurer pursuant to subsections 1 or 2 above shall designate the **Coverage Parts** under which the notice is being given and shall be treated as notice under only the **Coverage Parts** so designated.
4. Except as provided in 2 above, a **Claim** shall be deemed made:
 - a. in the case of a civil, criminal, administrative, regulatory or investigative proceeding or arbitration, on the earliest of the date of service upon or other receipt by any **Named Company Insured** of a complaint, indictment, notice of charge or similar document against the **Named Company Insured** in such proceeding or arbitration;
 - b. in the case of an investigation, on the earliest of the date of service upon or other receipt by the **Insured Person** of a written notice or subpoena from the investigating authority identifying such **Insured Person** as an individual against whom a formal proceeding may be commenced;
 - c. in the case of a written demand for monetary damages or non-monetary relief, on the **Named Company Insureds'** receipt of such written demand.
5. More than one **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered as one **Claim** which shall be deemed made on the earlier of:
 - a. the date on which the earliest such **Claim** was first made, or
 - b. the first date valid notice was given by the **Named Company Insureds** to the Insurer under this Policy of any **Wrongful Act** or under any prior policy of any **Wrongful Act** or any fact, circumstance, situation, event or transaction which underlies any such **Claim**.
6. The **Named Company Insureds** shall give written notice to the Insurer under this Policy as specified in Item 4 of the Declarations, which shall be effective upon receipt.
7. The **Named Company Insureds** shall furnish the Insurer with copies of reports, investigations, pleadings, and all related papers, and such other information, assistance and cooperation as the Insurer may reasonably request.

VIII. CANCELLATION

1. The Insurer may not cancel this Policy except for non-payment of any premium when due. In such event, the Insurer may cancel this Policy by providing to **Named Company** written notice stating when, not less than 20 days thereafter, such cancellation shall be effective.
2. The **Named Company Insureds** grant the exclusive authority to cancel this Policy to **Named Company**. **Named Company** may cancel this Policy by providing the Insurer written notice stating when thereafter such cancellation shall be effective, provided **Named Company** may

not cancel this Policy at any time if the **Policy Period** as set forth in Item 2 of the Declarations is 24 months or longer. The mailing or delivery of such notice shall be sufficient. The unearned premium shall be computed pro rata and premium adjustment may be made at the time cancellation is effected or as soon as practicable.

IX. NON-RENEWAL/RENEWAL ON DIFFERENT TERMS

1. Non-Renewal

If the Insurer decides not to offer any renewal terms for this Policy, the Insurer shall provide written notice to **Named Company** at least 60 days prior to the Policy expiration date. The notice shall include the reason for such non-renewal.

2. Renewal on Different Terms

If the Insurer offers to renew this Policy on terms which involve any change in retention amounts, premium, limit of liability or other terms and conditions, the Insurer shall provide written notice to **Named Company** at least 60 days prior to the Policy expiration date.

X. NOTICES TO NAMED COMPANY

Any notices required under Section **VIII, CANCELLATION**, and Section **IX, NON-RENEWAL/RENEWAL ON DIFFERENT TERMS**, shall be provided to **Named Company** at the last known address and to its insurance agent or broker. The mailing by certified mail of such notice shall be sufficient.

XI. OTHER INSURANCE

If any **Loss** resulting from any **Claim** is insured under any other policies, this Policy shall apply only to the extent the **Loss** exceeds the amount paid under such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over this Policy.

XII. APPLICATION

1. The **Named Company Insureds** represent and acknowledge that the statements contained in the **Application** (which shall be maintained on file by the Insurer and be deemed attached to and incorporated into this Policy as if physically attached), are true and: (i) are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; and (ii) shall be deemed material to the acceptance of this risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such representations.
2. In the event the **Application** contains any misrepresentation or omission:
 - a. made with the intent to deceive, or
 - b. which materially affects either the acceptance of the risk or the hazard assumed by the Insurer under the Policy;

this Policy shall be voided as to (i) **Named Company**, and **Subsidiary** and any **Plan** if an **Executive Officer** is responsible for or knew of such misrepresentation or omission and, (ii) any **Insured Persons** who are responsible for or who knew of such misrepresentation or omission. Such responsibility or knowledge shall not be imputed to any other **Insured Persons**.

XIII. COORDINATION AMONG COVERAGE PARTS

Should two or more Coverage Parts apply to the same **Claim**, the Insurer will not pay more than the actual **Loss** incurred by the **Named Company Insureds**.

XIV. COVERAGE FOR NEW SUBSIDIARIES AND PLANS

1. If, after the effective date of this Policy, (i) **Named Company** or any **Subsidiary** creates or acquires an entity or plan, or (ii) **Named Company**, any **Subsidiary** or any **Plan** merges with another entity or plan such that **Named Company**, any **Subsidiary** or any **Plan** is the surviving entity or plan, then such entity or plan, and any subsidiaries, plans, directors, officers, trustees or employees of such entity or plan who otherwise would thereby become a **Named Company Insured**, shall be covered under this Policy, subject to its terms and conditions, only if:
 - a. the fair value of all cash, securities, assumed indebtedness and other consideration paid by **Named Company**, any **Subsidiary** or any **Plan** in such transaction does not exceed 25% of the total consolidated assets of **Named Company** as of the date of **Named Company's** most recent audited consolidated financial statement prior to such transaction; or
 - b. other than as described in paragraph a immediately above, the Insurer, at its sole option upon submission of such information as the Insurer may require, and payment of any additional premium and/or amendment of the provisions of the Policy, agrees to provide coverage for such subsidiaries, plans, directors, officers or employees.
2. There shall be no coverage under any **Coverage Part** for any **Wrongful Act** by such created, acquired or merged entity or **Plan**, or by any persons or entities considered to be **Named Company Insureds** pursuant to Section XIV.1 above, where such **Wrongful Act** occurred in whole or in part before the effective date of such acquisition or merger or for any **Wrongful Act** occurring on or after such date which, together with any **Wrongful Acts** occurring before such date, would be considered **Interrelated Wrongful Acts**.

XV. CHANGE OF STATUS OF INSUREDS

1. Takeover of **Named Company**

In the event of a **Takeover** of **Named Company**, coverage under this Policy shall continue until this Policy is otherwise terminated, but only with respect to **Wrongful Acts** occurring before the effective date of the **Takeover**, unless (i) the Insurer is notified in writing of the **Takeover** prior to the **Takeover** effective date and agrees in writing to provide coverage for **Wrongful Acts** occurring on or after such effective date, and (ii) **Named Company** accepts any special terms, conditions, exclusions or additional premium charge required by the Insurer.

2. Cessation of **Subsidiary**

If any organization ceases to be a **Subsidiary** there shall be no coverage under this Policy for any **Wrongful Act** by such organization or any **Insured Person** or **Plan** of such organization occurring after the date such organization ceased to be a **Subsidiary**.

3. Transfer of a **Plan**

If the sponsorship of a **Plan** is transferred so that **Named Company** or any **Subsidiary** is no longer the sole employer sponsor of such **Plan**, there shall be no coverage under this Policy for any **Wrongful Act** by or with respect to such **Plan** occurring after the date of such transfer.

XVI. SUBROGATION AND RECOVERY

1. To the extent it pays any **Loss**, the Insurer shall be subrogated to all the **Named Company Insureds'** rights of recovery therefor, including without limitation an **Insured Person's** right to indemnification or advancement from **Named Company** or any **Subsidiary**. The **Named Company Insureds** shall execute all papers necessary to secure such rights, including executing any documents necessary to enable the Insurer effectively to bring suit in their name, and shall take no action which impairs the Insurer's rights of subrogation or recovery.
2. If a **Single Loss** is in part insured and in part uninsured under this Policy or is in an amount in excess of the applicable limit of liability, the **Named Company Insureds** and the Insurer shall attempt to agree upon an equitable allocation of any recoveries made, whether before or after payment of the **Loss** by the Insurer, from any person or source responsible for causing the **Loss**. Reasonable expenses incurred in making a recovery shall always have priority of payment from all such recoveries. If, after exerting their best efforts, the **Named Company Insureds** and the Insurer are unable to agree upon such an allocation after taking into account due consideration for the respective parties' willingness to pay the expenses of making any recovery, the Insurer, if requested by the **Named Company Insureds**, shall submit the dispute to binding arbitration. The rules of the American Arbitration Association shall apply with respect to the selection of the arbitration panel, which shall consist of one arbitrator selected by the **Named Company Insureds**, one arbitrator selected by the Insurer, and a third independent arbitrator selected by the first two arbitrators.
3. In no event shall the **Named Company Insureds** be entitled to recoup from recoveries any amount to satisfy any retention until after all amounts which the Insurer is required to pay or pays under any applicable **Coverage Part** are reimbursed to the Insurer.

XVII. CHANGES

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

XVIII. COMPANY AUTHORIZATION

The **Named Company Insureds** agree that **Named Company** will act on behalf of the **Named Company Insureds** with respect to giving of all notice to the Insurer (except notices provided in Section VII.1 or 2), the receipt of notices from the Insurer, the payment of the premiums, the receipt of any return premiums that may become due under this Policy, and the acceptance of endorsements.

XIX. NO ACTION AGAINST INSURER

1. No action shall be taken against the Insurer unless, as a condition precedent, there shall have been full compliance with all the provisions of this Policy nor until the amount of the **Named Company Insureds'** obligation to pay shall have been finally determined either by final and nonappealable judgment against the **Named Company Insureds** after trial or by written agreement of the **Named Company Insureds**, the claimant and the Insurer.
2. No person or organization shall have any right under this Policy to join the Insurer as a party to any **Claim** against the **Named Company Insureds** to determine the **Named Company Insureds'** liability, nor shall the Insurer be impleaded by the **Named Company Insureds** or their legal representatives in any such **Claim**.

XX. ASSIGNMENT OF INTEREST

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

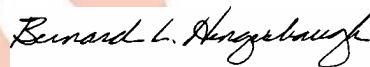
XXI. TERRITORY

Coverage shall apply worldwide.

XXII. ENTIRE AGREEMENT

The **Named Company Insureds** agree that this Policy, consisting of the Application, the General Terms & Conditions, the Coverage Parts, and all endorsements listed in the Declarations, constitute the entire contract existing between them and the Insurer or any of its agents relating to this insurance.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its Chairman and Secretary at Chicago, Illinois, but the same shall not be binding upon the Insurer unless countersigned by a duly authorized representative of the Insurer.



Chairman



Secretary

I. INSURING AGREEMENT

The Insurer shall pay on behalf of the **Named Company**, any **Subsidiary** or any **Insured Persons** all **Loss** resulting from any **Claim** first made against **Named Company Insureds** during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act** by such **Named Company Insured** or by someone for whom the **Named Company Insured** is legally responsible provided that such **Wrongful Act** was committed on or subsequent to the **Retroactive Date**.

II. DEFINITIONS

1. **Claim** means a written demand received by a **Named Company Insured** for monetary damages or non-monetary relief arising out of a **Wrongful Act**, including **Personal Injury**, in the performance of **Professional Services**. A written demand shall include, but is not limited to:
 - a. a civil adjudicatory proceeding or arbitration;
 - b. a formal administrative or regulatory adjudicatory proceeding; or
 - c. a formal civil, administrative or regulatory investigation;against a **Named Company Insured**, including any appeal therefrom.
2. **Insured Persons** means:
 - a. any person who, during the **Policy Period**, is a partner, officer, director or employee of the **Named Company** or **Subsidiary** but only for **Professional Services** performed on behalf of the **Named Company** or **Subsidiary**;
 - b. any former partner, officer, director, or employee of the **Named Company** but only for **professional services** performed on behalf of the **Named Company** or **Subsidiary** at the time of such affiliation.
3. **Loss** means damages, settlements, judgments (including any award of pre-judgment and post-judgment interest) and **Defense Costs** for which a **Named Company Insured** is legally obligated to pay on account of a covered **Claim**. **Loss** shall not include:
 - a. the return or restitution of fees, expenses or costs for **Professional Services** performed or to be performed by a **Named Company Insured**;
 - b. criminal or civil fines or penalties imposed by law;
 - c. taxes;
 - d. matters which are uninsurable under the law pursuant to which this Policy shall be construed.

Loss shall include punitive, exemplary or multiple damages if insurable, to the fullest extent permitted by any applicable law. Where the **Named Company Insureds** reasonably determine that punitive, exemplary or multiple damages are insurable under any applicable law, the Insurer shall not challenge that determination of insurability.
4. **Personal injury** means injury arising out of one or more of the following offenses committed in the rendering or failure to render **Professional Services**:
 - a. false arrest, detention or imprisonment;
 - b. malicious prosecution;
 - c. libel or slander or other defamatory or disparaging materials;
 - d. publication or an utterance in violation of an individual's right to privacy;

- e. wrongful entry or eviction, or other invasion of the right to private occupancy.
- 5. **Professional services** means those services specified in the attached "Professional Services Endorsement" performed by a **Named Company Insured** for others for a fee.
- 6. **Retroactive Date** means the date specified as such in the Declarations, on or after which a **Wrongful Act** must have been committed for coverage under this Coverage Part to apply.
- 7. **Wrongful Act** means any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty committed or attempted by a **Named Company Insured** in its performance of **Professional Services**.

III. EXCLUSIONS

1. Exclusions Applicable to all Loss

The Insurer shall not be liable to pay any **loss** under this Coverage Part in connection with any **Claim** made against a **Named Company Insured**:

- a. for any actual or alleged bodily injury, sickness, disease, emotional distress, mental anguish or death of any person, or damage to or destruction of any tangible property including loss of use;
- b. based upon, directly or indirectly arising out of, or in any way involving:
 - (1) any **Wrongful Act** or any matter, fact, circumstance, situation, transaction, or event which has been the subject of any notice given under any prior policy, in whole or in part; or
 - (2) any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** described in (1) above, would constitute **Interrelated Wrongful Acts**;
- c. based upon, directly or indirectly arising out of, in any way involving or constituting any civil, criminal, administrative or regulatory proceeding, investigation or arbitration against any of the **Named Company Insureds**:
 - (1) pending prior to or on the Prior or Pending Date set forth in the Coverage Schedule of the Declarations; or
 - (2) which has been the subject of any notice given under any prior policy, regardless whether such prior policy affords coverage for such proceeding, investigation, or arbitration;or any fact, circumstance, situation, transaction underlying or alleged in such proceeding, investigation or arbitration;
- d. for any of:
 - (1) a **Named Company Insured's** actual or alleged liability under any oral or written contract or agreement, including but not limited to express warranties or guarantees; or
 - (2) liability of others assumed by the **Named Company Insured** under any oral or written contract or agreement,

except that coverage otherwise available to a **Named Company Insured** shall apply to such **Named Company Insured's** liability that exists in the absence of such contract or agreement;

- e. for any **Professional Services** performed for any entity, not named in the Declarations, if at the time of the act or omission giving rise to such **Claim**:
- (1) any **Named Company Insured** controlled, owned, operated or managed such entity; or
 - (2) any **Named Company Insured** was an owner, partner, director, officer or employee of such entity;

For the purpose of this exclusion, a 10% or more owner of the voting stock of a publicly held corporation or a 50% or more owner of the voting stock of a privately held corporation shall be deemed to own such entity;

- f. by or on behalf of any of the other **Named Company Insureds**, in any capacity except and to the extent that such **Claim** is in the form of a crossclaim, third-party claim or otherwise for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded under this Coverage Part;
- g. for any actual or alleged violation of **ERISA or any Similar Act** in connection with any employee pension benefit plan, employee welfare benefit plan or excess benefit plan as defined in 29 U.S.C. 1002, or "employee stock ownership plan" as defined in 26 U.S.C. 4975;
- h. based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of, or in any way involving any of the following:
- (1) The filing of any registration statement under the Securities Acts of 1933, or the Securities Exchange Act of 1934, any State Blue Sky Law, or any other state or local securities law; or
 - (2) The Securities Act of 1933, the Securities and Exchange Act of 1934, rules or regulations of the Securities Exchange Commission under either or both acts, similar securities laws or regulations of state, or any laws of any state relating to any transaction arising out of, involving, or relating to the public offering of securities.
- i. based upon, directly or indirectly arising out of, or in any way involving: any nuclear reaction, radiation, or contamination, or any actual, alleged or threatened discharge, release, escape, or disposal of, or exposure to, **Pollutants**; any request, direction or order that any of the **Named Company Insureds** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effect of **Pollutants** or nuclear reaction, radiation or contamination, or any voluntary decision to do so; or any actual or alleged property damage, bodily injury, sickness, disease or death of any person, or financial loss to **Named Company Insureds** resulting from any of the aforementioned matters;
- j. for any actual or alleged discrimination, humiliation, harassment or misconduct that includes but shall not be limited to **Claims** based on an individual's race, creed, color, age, sex, national origin, religion, handicap, marital status or sexual preference;
- k. based upon, directly or indirectly arising out of, or in any way involving:
- (1) charges of price fixing, restraint of trade, monopolization or unfair trade; or
 - (2) any actual or alleged violation of:
 - (a) the Federal Trade Commission Act, the Sherman Act, the Clayton Act, or any federal statutory provision regarding anti-

- trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade; or
- (b) any rules or regulations promulgated under or in connection with the above statutes; or
 - (c) any similar provision of any state, federal or local statutory law or common law.
2. Exclusions Applicable to a Portion of **Loss**
- a. The Insurer shall not be liable to pay any **Loss** under this Coverage Part, other than **Defense Costs**, in connection with any **Claim** made against a **Named Company Insured** based upon, directly or indirectly arising out of, or in any way involving the commingling, misappropriation or improper use of funds, or arising out of the gaining of any personal profit or advantage to which the **Named Company Insured** is not legally entitled;
 - b. The Insurer shall not be liable to pay any **Loss** under this Coverage Part in connection with any **Claim** made against a **Named Company Insured**, for any actual or alleged dishonest, fraudulent, criminal or malicious act or omission, or intentional wrongdoing by a **Named Company Insured**.

The Insurer shall provide the **Named Company Insured** with a defense of such **Claims** unless or until the dishonest, fraudulent, criminal or malicious act or intentional wrongdoing has been determined by any trial verdict, court ruling, regulatory ruling or legal admission, whether appealed or not. Such defense will not waive any of the Insurer's rights under this Policy. Criminal proceedings are not covered under this Policy regardless of the allegations made against the **Named Company Insured**.

For the purpose of determining the applicability of any exclusion set forth in subsection 2., the actual act or omission of any **Named Company Insured** shall not be imputed to any other **Named Company Insured**.



NAMED COMPANY INSUREDS ENDORSEMENT

In consideration of the premium paid for this Policy, it is agreed that the General Terms and Conditions are amended as follows:

Section **II. DEFINITIONS 9., Named Company Insureds**, is deleted in its entirety and replaced with the following:

- 9. Named Company Insureds** means the **Named Company**, any **Subsidiary, Plans** and **Insured Persons** covered under any **Coverage Part**.

All other provisions of the Policy remain unchanged.

ENDORSEMENT NUMBER: 1
POLICY NUMBER:
ISSUED TO:
EFFECTIVE DATE OF ENDORSEMENT:

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown above.

By Authorized Representative _____ Specimen _____
(No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)



POLICYHOLDER NOTICE
Economic and Trade Sanctions Conditions

Ethics and proper business conduct has been the cornerstone of CNA since 1897. While much has changed during the last century, our commitment to these core values has not wavered. We strongly believe that proper business conduct is more than the practice of avoiding wrong; it is also a matter of choosing to do right. Nowhere is this more essential than helping in the fight against terrorism. As such, we are committed to complying with U.S. Department of Treasury Office of Foreign Asset Control (OFAC) requirements.

Through a variety of laws, OFAC administers and enforces economic sanctions against countries and groups of individuals, such as terrorists and narcotics traffickers. These laws prohibit all United States citizens (including corporations and other entities) and permanent residents from engaging in transactions with sanctioned countries and with individuals and entities on the Specially Designated Nationals (SDN) list. Because all U.S. citizens and companies are subject to this law, we wanted to be sure you were aware of its scope and restrictions. If you haven't already done so, you may want to consider discussing this issue with your legal counsel to ensure you are in compliance.

For insurance companies, accepting premium from, issuing a policy to, insuring property of, or making a claim payment to an individual or entity that is the subject of U.S.-imposed economic sanctions or trade embargoes usually are violations of these laws and regulations. Fines for violating OFAC requirements can be substantial. CNA has established an OFAC compliance program part which includes the use of exclusionary policy language. We believe this makes good business sense for CNA and you.

The purpose of this letter is to advise you that your policy includes OFAC exclusionary policy language, which may reduce or eliminate certain coverage. Specifically, if it is determined that your policy violates certain Federal or State laws or regulations, such as the U.S. list of Specially Designated Nationals or Blocked Persons (organizations or individuals associated with terrorist groups), any term or condition of your policy will be null and void to the extent it violates the applicable laws or regulations of the United States.

We're sure you share our commitment to compliance and thank you for your cooperation.

Your policy language reads as follows:

ECONOMIC AND TRADE SANCTIONS CONDITION

The following condition is added to the Policy:

ECONOMIC AND TRADE SANCTIONS CONDITION

In accordance with laws and regulations of the United States concerning economic and trade embargoes, this policy is void from its inception with respect to any term or condition of this policy that violates any laws or regulations of the United States concerning economic and trade embargoes including, but not limited to the following:

1. Any insured, or any person or entity claiming the benefits of an insured, who is or becomes a Specially Designated National or Blocked Person or who is otherwise subject to U.S. economic or trade sanctions;
2. Any claim or "suit" that is brought in a Sanctioned Country or by a Sanctioned Country Government, where any action in connection with such claim or suit is prohibited by U.S. economic or trade sanctions;

ENDORSEMENT NUMBER: 2

POLICY NUMBER:

ISSUED TO:



3. Any claim or "suit" that is brought by any Specially Designated National or Blocked Person or any person or entity who is otherwise subject to U.S. economic or trade sanctions;
4. Property that is located in a Sanctioned Country or that is owned by, rented to or in the care, custody or control of a Sanctioned Country Government, where any activities related to such property are prohibited by U.S. economic or trade sanctions; or
5. Property that is owned by, rented to or in the care, custody or control of a Specially Designated National or Blocked Person, or any person or entity who is otherwise subject to U.S. economic or trade sanctions.

As used in this endorsement a Specially Designated National or Blocked Person is any person or entity that is on the list of Specially Designated Nationals and Blocked Persons issued by the U.S. Treasury Department's Office of Foreign Asset Control (OFAC) as it may be from time to time amended.

As used in this endorsement a Sanctioned Country is any country that is the subject of trade or economic embargoes imposed by the laws or regulations of the United States of America.

THIS DISCLOSURE NOTICE DOES NOT PROVIDE COVERAGE NOR DOES THIS NOTICE REPLACE ANY PROVISIONS OF YOUR POLICY. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGE AND PRICE OF YOUR POLICY. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL. YOUR INDEPENDENT INSURANCE AGENT WILL BE ABLE TO EXPLAIN THE TERMS OF THE CONTRACT IN DETAIL.

ENDORSEMENT NUMBER: 2

POLICY NUMBER:

ISSUED TO:

EFFECTIVE DATE OF ENDORSEMENT:

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown above.

By Authorized Representative _____ Specimen _____
(No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ECONOMIC AND TRADE SANCTIONS CONDITION

The following condition is added to the Policy:

ECONOMIC AND TRADE SANCTIONS CONDITION

In accordance with laws and regulations of the United States concerning economic and trade embargoes, this policy is void from its inception with respect to any term or condition of this policy that violates any laws or regulations of the United States concerning economic and trade embargoes including, but not limited to the following:

1. Any insured under this Policy, or any person or entity claiming the benefits of such insured, who is or becomes a Specially Designated National or Blocked Person or who is otherwise subject to U.S. economic or trade sanctions;
2. Any claim or suit that is brought in a Sanctioned Country or by a Sanctioned Country Government, where any action in connection with such claim or suit is prohibited by U.S. economic or trade sanctions;
3. Any claim or suit that is brought by any Specially Designated National or Blocked Person or any person or entity who is otherwise subject to U.S. economic or trade sanctions;
4. Property that is located in a Sanctioned Country or that is owned by, rented to or in the care, custody or control of a Sanctioned Country Government, where any activities related to such property are prohibited by U.S. economic or trade sanctions; or
5. Property that is owned by, rented to or in the care, custody or control of a Specially Designated National or Blocked Person, or any person or entity who is otherwise subject to U.S. economic or trade sanctions.

As used in this endorsement a Specially Designated National or Blocked Person is any person or entity that is on the list of Specially Designated Nationals and Blocked Persons issued by the U.S. Treasury Department's Office of Foreign Asset Control (O.F.A.C.) as it may be from time to time amended.

this endorsement a Sanctioned Country is any country that is the subject of trade or economic embargoes imposed or regulations of the United States of America.

ENDORSEMENT NUMBER: 3
 POLICY NUMBER:
 ISSUED TO:
 EFFECTIVE DATE OF ENDORSEMENT:

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown above.

By Authorized Representative _____ Specimen _____
 (No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)



**PROFESSIONAL SERVICES ENDORSEMENT
COMMUNITY ASSOCIATION MANAGER OR PROPERTY MANAGER SERVICES**

For use with E-Pack Miscellaneous Professional Liability Coverage Part, G-139035-A

In consideration for the premium paid for this Policy, it is agreed that the Miscellaneous Professional Liability **Coverage Part** is amended as follows:

1. Section II, **DEFINITIONS**, is amended as follows:

a. Subsection 5, **Professional Services**, is amended by adding the following:

Professional Services means **Community Association Manager or Property Manager Services**.

b. The following new definitions are added:

Construction Manager means any person providing the following services in connection with the construction, reconstruction and renovation of real property:

- a. management of facility construction, reconstruction and renovation plans;
- b. development and management of construction, reconstruction and renovation contracts and subcontracts; and
- c. development of loss control and risk management plans in connection with the construction, reconstruction or renovation.

Fungi means any form of fungus, including but not limited to yeast, mold, mildew, rust, smut or mushroom, and any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of fungi.

Microbe means any non-fungal microorganism or non-fungal colony-form organism that causes infection or disease including but not limited to any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of microbes.

Community Association Manager or Property Manager Services means the following services provided by a person, other than a **Construction Manager**, in connection with the management of commercial or residential property for others for a fee:

- a. development and implementation of management plans and budget;
- b. oversight of physical maintenance of property;
- c. solicitation, evaluation and securing of tenants and management of tenant relations, collection of rent and processing evictions;
- d. development, implementation and management of loss control and risk management plans for real property;
- e. development, implementation and management of contracts and subcontracts (excluding insurance contracts).necessary to the daily functioning of the property;
- f. feasibility studies and recommendations regarding maintenance, repairs, renovations or alterations of managed premises, provided said maintenance, repairs, renovations or alterations do not involve the services of an architect; and
- g. personnel administration and record keeping, including tax filings, in connection with a managed property.



2. Solely with respect to coverage afforded under this Endorsement, Section III, **EXCLUSIONS**, is amended as follows:

a. Subsection 1, Exclusions Applicable to all Loss, is amended as follows:

(1) Exclusion A. is deleted in its entirety and replaced with the following:

A. based upon, directly or indirectly arising out of, in any way involving any actual or alleged bodily injury, sickness, disease, emotional distress, mental anguish or death of any person, or damage to or destruction of any tangible property including loss of use;

(2) Exclusion E is amended by deleting "50%" and inserting "20%";

(3) Exclusion J. is deleted in its entirety; and

(4) The following exclusions are added:

based upon, directly or indirectly arising out of or in any way involving the commingling, misappropriation or improper use of funds, or arising out of the gaining of any personal profit or advantage to which the Named Company Insured is not legally entitled

based upon, directly or indirectly arising out of, or in any way involving the insolvency, receivership, conservatorship, liquidation, bankruptcy or inability to pay of a benefit plan, insurance company, reinsurer, (or any self insurance plan or trust by whatsoever name), or limited partnership in which the Insured has placed business or obtained insurance coverage, or placed and/or recommended placement of funds of a client or account;

based upon, directly or indirectly arising out of, or in any way involving **Community Association Manager or Property Manager Services** in which any **Insured** or any company affiliated with any **Insured** was a developer, constructor or builder;

based upon, directly or indirectly arising out of, or in any way involving the failure to effect or maintain any insurance or bond, or to any failure to cover certain perils or to purchase an adequate amount or type of insurance;

based upon, directly or indirectly arising out of, or in any way involving any advice as to the future value of property;

based upon, directly or indirectly arising out of, or in any way involving services as an accountant, lawyer, insurance agent, insurance broker, mortgage broker, mortgage banker, escrow agent, real estate agent, or real estate broker;

based upon, directly or indirectly arising out of, or in any way involving the transfer or failure to transfer funds, monies or securities;

based upon, directly or indirectly arising out of, or in any way involving the formation, syndication, promotion, roll-up, operation or administration of any property syndication, real estate investment trust or any other form of corporation, general or limited partnership or joint venture;

based upon, directly or indirectly arising out of, or in any way involving any tax advice rendered by any **Insured**;

based upon, directly or indirectly arising out of, or in any way involving any actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth or presence of **Fungi** or **Microbes**; or the actual, alleged or threatened failure to detect, report, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of or in any way



respond to, assess the effects of or advise of the existence of any **Fungi** or **Microbes**. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the **Losses** claimed;

based upon, directly or indirectly arising out of, or in any way involving any employment-related **Wrongful Act**;

Subsection 2, Exclusions Applicable to a Portion of **Loss** is amended as follows:

- (2) (1) Exclusion A. is deleted in its entirety. The following exclusion is added:
 - A. (2) The following exclusion is added:

The Insurer shall not be liable to pay any **Loss** under this **Coverage Part**, other than **Defense Costs** in connection with any **Claim** made against a **Named Company Insured** for any actual or alleged discrimination, humiliation, harassment or misconduct that includes but shall not be limited to **Claims** based on an individual's race, creed, color, age, sex, national origin, religion, handicap, marital status or sexual preference

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



COVERAGE OF AND CAP ON LOSSES FOR CERTIFIED ACTS OF TERRORISM

In consideration of the premium charge of \$0, it is agreed as follows:

1. The DEFINITIONS section is amended by the addition of the following new term:

"Certified Act of Terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a **Certified Act of Terrorism**:

- a. The act resulted in aggregate losses in excess of \$5 million;
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure;
 - c. The act resulted in damage within the United States, or outside of the United State in the case of an air carrier or vessel in the premises of a United States mission; and
 - d. The act is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. This Policy provides coverage for losses arising from **Certified Acts of Terrorism** subject to all other terms and conditions of this policy.
 3. Under the federal Terrorism Risk Insurance Act of 2002, any losses caused by **Certified Acts of Terrorism** will be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.
 4. With respect to any one or more **Certified Acts of Terrorism**, The Insurer will not pay any amounts for which the Insurer is not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause in such law which results in a cap on the Insurer's liability for payments for terrorism losses.

All other provisions of the Policy remain unchanged.



IMPORTANT INFORMATION

POLICYHOLDER DISCLOSURE NOTICE OF INSURANCE COVERAGE FOR ACTS OF TERRORISM

You are hereby notified that under, and in accordance with, the Terrorism Risk Insurance Act of 2002, effective November 26, 2002, that you are entitled to insurance coverage for losses arising out of "Certified Acts of Terrorism" subject to all applicable policy provisions.

You should know that under your policy, any covered losses caused by "Certified Acts of Terrorism" will be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium as of this date that is attributable to coverage for "Certified Acts of Terrorism" is \$0.

As used herein, "Certified Acts of Terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002.

The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "Certified Act of Terrorism":

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure;
- c. The act resulted in damage within the United States, or outside of the United States in the case of an air carrier or vessel in the premises of a United States mission.
- d. and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Insured Name: Rossman Realty Property Management, LLC

Insured Address: 415 Cape Coral Parkway W., Suite 3
Cape Coral, FL 33914

Policy Number:

Policy Effective Date: