

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

QUESTIONS ABOUT YOUR INSURANCE? - If you have questions about this insurance, do not hesitate to contact CUMIS Insurance Society, Inc. or your authorized TruStage™ Representative to resolve your questions.

CUMIS Insurance Society, Inc.
Administrative Office
5910 Mineral Point Road
Madison, WI 53705
800-637-2676

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE**

The federal Terrorism Risk Insurance Act requires notification of coverage for losses arising out of acts of terrorism. As defined in the Terrorism Risk Insurance Act, the term certified “act of terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals 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.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by Federal law. However, your policy may contain other exclusions which might affect your coverage such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutory established deductible paid by the insurance company providing this coverage. The premium charged for this coverage does not include any charges for the portion of loss that may be covered by the Federal Government under the Act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 Billion cap that limits U.S. Government reimbursement as well as insurer’s liability for losses resulting from certified acts of terrorism when the amount of such losses in any calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The summary of the Terrorism Risk Insurance Act and the coverage under your policy contained in this notice is necessarily general in nature. Your policy contains specific terms, definitions, exclusions and conditions. In case of any conflict, your policy language will control the resolution of all coverage questions. The portion of your annual premium attributable to coverage for acts of terrorism is currently waived.

Home Office:
2000 Heritage Way
Waverly, IA 50677

Administrative Office:
5910 Mineral Point Road
Madison, WI 53705

DECLARATIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY

THIS IS A CLAIMS MADE POLICY. DEFENSE COSTS ARE INCLUDED WITHIN THE ANNUAL AGGREGATE LIMIT OF LIABILITY. ANY DEDUCTIBLES SHALL APPLY TO DEFENSE COSTS. READ THIS POLICY CAREFULLY.

The effective date of these Declarations begins at 12:01 a.m. on 01/01/2025 for the Coverage, Annual Aggregate Limit(s) Of Liability and Deductible(s) shown below. These Declarations supersede any previous Declarations.

Reason for new Declarations:
Renewal

ITEM 1. INSURED ORGANIZATION

Policy No: 243350-021

CU Northwest Inc
1421 N Meadowwood Ln Ste 130
Liberty Lake WA 99019 7613

ITEM 2. POLICY PERIOD begins 01/01/2025 at 12:01 a.m. and expires 01/01/2026 at 12:01 a.m.

ITEM 3. COVERAGE

If “no coverage” is shown opposite any coverage below, that coverage is not provided and is deleted from this Policy.

	(A) Coverage Annual Aggregate Limit Of Liability	(B) Coverage Is Part Of Policy Annual Aggregate Limit Of Liability	(C) Per Claim Deductible
Management Liability	\$1,000,000		
Individual	Included	No	\$0
Reimbursement	Included	No	\$5,000
Entity	Included	No	\$5,000
Employment Practices Liability	\$250,000	No	\$25,000
Fiduciary Liability	\$1,000,000	No	\$5,000

ITEM 4. POLICY ANNUAL AGGREGATE LIMIT OF LIABILITY N/A

**DECLARATIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ITEM 5. EXTENDED REPORTING PERIOD

Additional Annual Premium: 100%
 Additional Period: 12 Months

ITEM 6. ADDITIONAL INSURED

	(A) Insureds Are Included In <u>This Policy</u>	(B) Subject to Annual Aggregate Sub-Limit Of <u>Liability</u>	(C) Annual Aggregate Sub-Limit Of <u>Liability</u>
Management Liability Employees And Leased Employees	Yes	No	N/A
Employment Practices Liability Employees And Leased Employees	Yes	No	N/A
Independent Contractors	No	N/A	N/A
Fiduciary Liability Employees And Leased Employees	Yes	No	N/A

ITEM 7. PRIOR OR PENDING LITIGATION

	<u>Date</u>
Management Liability Individual	N/A
Reimbursement Entity	N/A
Director And Officer Umbrella	N/A
Personal Excess Liability	N/A
Employment Practices Liability	N/A
Fiduciary Liability	01/01/2015
Enhanced Defense Reimbursement	01/01/2015

**DECLARATIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ITEM 8. ENHANCED COVERAGES	(A) Enhanced Coverage Annual Aggregate <u>Limit Of Liability</u>	(B) Part of Coverage Annual Aggregate <u>Limit Of Liability</u>	(C) Per Claim <u>Deductible</u>
Management Liability			
Investigative Costs	No Coverage	N/A	N/A
Outside Director Liability	No Coverage	N/A	N/A
Director And Officer Umbrella	No Coverage	N/A	N/A
Director And Officer ID Theft – \$7,500 Limit Per Director or Officer	No Coverage	N/A	N/A
Employment Practices Liability			
Fair Labor Standards Act	No Coverage	N/A	N/A
Enhanced Defense Reimbursement Co-Payment 50%	\$50,000	N/A	\$5,000
Crisis Management Expense Reimbursement	No Coverage	N/A	N/A

Terrorism Risk Insurance Act Coverage Waived

Total Annual Premium \$4,916.00

The following forms along with these Declarations complete this Management & Professional Liability Policy.

FORMS SCHEDULE

POLICY NUMBER: 243350

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

REFER TO DECLARATIONS FOR APPLICABLE PREMISES AND COVERAGES

<u>Form and Edition</u>	<u>Description</u>
MPL 0003 10 24 WA	NONRENEWAL, TERMINATION AND CANCELLATION ENDORSEMENT
MPL 0020 01 20 WA	MANAGEMENT & PROFESSIONAL LIABILITY POLICY STATE ENDORSEMENT
MPL 0019 06 09	WRONGFUL PROFESSIONAL LIABILITY ACT ENDORSEMENT
MPL 0101 01 20	MANAGEMENT LIABILITY COVERAGE -PRIVATE
MPL 0200 01 20	EMPLOYMENT PRACTICES LIABILITY COVERAGE
MPL 0300 01 20	FIDUCIARY LIABILITY COVERAGE
MPL 0700 07 13	FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MPL 0701 06 09	CREDIT UNION SERVICES ORGANIZATION ADVANTAGE ENDORSEMENT
TRIPRA 01 15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM TRIPRA
MPL 0800 01 24	ENHANCED DEFENSE REIMBURSEMENT COVERAGE
MPL 0060 01 20	CLAIMS REPORTING NOTIFICATION ENDORSEMENT
MPL 0960 01 20	SUPPLEMENTAL COVERAGE ENDORSEMENT
MPL 0002 01 23	TERMS, CONDITIONS AND OTHER PROVISIONS MPL NEW

NONRENEWAL, TERMINATION AND CANCELLATION ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Endorsement is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Endorsement.

ADDITIONAL CONDITIONS

Nonrenewal

1. If the “insurance organization” does not renew this Policy, the “insurance organization” shall mail or deliver to the “insured organization,” and any additional or other named insureds, written notice of nonrenewal stating the effective date, and the reason for nonrenewal. The “insurance organization” shall mail or deliver this notice to the last mailing address known to the “insurance organization” at least 60 days prior to the end of the “policy period.” If this notice is mailed, proof of mailing shall be sufficient proof of notice.
2. A copy of the written notice of nonrenewal will be provided to the “insured organization’s” agent within five working days. The copy to the agent may be provided electronically.

Termination And Cancellation

1. This Policy terminates in its entirety upon the expiration of the “policy period.”
2. The “insured organization” may cancel this Policy during the “policy period” by notifying the “insurance organization” or the “insured organization’s” agent in one of the following ways:
 - a. Written notice of cancellation by mail, fax or e-mail;
 - b. Surrender of this Policy or binder; or
 - c. Verbal notice.

Upon receipt of such notice, the “insurance organization” shall cancel this Policy or any binder issued as evidence of coverage, effective on the later of the date:

- a. On which notice is received or this Policy or binder is surrendered; or
- b. Of cancellation requested by the “insured organization.”

The unearned premium shall be refunded less than pro rata if this Policy is canceled as provided in this paragraph. The less than pro rata premium refund will equal 90% of the pro rata unearned premium.

NONRENEWAL, TERMINATION AND CANCELLATION ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

Termination And Cancellation - continued

3. The “insurance organization” may cancel this Policy during the “policy period” for nonpayment of premium. If the “insurance organization” cancels this Policy, the “insurance organization” shall mail or deliver to the “insured organization,” and any additional or other named insureds, written notice of cancellation stating the effective date, and the reason for cancellation. The “insurance organization” shall mail or deliver this notice to the last mailing address known to the “insurance organization.” If this notice is mailed, proof of mailing shall be sufficient proof of notice. Cancellation is effective 10 days after the “insurance organization” mails or delivers notice of cancellation.

A copy of the written notice of cancellation will be provided to the “insured organization’s agent within five working days. The copy to the agent may be provided electronically.

WASHINGTON ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Endorsement is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Endorsement.

Chain Of Causes

The following paragraph is added with respect to any exclusion in this Policy:

A “loss” may be caused by a chain of causes. If a covered cause of “loss” is the dominant cause of such “loss,” the “insurance organization” will not deny coverage on the basis that a secondary cause in that chain is not a covered cause of “loss.”

Defense Costs

The Defense Costs Definition in the Terms, Conditions And Other Provisions is replaced with the following:

“Defense costs” means reasonable attorneys’ fees, experts’ fees, arbitrators’ fees or mediators’ fees and expenses, to which the “insurance organization” has consented and that are incurred after notice is provided in compliance with the Claims Reporting Condition and, as a direct result of defending a “claim,” including any appeals and the premium for any attachment, appeal or other similar bonds.

Provided, however, “defense costs” does not include:

- a. Wage, salary, benefit or overhead expenses of an “insured” or “insurance organization”;
- b. Any attorneys’ fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of an “insured” including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with the “insurance organization’s” consent against persons or parties not insured under this Policy; or
- c. Amounts that are incurred in connection with providing any collateral that may be required for obtaining any appeal bond, or other similar bond or any obligation to provide such collateral.

Dishonest Or Fraudulent Acts

The Dishonest Or Willful Acts Exclusion in the Terms, Conditions And Other Provisions is replaced with the Dishonest Or Fraudulent Acts Exclusion as follows:

For “loss” related to any “claim” based upon, arising out of, attributable to, or resulting directly or indirectly from any dishonest or fraudulent misconduct or act by any “insured,” but only if a final, non-appealable adjudication establishes that such misconduct or act was committed by the “insured.”

WASHINGTON ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

Rights To Recover From Others

The Rights To Recover From Others Condition in the Terms, Conditions And Other Provisions, is replaced with the following:

1. If the “insureds” have rights to recover all or part of any “loss” for which the “insurance organization” has made payment under this Policy, those rights are transferred to the “insurance organization.” The “insureds” must do everything necessary to secure and protect those rights. The “insureds” must not do anything to impair those rights. At the “insurance organization’s” request, the “insureds” shall bring suit or transfer those rights to “insurance organization” and cooperate with the “insurance organization” in the enforcement of those rights.
2. The “insurance organization” will be entitled to recovery only after the “insured” has been full compensated for “loss.”

Severability Of Application

The Severability Of Application Condition in the Terms, Conditions And Other Provisions is replaced with the following:

In providing coverage under this Policy, the “insurance organization” has relied upon the statements and representations included in the “application” and all such statements and representations are material to the acceptance of risk. The “insureds” represent that all such statements and representations are true. This Policy is issued in reliance upon the “application.”

If any such statements and representations are untrue, this Policy shall not afford any coverage with respect to any of the following “insureds”:

- a. Any “insured person” who knew the facts that were not truthfully disclosed in the “application”;
- b. Under the Reimbursement Coverage in the Management Liability Coverage, the “insured organization” to the extent that it indemnifies an “insured person” referenced in paragraph a. above;
- c. The “insured organization,” if the Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer, General Counsel, Risk Manager, Human Resource Manager, or any equivalent position knew the facts that were not truthfully disclosed in the “application”; or
- d. The “insured plan,” under the Fiduciary Liability Coverage, if the Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer, General Counsel, Risk Manager, Human Resource Manager, or any equivalent position knew the facts that were not truthfully disclosed in the “application,”

if the “insured person” or someone on the “insured person’s” behalf concealed or misrepresented a material fact or circumstance in the “application” with the intent to deceive.

**WRONGFUL PROFESSIONAL LIABILITY ACT ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

This Endorsement is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Endorsement.

DEFINITION

Wrongful Professional Liability Act

The Wrongful Professional Liability Act Definition in the Terms, Conditions And Other Provisions is replaced with the following:

“Wrongful professional liability act” means:

- a. “Wrongful lending liability act,” but only to the extent Lender Liability Coverage is granted as shown in Item 3. (A) on the Declarations; and
- b. “Wrongful financial services liability act,” but only to the extent Financial Services Professional Liability Coverage is granted as shown in Item 3. (A) on the Declarations.

MANAGEMENT LIABILITY COVERAGE - PRIVATE MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage. The Additional Definitions and Additional Exclusions in this Coverage apply only to this Coverage.

COVERAGES

Individual

If Individual Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured person,” “loss” for which the “insured person” is legally obligated to pay and that the “insured person” is not indemnified by the “insured organization,” as a result of any “claim” first made during the “policy period” against the “insured person,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful management liability act.”

The Individual Coverage is non-rescindable.

Reimbursement

If Reimbursement Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured organization,” “loss” for which the “insured person” is legally obligated to pay and that the “insured person” is indemnified by the “insured organization,” as a result of any “claim” first made during the “policy period” against the “insured person,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful management liability act.”

Entity

If Entity Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured organization,” “loss” for which the “insured organization” is legally obligated to pay, as a result of any “claim” first made during the “policy period” against the “insured organization,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful management liability act.”

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

COVERAGES

Investigative Costs

If Investigative Costs Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall pay on behalf of the “insured organization” reasonable costs, charges, fees (including attorneys’ fees, consultants’ fees, and experts’ fees) and expenses (other than regular or overtime wages, salaries or fees of an “insured person”) incurred by the “insured organization” including its board of directors, board of managers, or any committee thereof and incurred after written notice is provided to the “insurance organization” and consent is received from the “insurance organization,” in connection with the “insured organization’s” investigation or evaluation of any written demand first made during the “policy period” against the board of directors or board of managers of such “insured organization,” or, if exercised, the Extended Reporting Period.

Provided, however, Investigative Costs Coverage shall only apply to a written demand:

- a. Brought by any natural person made without the instigation, solicitation, assistance or active participation of any “insured person”; and
- b. That is a civil proceeding in a court of law against any “insured person” for a covered “wrongful management liability act.”

Director And Officer Umbrella

If Director And Officer Umbrella Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured person,” “loss” for which the “insured person” is legally obligated to pay and that the “insured person” is not indemnified by the “insured organization” as a result of any “claim” first made during the “policy period” against them, individually or otherwise or, if exercised, the Extended Reporting Period, for a “wrongful management liability act” occurring before or during the “policy period.”

The Director And Officer Umbrella Annual Aggregate Limit Of Liability, shown in Item 8. (A) on the Declarations, shall be in addition to the Annual Aggregate Limit Of Liability for Management Liability Individual Coverage as shown in Item 3. (A) on the Declarations, and no deductible shall apply to this coverage. Director And Officer Umbrella Coverage shall apply only if any other valid and collectable insurance is not available to the “insured person” whether the insurance is provided in this Policy or provided in any other policy.

For purposes of Director And Officer Umbrella Coverage, the following are deleted from the Terms, Conditions And Other Provisions:

- a. Insured Versus Insured Exclusion; and
- b. Pollution Or Nuclear Exclusion.

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

COVERAGES

Director And Officer Umbrella - continued

For purposes of Director And Officer Umbrella Coverage, the following are deleted from the Management Liability Coverage – Private:

- a. Other Wrongful Acts Exclusion;
- b. Personal Injury, Bodily Injury Or Property Damage Exclusion;
- c. Professional Services Exclusion;
- d. Greenmail Exclusion; and
- e. Intellectual Property Exclusion.

The Director And Officer Umbrella Coverage is non-rescindable.

For purposes of the Director And Officer Umbrella Coverage, the Presumptive Indemnification Condition in the Terms, Conditions And Other Provisions does not apply.

Outside Director Liability

If Outside Director Liability Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured person,” “loss” for which the “insured person” is legally obligated to pay and that the “insured person” is not indemnified by any entity or that no other insurance coverage exists, as a result of any “claim” first made during the “policy period” against the “insured person,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful outside director liability act.”

For purposes of Outside Director Liability Coverage, the Outside Entity Exclusion in the Terms, Conditions And Other Provisions is deleted.

Director And Officer ID Theft

If Director And Officer ID Theft Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall pay up to \$7,500 for “identity theft expenses,” on behalf of each present “director or officer” who experiences “identity theft,” incurred as the direct result of any “identity theft” first discovered and reported during the “policy period.”

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Identity Theft

“Identity theft” means the act of knowingly transferring or using, without lawful authority, a means of identification of any “director or officer” (or spouse or “domestic partner” thereof) with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

Identity Theft Expenses

“Identity theft expenses” means:

- a. Costs for notarizing affidavits or similar documents attesting to fraud required by credit agencies, financial institutions or similar credit grantors;
- b. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors;
- c. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;
- d. Costs for long distance telephone calls to law enforcement agencies, credit agencies, financial institutions or similar credit grantors, merchants or other credit grantors to report or discuss any covered “identity theft”;
- e. Lost wages, up to a maximum payment of \$750 per week for a maximum period of six weeks, as a result of absence from employment:
 - 1) To communicate with law enforcement agencies, credit agencies, financial institutions or similar credit grantors, merchants or other credit grantors or legal counsel;
 - 2) To complete fraud affidavits or similar documents; or
 - 3) Due to wrongful incarceration arising from someone having committed a crime in the name of a “director or officer,” provided the “director or officer” is acquitted or charges are dismissed related to the acts that caused the incarceration; and
- f. Costs for daycare and eldercare incurred solely as a result of any “identity theft” discovered during the “policy period,”

incurred after written notice is provided to the “insurance organization” and consent is received from the “insurance organization.”

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

The “insurance organization” shall not be liable to make any payment:

Contractual Liability

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the actual or alleged liability of an “insured” under any oral, written or implied contract or agreement, regardless of whether such liability is direct or assumed. Provided, however, this exclusion shall not apply to the portion of “loss,” including “defense costs,” related to liability the “insured” would have in the absence of the contract or agreement.

Provided, however, this exclusion shall only apply to Entity Coverage.

Fair Labor Standards Acts

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the Fair Labor Standards Act (FLSA) (29 U.S.C. §201, et seq.), or any similar state or local laws.

Greenmail

For the portion of “loss” related to the actual or proposed payment by the “insured organization” of allegedly inadequate consideration in connection with the “insured organization’s” purchase of securities issued by any organization or ownership interest in any organization. Provided, however, this exclusion shall not apply to “defense costs.”

Provided, however, this exclusion shall only apply to Entity Coverage.

Intellectual Property

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any actual or alleged infringement or violation of any intellectual property rights or laws, including, but not limited to, copyright, title, slogan, patent, service mark, service name, trade dress, trade name, trade secret, or trademark.

Provided, however, this exclusion shall only apply to Entity Coverage.

Other Wrongful Acts

For the portion of “loss” related to a “wrongful fiduciary liability act” or a “wrongful employment practices liability act.”

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Personal Injury, Bodily Injury Or Property Damage

For the portion of “loss” related to:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person or entity from, a room, dwelling or premises;
- d. Libel or slander, defamation of character, trade libel or other alleged disparagement of a person’s or organization’s reputation, goods, products or services;
- e. Violation of a person’s right of privacy;
- f. Physical harm, sickness, disease, disability, death, mental anguish, emotional distress, mental injury or humiliation of any person; or
- g. Damage to or destruction of any tangible property or data, including loss of use of the property or data.

Prior Or Pending Litigation - Director And Officer Umbrella Coverage

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Director And Officer Umbrella Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions, with respect to Director And Officer Umbrella Coverage.

Prior Or Pending Litigation – Entity Coverage

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Entity Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions, with respect to Entity Coverage.

Prior Or Pending Litigation – Individual Coverage

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Individual Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions, with respect to Individual Coverage.

**MANAGEMENT LIABILITY COVERAGE - PRIVATE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Prior Or Pending Litigation – Reimbursement Coverage

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Reimbursement Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions, with respect to Reimbursement Coverage.

Professional Services

For the portion of “loss” related to any service for a fee and pursuant to a written agreement provided by the “insured organization” or an “outside entity.”

Provided, however, this exclusion shall not apply to any “claim” against an “insured person” to the extent such “claim” is for a “wrongful management liability act” in connection with the management or supervision of any division or “subsidiary” of the “insured organization” offering any of the aforementioned services.

Securities

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from an actual or alleged violation of the Securities Act of 1933 (15 U.S.C. §77, et seq.), the Securities Exchange Act of 1934 (15 U.S.C. §78a, et seq.), including amendments thereto, rules or regulations promulgated under either act, or any similar state statutes, rules, regulations or common law.

EMPLOYMENT PRACTICES LIABILITY COVERAGE MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage. The Additional Exclusions in this Coverage apply only to this Coverage.

COVERAGES

Employment Practices Liability

If Employment Practices Liability Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured,” “loss” for which the “insured” is legally obligated to pay, as a result of any “claim” first made during the “policy period” against the “insured,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful employment practices liability act” or a “wrongful third party act.”

Fair Labor Standards Act

If Fair Labor Standards Act Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured,” “defense costs” as a result of any “claim” first made during the “policy period” against the “insured,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful FLSA act” that is solely a “claim” seeking pay for overtime or unpaid minimum wages or alleges misclassification of “employees.”

ADDITIONAL EXCLUSIONS

The “insurance organization” shall not be liable to make any payment:

Accommodation Costs

For any “loss” related to costs required to accommodate a disabled person including, but not limited to, modifying any building or property to be more accessible.

Benefits Due

For the portion of “loss” related to:

- a. Benefits, or the payment of benefits, in connection with an employee benefit plan; or
- b. Any other payment for the benefit of an “employee,” “director or officer” or “leased employee,” arising out of the employment relationship.

Provided, however, this exclusion shall not apply to “defense costs” or salary, wages or commissions.

**EMPLOYMENT PRACTICES LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Breach Of Contract With Independent Contractor

For the portion of “loss” related to any actual or alleged breach of any express contract or agreement between the “insured organization” and any “independent contractor.”

Contractual Liability Assumed

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the actual or alleged assumption by an “insured” of another’s liability by written, oral or implied contract or agreement.

Provided, however, this exclusion shall not apply to:

- a. Liability that the “insured” would have in absence of such contract or agreement; or
- b. The extent the “insured organization” has agreed to indemnify a “leased employee” or “independent contractor” for such “loss,” but only to the extent coverage is granted for “leased employees” or “independent contractors” in this Policy.

Employment Contracts

For the portion of “loss” related to any actual or alleged breach of any employment contract whether oral or written.

Provided, however, this exclusion shall not apply to “loss”:

- a. To the extent that the “insured” would have been liable for such “loss” in absence of the contract; or
- b. That constitutes “defense costs.”

Legislation And Regulation

For the portion of “loss” related to any actual or alleged violation of the responsibilities, obligations or duties imposed by:

- a. Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C.A. §1 et seq.);
- b. Old-Age, Survivors And Disability Insurance (OASDI) (42 U.S.C.A. §301, et seq.);
- c. Workers’ compensation laws;
- d. Workers Adjustment and Retraining Notification Act (WARN) (29 U.S.C. §2101, et seq.) (Regulations 20 C.F.R. Part 639);

**EMPLOYMENT PRACTICES LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Legislation And Regulation - continued

- e. Fair Labor Standards Act (FLSA) (29 U.S.C. §201, et seq.) (except Equal Pay Act provisions), except when covered in the Fair Labor Standards Act Coverage;
- f. National Labor Relations Act (NLRA) (29 U.S.C. §§151-169);
- g. Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) (29 USC § 1161 et seq. and 42 USC § 300bb-1 et seq.);
- h. Occupational Safety and Health Act (OSHA) (2 U.S.C. §1341);
- i. Unemployment compensation laws;
- j. Tax laws; or
- k. Federal state, local or common law provisions similar to paragraphs a. through j. above, including amendments to or regulations promulgated pursuant to the above laws.

Provided, however, this exclusion shall not apply to any “claim” for retaliation against a claimant related to a claimant’s exercise of rights pursuant to any of the above laws, rules or regulations.

Lending Discrimination

For any “loss” related to any “claim” made against any “insured organization” based upon, arising out of, resulting directly or indirectly from any “wrongful third party act” arising out of or in any way involving any actual or alleged price, product or credit discrimination, unfair trade practice, violation of any anti-trust or lending law, or violation of any similar law designed to protect competition or prevent unfair trade practices.

Other Wrongful Acts

For the portion of “loss” related to a “wrongful fiduciary liability act.”

Personal Injury, Bodily Injury Or Property Damage

For the portion of “loss” related to:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person or entity from, a room, dwelling or premises;
- d. Physical harm, sickness, disease, disability or death; or

**EMPLOYMENT PRACTICES LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Personal Injury, Bodily Injury Or Property Damage - continued

- e. Damage to or destruction of any tangible property or data, including loss of use of the property or data.

Prior Or Pending Litigation

For the portion of “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administration or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Employment Practices Liability, or any actual or alleged “interrelated wrongful act” at issue in the aforementioned actions, with respect to Employment Practices Liability Coverage.

Provided, however, this exclusion shall not apply:

- a. To a “claim” based upon, arising out of, or attributable to, resulting directly or indirectly from any prior or pending administrative proceeding before the Equal Employment Opportunity Commission or any similar federal, state or local government body; and
- b. When any General Counsel and Human Resource Manager of the “insured organization,” or equivalent, or any “director or officer” had no knowledge of such action described in paragraph a. above prior to the date shown in Item 7. on the Declarations for Employment Practices Liability Coverage.

FIDUCIARY LIABILITY COVERAGE MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage. The Additional Exclusions in this Coverage apply only to this Coverage.

COVERAGE

Fiduciary Liability

If Fiduciary Liability Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured,” “loss” for which the “insured” is legally obligated to pay as a result of any “claim” first made during the “policy period” against the “insured,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful fiduciary liability act.”

If Fiduciary Liability Coverage is granted as shown in Item 3. (A) on the Declarations, the “insurance organization” shall pay on behalf of any “insured” up to \$100,000 for fees, penalties or sanctions (other than the cost of corrections) incurred after written notice is provided to the “insurance organization” and consent is received from the “insurance organization” for which:

a. Notice of participation was first provided or offered to the “insured organization” by the Internal Revenue Service or Department of Labor under a “voluntary compliance program” for a “wrongful fiduciary liability act” involving the actual or alleged noncompliance of an “insured plan”; and

b. The “insured” is legally obligated to pay,

during the “policy period,” or, if exercised, during the Extended Reporting Period. The \$100,000 for fees, penalties or sanctions (other than the cost of corrections) shall be a part of and not in addition to the Annual Aggregate Limit Of Liability provided for Fiduciary Liability Coverage and no deductible shall apply.

ADDITIONAL EXCLUSIONS

The “insurance organization” shall not be liable to make any payment:

Benefits

For the portion of “loss” related to:

a. Benefits due or to become due under any “insured plan”;

b. Benefits that would be due under any “insured plan” if such “insured plan” complied with all applicable law; or

c. Amounts an “insured” is legally obligated to pay to fund an “insured plan.”

**FIDUCIARY LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY
ADDITIONAL EXCLUSIONS**

Benefits - continued

Provided, however, this exclusion shall not apply to “defense costs” or any actual or alleged:

a. Negligent act, error or omission by an “insured” based on any of the following with respect to an “insured plan”:

- 1) Interpreting or applying;
- 2) Giving counsel to “employees,” “directors or officers,” “leased employees” or “independent contractors”; or
- 3) Handling of records in effecting enrollment, calculating, terminating or canceling; or

b. Negligent act, error or omission by an “insured” in:

- 1) Interpreting or applying; or
- 2) Giving counsel to “employees,” “directors or officers,” “leased employees” or “independent contractors,”

concerning workers’ compensation, unemployment insurance, Old-Age, Survivors And Disability Insurance (OASDI) (42 U.S.C.A. §301, et seq.).

Legislation And Regulation

For “loss” related to any “claim” based upon, arising out of, attributable to, or resulting directly or indirectly from actual or alleged violation of the responsibilities, obligations or duties imposed by:

- a. Old-Age, Survivors And Disability Insurance (OASDI) (42 U.S.C.A. §301, et seq.);
- b. Workers’ compensation laws;
- c. Workers Adjustment and Retraining Notification Act (WARN) (29 U.S.C. §2101, et seq.) (Regulations 20 C.F.R. Part 639);
- d. Fair Labor Standards Act (FLSA) (29 U.S.C. §201, et seq.);
- e. National Labor Relations Act (NLRA) (29 U.S.C. §§151-169);
- f. Occupational Safety and Health Act (OSHA) (2 U.S.C. §1341);
- g. Unemployment compensation laws;

**FIDUCIARY LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY
ADDITIONAL EXCLUSIONS**

Legislation And Regulation - continued

- h. Tax laws; or
- i. Federal state, local or common law provisions similar to paragraphs a. through h. above, including amendments to or regulations promulgated pursuant to the above laws.

Other Wrongful Acts

For the portion of “loss” related to a “wrongful employment practices liability act.”

Personal Injury, Bodily Injury Or Property Damage

For the portion of “loss” related to:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person or entity from, a room, dwelling or premises;
- d. Libel or slander, defamation of character, trade libel or other alleged disparagement of a person’s or organization’s reputation, goods, products or services;
- e. Violation of a person’s right of privacy;
- f. Physical harm, sickness, disease, disability, death, mental anguish, emotional distress, mental injury or humiliation of any person; or
- g. Damage to or destruction of any tangible property or data, including loss of use of the property or data.

Prior Or Pending Litigation

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Fiduciary Liability Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions, with respect to Fiduciary Liability Coverage.

FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage. The Additional Definitions and Additional Exclusions in this Coverage apply only to this Coverage.

COVERAGE

Financial Services Professional Liability

If Financial Services Professional Liability Coverage is granted as shown in Item 3. (A) of the Declarations, the “insurance organization” shall pay on behalf of any “insured,” “loss” for which the “insured” is legally obligated to pay as a result of any “claim” first made during the “policy period” against the “insured,” individually or otherwise or, if exercised, during the Extended Reporting Period, for a “wrongful financial services liability act.”

ADDITIONAL DEFINITIONS

Borrower

“Borrower” means any individual or organization to whom or to which the “insured organization” extends, agrees to extend or refuses to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

Customer

“Customer” means any natural person or entity that has received, is receiving or seeks to receive any service from the “insured organization.”

Debt Cancellation Program

“Debt cancellation program” means any written agreement, formed at the time of the initial loan, lease or extension of credit, between the “insured organization” and a “customer” wherein the “insured organization” for a fee, paid by the “customer,” agrees that upon the occurrence of certain events specified in the written agreement, the “insured organization” will cancel or defer principal, or forgive interest, on a loan, lease, or other extension of credit granted by the “insured organization” to such “customer.”

Loan Protection Products

“Loan protection products” means insurance products sold to a borrower in connection with a loan, including but not limited to credit insurance, guaranteed asset protection (GAP) insurance or mechanical repair insurance.

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Loan Servicing

“Loan servicing” means the servicing of a loan, lease or extension of credit including:

- a. Record keeping;
- b. Billing;
- c. Disbursements of principal and interest for a loan;
- d. Credit reporting or statements of a “borrower’s” creditworthiness; or
- e. Receipt or payment of insurance premiums and taxes.

Professional Services

“Professional services” means only those services the “insured organization” performs or is required to perform for a “customer” of the “insured organization”:

- a. In conformance to an agreement between such “customer” and the “insured organization” for a fee, commission or other compensation, other than that comprised solely of interest or investment income, that benefits the “insured organization”;
- b. Free of charge, in connection with a service for a fee, commission, or other compensation described in paragraph a. above;
- c. Related to any activities as a notary public; or
- d. Related to services provided under a signature validation program.

Provided, however, that “professional services” shall not include:

- a. Services performed by any entity that an “insured” acquires ownership or control as security for a loan, lease or extension of credit;
- b. Medical or health care services;
- c. The practice of law or the rendering of legal services;
- d. Architectural, engineering, or construction management services;
- e. Services provided, to a “customer,” as an enrolled actuary as that term is used in or in connection with Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C.A. §1 et seq.), as amended;
- f. The rental of a safe deposit box;

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Professional Services – continued

- g. The designing, building, or maintenance of any website or the content of any website;
- h. Real estate appraisal services; or
- i. “Trust services.”

Trust Services

“Trust services” means those services provided by an “insured” on behalf of the “insured organization” in their capacity as:

- a. Executor, administrator, or personal representative of estates, administrator of guardianships, trustee under personal or corporate trust agreements, or conservator of any person;
- b. Custodian, depository or managing agent for securities or real property, manager of personal property, attorney-in-fact, escrow agent, transfer or dividend disbursing agent, registrar, fiscal paying agent, tax withholding agent, exchange agent, redemption or subscription agent, warrant or scrip agent, trustee under bond indenture or sinking fund agent;
- c. Trustee or co-trustee, fiduciary or co-fiduciary under a pension, profit sharing, health and welfare or other similar employee benefit plan or trust; or
- d. Trustee exercising any other trust or fiduciary powers permitted by law.

Wrongful Financial Services Liability Act

“Wrongful financial services liability act” means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by or on behalf of an “insured” in the rendering or failure to render “professional services.”

ADDITIONAL EXCLUSIONS

The “insurance organization” shall not be liable to make any payment:

Acquired Collateral

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the control of any entity or property that an “insured” acquired as security or collateral for any loan, lease or extension of credit.

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Breakdown

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any mechanical or electronic failure or breakdown, or any malfunction of any machine or computer, or any systems of machines or computers, including related peripheral components, or of any systems, applications, software, terminal devices or related communication networks.

Consumer Legislation

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from, or in consequence of the Truth in Lending Act [Regulation Z] (15 U.S.C. Sec. 1601), Equal Credit Opportunity Act [Regulation B] (15 U.S.C. Sec. 1691), Fair Credit Billing Act (15 U.S.C. §1666), Real Estate Settlement Procedures Act [RESPA] (12 U.S.C. Sec. 2601), Federal Trade Commission Holder in Due Course Rule (16 C.F.R. Sec. 433), Electronic Fund Transfer Act [Regulation E] (15 U.S.C. Sec. 1693), Fair Credit Reporting Act (15 U.S.C. Sec. 1681), the Home Ownership and Equity Protection Act of 1994 (HOEPA) (15 U.S.C. §1639), or any similar laws of any state, local or foreign jurisdiction including any common law.

Contractual Liability

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the actual or alleged liability of an “insured” under any oral, written or implied contract or agreement, regardless of whether such liability is direct or assumed.

Provided, however, this exclusion shall not apply to the extent that the “insured” would have been liable in the absence of the contract or agreement.

Creditor Representative

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from an “insured” serving as a receiver, trustee in bankruptcy, conservator or assignee for the benefit of creditors.

Fees

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any dispute involving fees or charges of the “insured organization.”

Funds Transfer

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from fraudulent:

- a. Instruction through e-mail, telefacsimile or telephonic means; or
- b. ACH debit from a “customer’s” account.

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Guaranteed Performance

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any actual or alleged written or verbal representations, promises or guarantees regarding the past performance or future value of any investment product.

Intellectual Property

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any actual or alleged infringement or violation of any intellectual property rights or laws, including, but not limited to, copyright, title, slogan, patent, service mark, service name, trade dress, trade name, trade secret, or trademark.

Investment Value

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any decrease or lack of increase in the value of any investments, including securities, commodities, currencies, options or futures.

Loans

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from:

- a. The rendering or failure to render “loan servicing”;
- b. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit;
- c. An agreement, refusal, grant or extension of any loan, lease or extension of credit;
- d. The violation of any automatic stay and discharge injunction under the U.S. Bankruptcy Code (11 U.S.C. §101, et seq.), but only related to paragraphs a., b., or c. above;
- e. The violation of the Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute, but only related to paragraphs a., b., or c. above; or
- f. The violation of any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit, but only related to paragraphs a., b., or c. above.

Provided, however, this exclusion shall not apply to any “professional services” related to “loan protection products” or a “debt cancellation program” or for activities as a notary public.

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Lost Items

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from actual loss of money, securities, property or other items of value in the custody or control of any “insured,” its agent or while in transit.

Other Wrongful Acts

For the portion of “loss” related to a “wrongful fiduciary liability act,” or a “wrongful employment practices liability act.”

Personal Injury, Bodily Injury Or Property Damage

For the portion of “loss” related to:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person or entity from, a room, dwelling or premises;
- d. Discrimination;
- e. Violation of a person’s right of privacy;
- f. Physical harm, sickness, disease, disability or death;
- g. Damage to or destruction of any tangible property or data, including loss of use of the property or data; or
- h. Mental anguish, emotional distress, mental injury or humiliation of any person.

Prior Or Pending Litigation

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Financial Services Professional Liability Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned actions.

Safe Deposit Box

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from the “insured organization” providing safe deposit box or vault facilities, lock box, single key safe deposit box, self service safe deposit box, lobby lock box or any other property storage lock box.

**FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSIONS

Shareholders Or Owners

For "loss" related to any "claim" brought by, on behalf of, or at the request of any person or concern (including but not limited to any shareholder, member, bondholder, policyholder, or debenture holder), their estates, heirs, legal representatives or assigns, with a legal or equitable interest in any stock, bond, debenture, or other form of security of the "insured organization," or any other ownership interest, when such "claim" is based upon, arises out of or pertains to any interest in said security.

Provided, however, this exclusion shall not apply where:

- a. The claimant is an "insured" and is bringing such "claim" solely in their capacity as a "customer";
and
- b. Such "claim" is brought without the solicitation, assistance or participation of any other "insured."

Signature Guarantee

For "loss" related to any "claim" based upon, arising out of, attributable to, resulting directly or indirectly from having guaranteed in writing or witnessed any signature upon any transfer, enrollment form, change in beneficiary, securities transfer, assignment, bill of sale, power of attorney, evidence of debt, endorsement or any other such items.

Provided, however, this exclusion shall not apply to any activities as a notary public or services provided under a signature validation program.

Stop Payment

For "loss" related to any "claim" based upon, arising out of, attributable to, resulting directly or indirectly from the failure to comply with any notice of any "customer" or any authorized representative of such "customer" to stop payment on any check or draft made or drawn by such "customer" or the wrongful dishonor of any check or draft made or drawn by the "customer" or any authorized representative of such "customer."

**CREDIT UNION SERVICE ORGANIZATION
ADVANTAGE ENDORSEMENT
FINANCIAL SERVICES PROFESSIONAL LIABILITY COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

This Endorsement modifies the Financial Services Professional Liability Coverage. This Endorsement is subject to the Declarations, Terms, Conditions And Other Provisions and the Financial Services Professional Liability Coverage, except as modified in this Endorsement. The Additional Definition and Definition in this Endorsement apply only to this Endorsement.

ADDITIONAL DEFINITION

Shared Branching Facility

“Shared branching facility” means a staffed office location that provides members of any credit union, other than the “insured organization,” the ability to interact with an “insured person” to transact business on behalf of the member with their respective credit union, pursuant to a written contract that at a minimum includes share deposit and share withdrawal transactions.

DEFINITION

Wrongful Financial Services Liability Act

The Wrongful Financial Services Liability Act Definition in the Financial Services Professional Liability Coverage is replaced with the following:

“Wrongful financial services liability act” means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by or on behalf of an “insured” in the rendering or failure to render “professional services” or while functioning as a “shared branching facility.”

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM ENDORSEMENT

This endorsement is subject to the Declarations, Coverages, Definitions, Exclusions, and Conditions contained in the Policy, except as modified in this endorsement.

ADDITIONAL EXCLUSION

Cap On Certified Terrorism Losses

1. If aggregate insured losses attributable to “certified acts of terrorism” under the Terrorism Risk Insurance Act exceed \$100 billion in any one calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.

ADDITIONAL DEFINITION

Certified Act Of Terrorism

“Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals 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.

ENHANCED DEFENSE REIMBURSEMENT COVERAGE MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Coverage is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Coverage.

COVERAGE

Enhanced Defense Reimbursement

1. If Enhanced Defense Reimbursement Coverage is granted as shown in Item 8. (A) on the Declarations, the “insurance organization” shall reimburse any “insured” for “defense costs” incurred as a result of any “claim” for which there is no coverage available under any other coverage under Management & Professional Liability issued to the “insured” and that is first made against the “insured” during the “policy period” or, if exercised, during the Extended Reporting Period, for: Injunctive or other equitable relief;

Violation of the rules, regulations or directives of the Consumer Financial Protection Bureau, including any formal or informal investigation by any regulatory body involving such an allegation;

Improper sequencing or other mishandling of transactions resulting in excessive overdraft or insufficient funds fees being charged to a customer(s);

Patent infringement;

Violation of the Telephone Consumer Protection Act (47 U.S.C. § 227); or

Which coverage is wholly excluded by one or more of the following exclusions contained in the Management & Professional Liability Policy:

- Acquired Collateral Additional Exclusion;
- Contractual Liability Additional Exclusion;
- Diminution In Value Additional Exclusion;
- Guaranteed Performance Additional Exclusion;
- Insolvency Of Financial Institutions Additional Exclusion;
- Investment Value Additional Exclusion;
- Legal Lending Limit Additional Exclusion;
- Pollution Or Nuclear Exclusion; or
- Privacy And Security Exclusion.

2. This Enhanced Defense Reimbursement Coverage applies only to “defense costs.” It affords no coverage for any other element of “loss” incurred by an “insured” on account of a “claim” including, but not limited to, settlement payments or liability imposed by a judgment in a legal action.

**ENHANCED DEFENSE REIMBURSEMENT COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITION

Defense Costs

The Defense Costs definition in the Terms, Conditions And Other Provisions is replaced with the following:

“Defense costs” means reasonable attorneys’ fees, experts’ fees, arbitrators’ fees or mediators’ fees and expenses, that are incurred after notice is provided in compliance with the Claims Reporting Condition and, as a direct result of defending a “claim,” including any appeals and the premium for any attachment, appeal or other similar bonds.

Provided, however, “defense costs” does not include:

- a. Wage, salary, benefit or overhead expenses of an “insured”;
- b. Any attorneys’ fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of an “insured” including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with the “insurance organization’s” consent against persons or parties not insured under this Policy; or
- c. Amounts that are incurred in connection with providing any collateral that may be required for obtaining any appeal bond, or other similar bond or any obligation to provide such collateral.

**ENHANCED DEFENSE REIMBURSEMENT COVERAGE
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL EXCLUSION

The “insurance organization” shall not be liable to make any payment:

Prior Or Pending Litigation

For “defense costs” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any written demand, suit, litigation, order, formal complaint, formal civil administrative or civil regulatory proceeding, judgment or arbitration proceeding against any “insured” occurring on or prior to the Prior Or Pending Litigation Date shown in Item 7. on the Declarations for Enhanced Defense Reimbursement Coverage, or any “interrelated wrongful act” that is part of or alleged in the aforementioned events.

CONDITIONS

Deductibles And Limits Of Liability

For purposes of Enhanced Defense Reimbursement Coverage only, the following is added to the Deductibles And Limits Of Liability Condition in the Terms, Conditions And Other Provisions:

Co-Payment

The “insured” will be responsible for that portion of “defense costs” that is equal to the co-payment percentage shown on the Declarations for all “defense costs” in excess of the Per Claim Deductible.

Defense And Settlements

For purposes of Enhanced Defense Reimbursement Coverage only, the following is added to the Defense And Settlements Condition in the Terms, Conditions And Other Provisions:

The “insured organization” shall have the right and duty to select defense counsel and defend any “claim.”

The “insurance organization” shall have no right or duty to settle any “claim,” but the “insured” may settle any “claim” in its discretion and at its sole expense.

CLAIMS REPORTING NOTIFICATION ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Endorsement is subject to the Declarations, and Terms, Conditions And Other Provisions, except as modified in this Endorsement.

CONDITION

Claims Reporting

The following is added to the Claims Reporting Condition:

All notices under any provision of this Policy shall be in writing and given by prepaid express courier, certified mail, fax or email properly addressed to the appropriate party. Notice to the “insurance organization” of any “claim” or circumstance shall be submitted to:

CUMIS Insurance Society, Inc.
Attention: Claims Litigation Team
PO Box 1221
Madison, WI 53701-1221

- Or -

CUMIS Insurance Society, Inc.
Attention: Claims Litigation Team
Fax: (608) 236-8098

- Or -

Email: litigation.team@trustage.com

For claims assistance by telephone, call (844) 337-5828

SUPPLEMENTAL COVERAGE ENDORSEMENT MANAGEMENT & PROFESSIONAL LIABILITY POLICY

This Endorsement is subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in this Endorsement. The Additional Definitions and Additional Conditions in this Endorsement apply only to these Coverages.

ADDITIONAL COVERAGES

Coverage	Limits of Liability
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Fundraising Event Blackout	\$25,000
Key Individual Replacement Expenses	\$25,000
Political Unrest	\$5,000 per employee \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL COVERAGES

Business Travel Accident Benefit

The “insurance organization” will pay a Business Travel Accident Benefit to the “insured organization” if a “director or officer” suffers injury or death while traveling on a common carrier for the “insured organization’s” business during the “policy period.”

For the purpose of Business Travel Accident Benefit coverage, injury means:

- a. Physical harm to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
- b. Accidental loss of limbs or multiples fingers; or
- c. Total loss of sight, speech or hearing.

The limit of liability for this coverage is \$50,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

- a. An intentional act by the “insured person”;
- b. An act of suicide or attempted suicide;
- c. An act of war; or
- d. A disease process.

Conference Cancellation

The “insurance organization” will reimburse the “insured organization” for any business-related conference expenses, paid by the “insured person” and not otherwise reimbursed, for a canceled conference that an “employee” was scheduled to attend. The cancellation must be due directly to a “natural catastrophe” or a “communicable disease” outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

- a. The “insured person” must have registered for the conference at least thirty (30) days prior to the cancellation; and
- b. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of liability for this coverage is \$25,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL COVERAGES

Fundraising Event Blackout

The “insurance organization” will reimburse the “insured organization” for “fundraising expenses” that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of liability for this coverage is \$25,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

Key Individual Replacement Expenses

The “insurance organization” will pay “key individual replacement expenses” if the Chief Executive Officer or Executive Director suffers an “injury” during the “policy period” which results in the loss of life during the “policy period.” The limit of liability for this coverage is \$25,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

Political Unrest Coverage

The “insurance organization” will reimburse any present “director or officer,” “employee” or “volunteer” of the named insured while traveling outside the United States of America, for approved business travel, for “emergency evacuation expenses” that are incurred as a result of an incident of “political unrest.” This “political unrest” must occur during the “policy period.” No coverage is granted for travel to countries in a state of “political unrest” at the time of departure of the travel. The limit of liability for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

Temporary Meeting Space Reimbursement

The “insurance organization” will reimburse the “insured organization” for rental of meeting space which is necessitated by the temporary unavailability of the “insured’s” primary office space due to the failure of a climate control system, or leakage of a water heater during the “policy period.”

Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this Policy. The limit of liability for this coverage is \$25,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

Terrorism Travel Reimbursement

The “insurance organization” will reimburse any present “director or officer” of the named insured in the event of a “certified act of terrorism” during the “policy period” which necessitates that he/she incurs “emergency travel expenses.” The limit of liability for this coverage is \$50,000 per “policy period” for all insureds combined. No deductible applies to this coverage.

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL COVERAGES

Travel Delay Reimbursement

The “insurance organization” will reimburse any present “director or officer” of the named insured for any “non-reimbursable expenses” they incur as a result of the cancellation of any regularly scheduled business travel, for the purposes of the “insured organization,” on a common carrier. The limit of liability for this coverage is \$1,500 per “policy period” for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Certified Act of Terrorism

“Certified act of terrorism” means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

Communicable Disease

“Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.

Emergency Evacuation Expenses

“Emergency evacuation expenses” mean:

- a. Additional lodging expenses;
- b. Additional transportation costs;
- c. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and
- d. Translation services, message transmittals and other communication expenses.

Provided that these expenses are not otherwise reimbursable.

Emergency Travel Expenses

“Emergency travel expenses” mean:

- a. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a “certified act of terrorism”; and
- b. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a “certified act of terrorism”;

Provided that these expenses are not otherwise reimbursable.

Fundraising Expenses

“Fundraising expenses” mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Injury

“Injury” whenever used in this endorsement, other than in Business Travel Additional Coverage, means any physical damage to the body caused by violence, fracture or an accident.

Key Individual Replacement Expenses

“Key individual replacement expenses” mean the following necessary expenses:

- a. Costs of advertising the employment position opening;
- b. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
- c. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

Natural Catastrophe

“Natural catastrophe” means hurricane, tornado, earthquake, flood, wildfire, tsunami or volcanic eruption.

Non-reimbursable Expenses

“Non-reimbursable expenses” mean the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your “director or officer” produces a receipt:

- a. Meals and lodging;
- b. Alternative transportation;
- c. Clothing and necessary toiletries; and
- d. Emergency prescription and non-prescription drug expenses.

Political Unrest

“Political unrest” means:

- a. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
- b. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL DEFINITIONS

Political Unrest - continued

- c. A condition of disturbance, turmoil or agitation in a foreign country that restrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff.

For which either an alert or travel warning has been issued by the United States Department of State.

**SUPPLEMENTAL COVERAGE ENDORSEMENT
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

ADDITIONAL CONDITIONS

Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

Limits of Liability

- a. When coverage is provided by this endorsement and another coverage form or endorsement attached to this Policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this Policy. Additionally, if this Policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
- b. Limits of liability or limits of insurance identified in the Additional Coverages section of this endorsement are not excess of, but are in addition to the applicable Limits of Liability stated in the Declarations.

2023 Management & Professional Liability Policy: Update

CUNA Mutual Group's number one priority is to provide your credit union with the highest quality and most meaningful coverage and loss prevention services. We closely monitor industry trends, review credit union data, and assess our policies to make relevant changes to our Credit Union Protection coverage and risk management services.

Refinements to the **2023 Management & Professional Liability (MPL)** policy are dependent upon your specific policy coverages and the selections you make. These modifications are effective upon your next renewal (on or after January 1, 2023).

Management & Professional Liability (MPL) Policy: Change Highlights

Addition to Terms, Conditions and Other Provisions MPL 0002

- Adding Fee Dispute Exclusion to clarify that coverage does not apply to disputes related to fees or charges except as may be covered under Enhanced Defense Reimbursement Coverage and would be subject to the Enhanced Defense Reimbursement's limit.

Important:

This Summary is not a contract and no coverage is provided by this document. It does not replace any insurance policy provision or bond. Please read the actual policy for specific coverage, terms, conditions and exclusions.

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Insurance products offered to financial institutions and their affiliates are underwritten by CUMIS Insurance Society, Inc. or CUMIS Specialty Insurance Company, members of the CUNA Mutual Group. Some coverage may not be available in all states. If coverage is not available from one of our member companies, CUNA Mutual Insurance Agency, Inc., our insurance producer affiliate, may assist us in placing coverage with other insurance carriers in order to serve our customers' needs. CUMIS Specialty Insurance Company, our excess and surplus lines carrier, underwrites coverages that are not available in the admitted market.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONTENTS

COVERAGE EXTENSIONS.....2

DEFINITIONS4

EXCLUSIONS.....16

CONDITIONS.....19

TERMS, CONDITIONS AND OTHER PROVISIONS MANAGEMENT & PROFESSIONAL LIABILITY POLICY

**THIS IS A CLAIMS MADE POLICY.
DEFENSE COSTS ARE INCLUDED WITHIN THE ANNUAL AGGREGATE LIMIT OF
LIABILITY. ANY DEDUCTIBLES SHALL APPLY TO DEFENSE COSTS.
READ THIS POLICY CAREFULLY.**

Some provisions restrict coverage. Do not rely on the titles or captions used in this Policy. Read this entire Policy carefully to determine rights, duties and what is or is not covered. Words and phrases appearing in quotation marks in this Policy are defined in the Definitions section of this Policy.

All coverages in this Policy are subject to the Declarations, Terms, Conditions And Other Provisions, except as modified in any coverage or endorsement.

Coverages in this Policy are only provided if, and to the extent that, coverage is indicated on the Declarations.

COVERAGE EXTENSIONS

Estates And Legal Representatives

In the event an “insured person” is deceased, incompetent, insolvent or bankrupt, “insured person” shall also include estates, heirs, legal representatives or assigns of an “insured person.”

Extended Reporting Period

If the “insured organization” or the “insurance organization” terminates, cancels or nonrenews this Policy for any reason, other than for nonpayment of premium, the “insured organization,” shall have the right, upon payment of the additional premium shown in Item 5. on the Declarations, to extend coverage granted by this Policy for an amount of time shown in Item 5. on the Declarations following the effective date of termination, cancellation or nonrenewal. However, the extended coverage provided shall only apply to “wrongful acts” occurring prior to the effective date of termination, cancellation or nonrenewal. The right to purchase the Extended Reporting Period shall cease unless written notice to elect this extension of coverage along with the additional premium due is received by the “insurance organization” within 30 days following the effective date of termination, cancellation or nonrenewal. Any “claim” first made during the Extended Reporting Period shall be deemed to have been made during the “policy period” immediately preceding the effective date of termination, cancellation or nonrenewal.

If the Extended Reporting Period is elected, all premium shall be deemed fully earned at the effective date of termination, cancellation or nonrenewal.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

COVERAGE EXTENSIONS

Spouse And Domestic Partner Liability

The “insurance organization” shall pay for “loss” that a present or former spouse or “domestic partner” of an “insured person” is legally obligated to pay as a result of any “claim” first made during the “policy period” against such spouse or “domestic partner” that is:

- a. Based upon an alleged “wrongful act” by the “insured person” for which coverage is provided to the “insured person” under this Policy; and
- b. Based solely upon their status as a spouse or “domestic partner.”

The Spouse And Domestic Partner Liability Coverage Extension does not apply to the extent that the “claim” alleges any “wrongful act” committed or attempted by the “insured person’s” spouse or “domestic partner.”

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Application

“Application” means all materials submitted for this Policy or for any policy that this is a renewal or replacement. “Application” also includes any financial statements, annual reports, proxies, bylaws or any description of corporate governance and business practices that are made available by the “insured organization” or publicly available through any regulatory body or the “insured organization’s” website, prior to the start of the “policy period.” All such materials are deemed attached to and incorporated into this Policy.

Claim

“Claim” means any of the following, for any “wrongful act,” including any appeal therefrom:

- a. A written demand to any “insured” for monetary damages or legal or equitable non-monetary relief;
- b. A civil proceeding brought against any “insured” commenced by the service of a complaint or similar pleading;
- c. A criminal proceeding against any “insured person” commenced by the return of an indictment or information;
- d. A formal civil administrative or civil regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document, including proceedings before the Equal Employment Opportunity Commission or similar state or federal agency against any “insured”;
- e. A written request to participate in an arbitration, mediation or other alternative dispute resolution proceeding if an “insured” is obligated to participate in such proceeding or if an “insured” agrees to participate in such proceeding, with the “insurance organization’s” written consent;
- f. A written request to any “insured” to toll or waive a statute of limitations;
- g. Solely with respect to a “wrongful fiduciary liability act,” any fact-finding investigation of any “insured” by the United States Department of Labor or the United States Pension Benefit Guaranty Corporation; or
- h. Solely with respect to a “wrongful employment practices liability act,” a written demand for reinstatement, re-employment or re-engagement.

Defense Costs

“Defense costs” means reasonable attorneys’ fees, experts’ fees, arbitrators’ fees or mediators’ fees and expenses, to which the “insurance organization” has consented and that are incurred after notice is provided in compliance with the Claims Reporting Condition and, as a direct result of defending a “claim,” including any appeals and the premium for any attachment, appeal or other similar bonds.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Defense Costs – continued

Provided, however, “defense costs” does not include:

- a. Wage, salary, benefit or overhead expenses of an “insured”;
- b. Any attorneys’ fees, disbursements, costs or expenses incurred in connection with an affirmative claim by or on behalf of an “insured” including counterclaims, cross-claims or third-party claims, except for claims for contribution or indemnity asserted with the “insurance organization’s” consent against persons or parties not insured under this Policy; or
- c. Amounts that are incurred in connection with providing any collateral that may be required for obtaining any appeal bond, or other similar bond or any obligation to provide such collateral.

Director Or Officer

“Director or officer” means:

- a. Any natural person who was, is now or becomes in the future a duly elected or appointed officer, director, member of the board of managers, or management committee of the “insured organization”;
- b. With respect to a “subsidiary” incorporated or chartered outside the United States of America, any natural person who was, is now or becomes in the future in a position that is the functional equivalent of any duly elected or appointed officer or director of that “subsidiary”;
- c. With respect to any “insured organization” that is a non-profit entity, any natural person who was, is now or becomes in the future a duly elected or appointed officer, director, member of the audit committee, member of the supervisory committee, or trustee; or
- d. Only with respect to Fiduciary Liability Coverage made part of this Policy, any natural person who was, is now or becomes in the future a duly elected or appointed trustee, officer or director of any “insured plan.”

Domestic Partner

“Domestic partner” means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal written program established by the “insured organization.”

Employee

“Employee” means any natural person, other than a “director or officer,” “leased employee,” “volunteer” or “independent contractor,” whether their employment status is full-time, part-time, temporary or seasonal, who:

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Employee - continued

- a. Has provided, is providing, or seeks to provide in the future labor or service within the scope of the performance of their assigned duties at the direction of the “insured organization” in the conduct of its business; and
- b. Has been, is being, or seeks to be paid a regular wage or salary by the “insured organization” or sponsor who provides such persons to the “insured organization.”

Environment

“Environment” means any:

- a. Person;
- b. Man-made object or feature;
- c. Animals, crops or vegetation; or
- d. Land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled or occupied by an “insured.”

Healthcare Exchange

“Healthcare exchange” means any public, private, or government sponsored entity established to facilitate the purchase of health insurance in accordance with the Patient Protection and Affordable Care Act (42 U.S.C. § 18001 et seq.).

Independent Contractor

“Independent contractor” means any natural person, other than an “employee,” “director or officer,” “leased employee” or “volunteer” who renders service to the “insured organization” in the course of independent employment pursuant to a contract for specified services; provided that any:

- a. Coverage afforded under this Policy for such natural person only applies to the extent that the “insured organization” agrees to indemnify such natural person; and
- b. Such coverage shall be specifically excess of any other indemnity and insurance otherwise available to such natural person or any entity that such natural person is affiliated.

Insurance Organization

“Insurance organization” means CUMIS Insurance Society, Inc.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Insured

“Insured” means:

- a. The “insured organization”;
- b. “Insured persons”;
- c. Only with respect to Fiduciary Liability Coverage provided in this Policy, “insured plan”; or
- d. Other “insured” if listed as an “insured” in an endorsement to this Policy.

Insured Organization

“Insured organization” means any entity shown in Item 1. on the Declarations and its “subsidiaries.”

Insured Persons

“Insured persons” means:

- a. A “director or officer”;
- b. “Volunteer”; and
- c. Only to the extent coverage is granted for the Additional Insureds as shown in Item 6. (A) on the Declarations, “employees,” “leased employees” and “independent contractors.”

Insured Plan

“Insured plan” means any:

- a. Employee benefit plan, as defined by the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1 et seq.), as amended that is operated solely by the “insured organization,” or jointly by the “insured organization” and a labor organization, starting before the “policy period,” for the benefit of the “employees,” “directors or officers,” “leased employees” or “volunteers” of the “insured organization”;
- b. Other employee benefit plan, or group insurance program, including a Health Savings Account (HSA) program, not subject to Title I of the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1 et seq.), as amended, sponsored solely by the “insured organization” for the benefit of the “employees,” “directors or officers,” “leased employees” or “volunteers” of the “insured organization,” or in the case of a HSA, those offered by the “insured organization,” if such plan existed prior to the “policy period”;
- c. Other employee benefit plan if listed as an “insured plan” in an endorsement to this Policy;

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Insured Plan – continued

- d. Government-mandated benefit program for workers' compensation, unemployment, social security or disability benefits for "employees," "directors or officers," "leased employees" or "volunteers";
- e. 457 (b) or 457 (f) plan; or
- f. Benefits available to employees of the "insured organization" through a "healthcare exchange."

Unless otherwise listed as an "insured plan" in an endorsement to this Policy, "insured plan" does not include a multi-employer plan, as defined by the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1 et seq.), as amended or an employee stock ownership plan.

Interrelated Wrongful Acts

"Interrelated wrongful acts" means all "wrongful acts" that have a common fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes.

Leased Employee

"Leased employee" means any natural person, other than an "employee," "director or officer," "volunteer" or "independent contractor," who is leased to the "insured organization" to perform work and for whom the "insured organization" directs or guides the work performed; provided that any:

- a. Coverage afforded under this Policy for such "leased employee" only applies to the extent that the "insured organization" agrees to indemnify such "leased employee"; and
- b. Such coverage shall be specifically excess of any other indemnity and insurance otherwise available to the "leased employee" from or provided by the entity that such "leased employee" is leased.

Loss

"Loss" means "defense costs" and the following amounts that the "insureds" are legally obligated to pay as the result of a "claim":

- a. Damages awarded in judgments;
- b. Amounts paid in settlements entered into with the consent of the "insurance organization";
- c. Punitive or exemplary damages, to the extent insurable under applicable law;
- d. The multiple portion of a damage award;
- e. Pre-judgment interest on covered "loss";
- f. Post-judgment interest on covered "loss";

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Loss - continued

- g. Solely with respect to a “wrongful employment practices liability act,” liquidated damage awards pursuant to the Age Discrimination in Employment Act (ADEA) (29 U.S.C. §§ 621-634) or the Equal Pay Act of 1963 (209 U.S.C. § 206(d)), including any amendments thereto;
- h. Solely with respect to a “wrongful employment practices liability act,” front pay or back pay; or
- i. Solely with respect to a “wrongful fiduciary liability act,” civil money penalties imposed on an “insured” for violation of the privacy provisions of the Health Insurance Portability and Accountability Act (HIPAA) (42 U.S.C. § 1 et seq.), including any amendments thereto. Provided, however, the “insurance organization’s” maximum limit of liability for the “policy period” shall be \$250,000 and no deductible shall apply for any such civil money penalties.

“Loss” does not mean or include any of the following:

- a. Civil or criminal fines, penalties, sanctions, injunctive relief, orders of forfeiture, or restitution and disgorgement, except:
 - 1) To the extent included in paragraphs c., d., or i. above; or
 - 2) For the 5% penalty under § 502(i) and the 20% penalty under § 502(l) of the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1 et seq.), as amended; or
- b. Taxes;
- c. Amounts an “insured” is liable to pay that are uninsurable under applicable law;
- d. Property or the value of any property that the “insured organization” is required to deliver or return to one having superior rights to the property;
- e. Amounts an “insured” disburses or credits as a loan, lease or as any other extension of credit, whether voluntarily or as required by law, statute, regulation or court order;
- f. The amount of any funds that an “insured” returns or refunds to one from whom or that the “insured organization” collected the funds wrongfully or in error, or that a bankruptcy court finds to be a preferential transfer;
- g. Solely with respect to a “wrongful employment practices liability act,” future salary, wages, commissions, payments for any type of insurance or other benefits for a claimant who has been or shall be hired, promoted or reinstated to employment pursuant to a settlement of, order in or other resolution of any “claim”;
- h. Solely with respect to a “wrongful employment practices liability act,” any amounts that constitute severance payments or payments pursuant to a notice period;

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Loss - continued

- i. Amounts representing a reduction, modification or forgiveness of amounts owed (including the timing of amounts owed) for a loan, lease or extension of credit, whether voluntarily or required by law, statute, regulatory body, regulation or court order; or
- j. Amounts allocated to uncovered “loss” specified in any Allocation Condition made part of this Policy.

Only for the purpose of determining applicable law regarding whether such liquidated, punitive, exemplary or multiplied damages are insurable under this Policy, the law of the jurisdiction most favorable to the insurability of those damages shall control, provided that such jurisdiction is where:

- a. Those damages were awarded or imposed;
- b. Any “wrongful act” occurred for which such damages were awarded or imposed;
- c. The “insured” resides, is incorporated or has its principal place of business; or
- d. The “insurance organization” is incorporated or has its principal place of business.

Outside Entity

“Outside entity” means any:

- a. Non-profit entity described in 26 U.S.C. § 501(c)(3), § 501(c)(4) or § 501(c)(10) of the Internal Revenue Code of 1986 (IRC), as amended, and not included in the definition of “insured organization”; or
- b. Other entity, if specifically granted by endorsement to this Policy,

whereby an “insured person” is a board member or other equivalent of the entity at the direction or request of the “insured organization.”

Personal Information

“Personal information” means any information collected by the “insured” in the normal conduct of its business.

Policy Period

“Policy period” means the period of time shown in Item 2. on the Declarations.

Pollutants

“Pollutants” means:

- a. Noise, solid, semisolid, liquid, odor, gaseous or thermal irritants or contaminants;

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Pollutants - continued

- b. Smoke, vapor, soot, fume, acid, alkali, chemical, biological or other causative agents or materials;
- c. Electromagnetic or ionizing radiation and energy, genetically engineered materials, asbestos, teratogenic, carcinogenic and mutagenic materials and waste. Waste includes any material to be disposed of, recycled, reconditioned or reclaimed; or
- d. Other irritants, contaminants, or controlled or prohibited substances.

Pollution Or Contamination

“Pollution or contamination” means any conditions that:

- a. Are unclean, unsafe, damaging, injurious, or unhealthful; and
- b. Result directly or indirectly from the presence of “pollutants,” whether permanent or transient in any “environment.”

Subsidiary

“Subsidiary” means any:

- a. Entity in which more than 50% of the outstanding voting securities or voting rights representing the present right to vote for election of directors is owned, directly or indirectly, in any combination, by the “insured organization”;
- b. Non-profit entity in which the right to elect or otherwise appoint more than 50% of such entity’s directors or trustees is owned, or controlled, directly or indirectly, in any combination, by the “insured organization”;
- c. Limited liability company in which the right to elect or otherwise appoint or designate more than 50% of such limited liability company’s managers is owned or controlled, directly or indirectly, in any combination, by the “insured organization”;
- d. Joint venture in which the right to elect or otherwise appoint more than 50% of such entity’s directors, trustees or other equivalent executives is owned or controlled, directly or indirectly, in any combination, by the “insured organization”; or
- e. Other entity if listed as a “subsidiary” in an endorsement to this Policy.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Voluntary Compliance Program

“Voluntary compliance program” means the Voluntary Compliance Resolution Program (VCR) (Rev. Proc. 92-89) or the Walk-In Closing Agreement Program (Walk-in CAP), both described in the Employee Plans Compliance Resolution System, (EPCRS) (IRS Rev. Proc. 98-22), as amended, or the Tax Sheltered Annuity Voluntary Correction Program (TVC) (Rev. Proc. 95-24).

Volunteer

“Volunteer” means any natural person, other than an “employee,” “director or officer,” “leased employee” or “independent contractor,” who was or is:

- a. Serving on the committees of the “insured organization” at the appointment of the Board of Directors of the “insured organization”; or
- b. Performing services without compensation solely in the conduct of the “insured organization’s” business.

Wrongful Act

“Wrongful act” means:

- a. “Wrongful management liability act,” but only to the extent Management Liability Coverage is granted as shown in Item 3. (A) on the Declarations;
- b. “Wrongful employment practices liability act” or “wrongful third party act,” but only to the extent Employment Practices Liability Coverage is granted as shown in Item 3. (A) on the Declarations;
- c. “Wrongful fiduciary liability act,” but only to the extent Fiduciary Liability Coverage is granted as shown in Item 3. (A) on the Declarations;
- d. “Wrongful professional liability act,” but only to the extent Professional Liability Coverage is granted as shown in Item 3. (A) on the Declarations;
- e. “Wrongful outside director liability act,” but only to the extent Outside Director Liability Coverage is granted as shown in Item 8. (A) on the Declarations; or
- f. “Wrongful FLSA act,” but only to the extent Fair Labor Standards Act Coverage is granted as shown in Item 8. (A) on the Declarations.

Wrongful Employment Practices Liability Act

“Wrongful employment practices liability act” means any actual or alleged:

- a. Violation of any state, federal, or provincial law, anywhere in the world, prohibiting discrimination against “employees”;

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Wrongful Employment Practices Liability Act - continued

- b. Wrongful dismissal, discharge or termination (including constructive discharge) of employment;
- c. Sexual or workplace harassment;
- d. Violation of employment laws;
- e. Negligent evaluation or training;
- f. Wrongful discipline;
- g. Retaliation, unfair discipline or excessive discipline;
- h. Failure to provide adequate workplace, employment policies or procedures;
- i. Failure to promote, train, grant variable pay, or grant tenure;
- j. Breach of an employment contract, whether actual, implied, written or oral;
- k. Misrepresentation or misstatement;
- l. Negligent supervision or hiring of others;
- m. Failure to employ;
- n. Libel, slander, defamation of character, publication of material in violation of a person's right of privacy;
- o. Infliction of emotional distress, mental anguish or humiliation;
- p. Negligent retention; or
- q. Hostile work environment,

brought by or on behalf of and related to current, past, future or prospective employment of any natural person by the "insured organization."

Wrongful FLSA Act

"Wrongful FLSA act" means an actual or alleged violation of the Fair Labor Standards Act (FLSA) (29 U.S.C. § 201, et seq.), or any similar state or local laws.

Wrongful Fiduciary Liability Act

"Wrongful fiduciary liability act" means any actual or alleged:

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

DEFINITIONS

Wrongful Fiduciary Liability Act - continued

- a. Breach of the responsibilities, obligations or duties imposed upon any “insured” in its capacity as a fiduciary of any “insured plan” or by the common or statutory law of the United States of America or any other jurisdiction anywhere in the world or in the discharge of the “insured’s” duties in a settlor capacity of an “insured plan”;
- b. Matter claimed against the “insured organization” or any “insured person” solely because of their service as a fiduciary of any “insured plan”; or
- c. Negligent act, error or omission by an “insured” based on any of the following with respect to an “insured plan”:
 - 1) Interpreting or applying;
 - 2) Giving counsel to “employees,” “directors or officers,” “leased employees” or “independent contractors”; or
 - 3) Handling of records in effecting enrollment, calculating, terminating or canceling; or
- d. A negligent act, error or omission by an “insured” in:
 - 1) Interpreting or applying; or
 - 2) Giving counsel to “employees,” “directors or officers,” “leased employees” or “independent contractors,”

concerning workers’ compensation, unemployment insurance, Old-Age, Survivors And Disability Insurance (OASDI) (42 U.S.C. § 301, et seq.).

Wrongful Management Liability Act

“Wrongful management liability act” means any actual or alleged:

- a. Error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by any “insured” in their capacity as such; or
- b. Matter claimed against an “insured person” solely by reason of his or her serving in such capacity.

Provided, however, “wrongful management liability act” does not include any conduct actually or allegedly committed or attempted by any “insured person” in their capacity as a director, officer, trustee, governor, member of the board of managers, or any equivalent position, or employee of any entity other than the “insured organization,” even if service in such capacity is with the knowledge and consent of, at the direction or request of, or part of the duties regularly assigned to the “insured person” by the “insured organization.”

Wrongful Outside Director Liability Act

“Wrongful outside director liability act” means:

- a. Error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by any “insured” in their capacity as a board member of an “outside entity”; or
- b. Matter claimed against an “insured person” solely by reason of his or her serving an “outside entity.”

Wrongful Professional Liability Act

“Wrongful professional liability act” shall have the meaning set forth in any endorsement made part of this Policy.

Wrongful Third Party Act

“Wrongful third party act” means the actual or alleged discrimination or harassment by an “insured” of an individual who is not an “insured,” and who is, was or seeks to be a customer, borrower or vendor of the “insured organization.”

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

EXCLUSIONS

With respect to any coverage provided in this Policy, the “insurance organization” shall not be liable to make any payment:

Dishonest Or Willful Acts

For “loss” related to any “claim” based upon, arising out of, attributable to, or resulting directly or indirectly from any deliberately dishonest, fraudulent, intentional or willful misconduct or act, or any willful or intentional violation of any law, statute or regulation, by any “insured,” but only if a final, non-appealable adjudication establishes that such misconduct, act or violation was committed by the “insured.”

Fee Dispute

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any dispute involving fees or charges of the “insured organization,” except as may be covered under Enhanced Defense Reimbursement Coverage.

Insured Versus Insured

For “loss” related to any “claim” brought or maintained by or on behalf of any “insured” in any capacity, except a “claim”:

- a. That is a derivative action brought or maintained on behalf of the “insured organization” by one or more persons who are not “insured persons” and who bring and maintain such “claim” without the instigation, solicitation, assistance or active participation of any “insured person”;
- b. Brought or maintained by any natural person who was a “director or officer,” but who has not served as a “director or officer” for at least 4 years preceding the date the “claim” is first made, and who brings and maintains the “claim” without the instigation, solicitation, assistance or active participation of any “director or officer” who is serving as a “director or officer” or was serving as a “director or officer” within such 4-year period;
- c. Brought or maintained by or on behalf of any “insured person” for any “wrongful employment practices liability act” or “wrongful FLSA act”;
- d. Brought or maintained by any “insured person” for contribution or indemnity for a “wrongful act”;
- e. Brought or maintained by or on behalf of any “insured person” for a “wrongful fiduciary liability act”;
- f. Brought or maintained by or on behalf of any “insured person” solely in his or her capacity as a customer of the “insured organization” for a “wrongful professional liability act,” provided that such “claim” is totally without the instigation, solicitation, assistance, involvement or participation of any other “insured person”;
- g. Brought by a bankruptcy trustee or examiner of the “insured organization,” or any assignee of such bankruptcy trustee, examiner, receiver, conservator, rehabilitator, or liquidator or comparable authority of the “insured organization”; or

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

EXCLUSIONS

Insured Versus Insured - continued

- h. Brought by an “employee” pursuant to any federal or state whistleblower protection statute or any rule or regulation promulgated thereunder.

Outside Entity

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any act, error, omission, neglect or breach of duty by an “insured person” while serving as an employee, director or volunteer of, or in any other capacity for, any entity other than the “insured organization” regardless of whether such service was undertaken, or such act, error, omission, neglect or breach of duty was committed, at the request or direction of the “insured organization” or any other person or entity.

Pollution Or Nuclear

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from actual, threatened or alleged:

- a. “Pollution or contamination” of any “environment” by “pollutants” or seepage of “pollutants” that are introduced at any time, anywhere, in any way;
- b. Discharge, dispersal, release or escape of “pollutants”;
- c. Costs, or other “loss” or damage arising out of “pollution or contamination” or seepage including, but not limited to cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such “pollution or contamination,” seepage, or “pollutants,” whether occasioned by governmental direction, request, demand or order, or otherwise;
- d. Nuclear reaction, radiation or radioactive contamination; or
- e. Costs, or other “loss” or damages, arising from the investigation or defense of any lawsuit, administrative or criminal proceedings or other action or proceedings related to any of the above.

Provided, however, this exclusion shall not apply to:

- a. Individual Coverage in the Management Liability Coverage for a “wrongful management liability act”;
or
- b. Employment Practices Coverage for a “wrongful employment practices liability act” based upon retaliation against the claimant for an actual or alleged refusal to violate any federal, state or local statutory law or common law,

related to paragraphs a., b., c., or d. above.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

EXCLUSIONS

Prior Coverage

For the portion of “loss” related to amounts for which an “insured” is entitled to any coverage under any insurance policy for which this Policy is a direct or indirect renewal or replacement.

Privacy And Security

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from unauthorized access of “personal information,” including any resulting violation of a person’s right to privacy.

Provided, however, this exclusion shall not apply to any “director or officer.”

Recovery By Bonding Company

For “loss” related to any “claim” based upon, arising out of, attributable to or resulting directly or indirectly from the assertion of subrogation or recovery rights by or on behalf of any fidelity bonding company or fidelity insurer.

Remuneration

For “loss” related to any “claim” based upon, arising out of, attributable to, resulting directly or indirectly from any “insured” gaining any profit, unjust enrichment, remuneration or advantage that such “insured” was not legally entitled but only if a final, non-appealable adjudication establishes that the “insured” was not legally entitled to such profit, enrichment, remuneration or advantage.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Allocation

If as a result of any “claim” the “insureds” who are covered for such “claim” under this Policy incur “loss” jointly with others, including any “insureds” who are not covered for such “claim” under this Policy, or the “insureds” incur an amount consisting of both “loss” covered by this Policy and “loss” not covered by this Policy because the “claim” includes both covered and uncovered matters, such amount shall be allocated between covered “loss” and uncovered “loss” based upon the relative legal and financial exposures of the parties to covered and uncovered matters.

If there is an agreement on an allocation of “defense costs,” the “insurance organization” shall pay on behalf of the “insureds,” the covered portion of “defense costs” that the “insureds” have incurred in connection with such “claim” and that are allocated to covered “loss.”

If there is no agreement on an allocation of such “defense costs,” the “insurance organization” shall advance “defense costs” that the “insurance organization” believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined. Any advancement of “defense costs” shall be subject to, and conditioned upon receipt by the “insurance organization” of a written agreement by the “insureds” that such advanced amounts shall be repaid to the “insurance organization” by the “insureds,” severally for “insured persons” according to their respective interests, and jointly for the “insured organization,” including uncollectible amounts from “insured persons,” if and to the extent that such “defense costs” are not covered under this Policy.

Any negotiated, arbitrated or judicially determined allocation of “defense costs” incurred in connection with a “claim” shall be applied retroactively to all “defense costs” incurred in connection with such “claim,” notwithstanding any prior advancement to the contrary. Any allocation or advancement of “defense costs” incurred in connection with a “claim” shall not apply to or create any presumption with respect to the allocation of other “loss” as a result of such “claim” or any other “claim.”

If “loss” arising from a single “claim” is incurred and covered under more than one coverage made part of this Policy, such “loss” shall be allocated to each applicable coverage based upon the relative legal and financial exposures under each applicable coverage. To the extent such an allocation cannot reasonably be made, such “loss” shall be covered, subject to all the limitations, exclusions, conditions, provisions and other terms of this Policy, under the applicable coverage in the following order:

- (1) Employment Practices Liability Coverage;
- (2) Any Professional Liability Coverage;
- (3) Entity Coverage in the Management Liability Coverage;
- (4) Reimbursement Coverage in the Management Liability Coverage;
- (5) Individual Coverage in the Management Liability Coverage;
- (6) Fiduciary Liability Coverage; then

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Allocation - continued

- (7) Any other coverages under this Policy.

Changes In Exposure

1. Acquisition Or Creation Of Another Organization

If before or during the “policy period” the “insured organization” acquires an interest in another organization:

- a. Or creates another organization, that as a result of such acquisition or creation becomes a “subsidiary”; or
- b. By merger or consolidation, such that the “insured organization” is the surviving entity,

then such other organization, including their equivalent “insured persons” and “insured plans,” shall become an “insured” under this Policy, but only with respect to “wrongful acts” occurring subsequent to such acquisition, creation, merger or consolidation.

If the total assets of any such acquired, created, merged or consolidated “subsidiary” or its total benefit plans exceed 35% of the total assets of the “insured organization” or its “insured plans,” respectively (as reflected in each of the most recent annual consolidated financial statements or similar written confirmation of total assets), the “insured organization” shall give written notice of such acquisition, creation, merger or consolidation to the “insurance organization” and, any additional information requested by the “insurance organization,” as soon as practicable, but in no event later than 60 days after the date of such acquisition, creation, merger or consolidation. The “insured organization” shall also provide any requested additional premium required by the “insurance organization” within 30 days of request for such additional premium. If the “insured organization” fails to provide written notice to the “insurance organization” of such acquisition, creation, merger or consolidation of or into such organization, or any additional information requested by the “insurance organization” or, fails to pay the required additional premium, then coverage for such organizations shall cease as of the date of such acquisition, creation, merger or consolidation.

2. Acquisition Of Insured Organization By Another Organization

If during the “policy period”:

- a. The “insured organization” merges into, consolidates with, or is acquired by another organization so that the “insured organization” is not the surviving entity; or
- b. Another organization, group of organizations, person or persons acting collectively acquires, directly or indirectly, in any combination:
 - 1) More than 50% of the outstanding voting securities representing the present right to vote for election of directors of the “insured organization”;

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Changes In Exposure - continued

- 2) And only if the “insured organization” is a non-profit entity, the right to elect or otherwise appoint more than 50% of the “insured organization’s” directors or trustees; or
- 3) And only if the “insured organization” is a limited liability company, the right to elect or otherwise appoint or designate more than 50% of the “insured organization’s” managers; or

c. The “insured organization” ceases to actively engage in its primary business,

then coverage shall continue until the end of the “policy period,” but only with respect to “claims” for “wrongful acts” occurring before any transaction or event described in paragraphs a., b., or c. above. The premium shall be deemed fully earned at inception upon completion of any transaction or event described in paragraphs a., b., or c. above.

3. Cessation Of A Subsidiary

If before or during the “policy period” an organization ceases to be a “subsidiary,” then coverage with respect to such “subsidiary,” including their equivalent “insured persons” and “insured plans,” shall continue until the end of the “policy period,” but only in connection with “claims” for “wrongful acts” occurring while such organization was a “subsidiary.”

4. Change In Insured Organization

If the “insured organization” is a non-profit entity and, if during the “policy period” the “insured organization” experiences a change in taxation status, by losing its federal income tax exempt status under 26 U.S.C. § 501(c) of the Internal Revenue Code of 1986 (IRC), for any reason, the “insured organization” shall give written notice of such change in taxation status to the “insurance organization” as soon as practicable, but in no event later than 30 days after the date of such change in taxation status. The “insured organization” shall also provide any requested additional premium required by the “insurance organization” within 30 days of request for such additional premium. If the “insured organization” fails to provide written notice to the “insurance organization” of such change in taxation status, or, fails to pay the required additional premium, then coverage shall continue for the “insureds” until the end of the “policy period,” but only with respect to “wrongful acts” occurring prior to such change in taxation status.

If the “insured organization” is a financial institution and is chartered with any state, local or federal body and, if during the “policy period” the “insured organization” converts or loses its charter for any reason, the “insured organization” shall give written notice of such change in charter to the “insurance organization” as soon as practicable, but in no event later than 30 days after the date of such change in charter. The “insured organization” shall also provide any requested additional premium required by the “insurance organization” within 30 days of request. If the “insured organization” fails to provide written notice to the “insurance organization” of such change in charter, or, fails to pay the required additional premium, then coverage shall continue for the “insureds” until the end of the “policy period,” but only with respect to “wrongful acts” occurring prior to such change in charter.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Changes In Exposure - continued

Except where further bankruptcy relief may require, the bankruptcy or insolvency of any of the “insureds” shall not relieve the “insurance organization” of any obligation under this Policy.

Claims Reporting

For the purposes of this Policy, all “claims,” including any “claims” made during an Extended Reporting Period, arising out of the same “wrongful act” and all “interrelated wrongful acts” of the “insureds” shall be deemed one “claim,” and such “claim” shall be deemed to be first made against the “insureds” on the date the earliest of such “claims” is first made against them, regardless of whether such date is before or during the “policy period.”

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the “insureds” must give written notice to the “insurance organization” of any “claim” as soon as practicable, but in no event later than 60 days from the expiration of the “policy period” or, if elected, no later than the expiration of the Extended Reporting Period.

Notice of claim will occur upon knowledge of claim possessed by the:

- a. Chairperson;
- b. Titled Officer;
- c. Branch Manager;
- d. In-house counsel;
- e. Human Resource Manager, or
any equivalent position.

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the “insureds” must provide the following information as part of the notice of “claim”:

- a. The name of the claimant;
- b. The names of the “insureds” whose “wrongful acts” are involved in the “claim”;
- c. The date of the alleged “wrongful acts”; and
- d. A copy of any written demand, summons, complaint, lawsuit or legal notice comprising or giving notice of the “claim.”

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Claims Reporting - continued

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the “insureds” must provide to the “insurance organization” such other information and cooperation as the “insurance organization” may reasonably request.

If during the “policy period” or, if elected, the Extended Reporting Period, the “insureds” become aware of circumstances that could give rise to a “claim” for a “wrongful act” taking place before or during the “policy period” and give written notice of such circumstances and other information as reasonably requested by the “insurance organization,” then any “claims” subsequently arising from such circumstances shall be considered to have been made during the “policy period” or, if elected, the Extended Reporting Period in which such notice of such circumstances and such other information was first provided to the “insurance organization.”

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the “insureds” must provide the following information as part of the notice of circumstance:

- a. A description, including the date, of the potential alleged “wrongful act”;
- b. The nature of the potential “loss”; and
- c. The names of the potential claimants and “insureds” involved.

Conformity With Laws

If any term of this Policy, as written or applied, is found to be invalid under the law of any jurisdiction, then:

- a. If permitted under such law, that term will be considered amended only to the extent necessary to conform with such law;
- b. Such invalidity will not affect the validity of that term in any other jurisdiction; and
- c. Such invalidity will not affect the validity of any other term of this Policy in that or any other jurisdiction.

Deductibles And Limits Of Liability

1. Deductibles

The “insurance organization’s” liability with respect to “loss” arising from each “claim” shall apply only to that part of “loss” that is excess of the applicable deductible shown in Item 3. (C) or Item 8. (C) on the Declarations.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Deductibles And Limits Of Liability - continued

For purposes of Fiduciary Liability Coverage only, no deductible shall apply to “loss” incurred by an “insured person” when that “insured person” is not indemnified by the “insured organization.” The deductible shown in Item 3. (C) on the Declarations shall apply to all other “loss.”

If “loss” arising from a single “claim” is subject to more than one deductible, the applicable deductible shall be applied separately to each part of such “loss,” but the largest applicable deductible shall be the maximum deductible applicable to all “loss” arising from such single “claim.” If a single deductible applies to multiple “insureds,” the deductible shall be pro-rated among such “insureds.”

2. Limits Of Liability

For all coverages included in this Policy as shown in Item 3. (A) on the Declarations that are made part of the Policy Annual Aggregate Limit Of Liability shown in Item 3. (B) on the Declarations, the Policy Annual Aggregate Limit Of Liability shown in Item 4. on the Declarations is the maximum amount the “insurance organization” shall be liable to pay, for all “loss” resulting from all “claims” first made during the “policy period” or, if elected, the Extended Reporting Period.

For each coverage included in this Policy as shown in Item 3. (A) on the Declarations, including any enhanced coverage that are made part of the coverage Annual Aggregate Limit Of Liability shown in Item 8. (B) on the Declarations, the coverage Annual Aggregate Limit Of Liability as shown in Item 3. (A) on the Declarations is the maximum amount the “insurance organization” shall be liable to pay, for all “loss” resulting from all “claims” first made during the “policy period” or, if elected, the Extended Reporting Period, under each applicable coverage.

For each enhanced coverage included in this Policy as shown in Item 8. (A) on the Declarations, the Enhanced Coverage Annual Aggregate Limit Of Liability as shown in Item 8. (A) on the Declarations is the maximum amount the “insurance organization” shall be liable to pay, for all “loss” resulting from all “claims” first made during the “policy period” or, if elected, the Extended Reporting Period, under each applicable enhanced coverage.

For all selected Management Liability Coverage, including any enhanced coverages that are made part of the coverage Annual Aggregate Limit Of Liability for the Management Liability Coverage shown in Item 8. (B) on the Declarations, and included in this Policy as shown in Item 3. (A) on the Declarations, the maximum amount the “insurance organization” shall be liable to pay is the amount provided in the Management Liability Coverage Annual Aggregate Limit Of Liability as shown in Item 3. (A) on the Declarations, for all “loss” resulting from all “claims” first made during the “policy period” or, if elected, the Extended Reporting Period, under all Management Liability Coverage.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Deductibles And Limits Of Liability - continued

For each selected Additional Insured included in this Policy, as shown in Item 6. (A) on the Declarations, that is subject to an Annual Aggregate Sub-Limit Of Liability shown in Item 6. (B) on the Declarations, the Annual Aggregate Sub-Limit Of Liability shown in Item 6. (C) on the Declarations is the maximum amount the “insurance organization” shall be liable to pay, for all “loss” resulting from all “claims” first made during the “policy period” or, if elected, the Extended Reporting Period, for “claims” made against the applicable Additional Insured. Any Annual Aggregate Sub-Limit Of Liability for any Additional Insureds is part of and not in addition to the respective Coverage Annual Aggregate Limit Of Liability as shown in Item 3. (A) on the Declarations and any respective Enhanced Coverage as shown in Item 8. (A) on the Declarations.

“Defense costs” shall be part of, and not in addition to any limit of liability shown on the Declarations, and “defense costs” shall reduce and may exhaust such limit of liability.

If “loss” arising from a single “claim” is covered under more than one coverage or enhanced coverage made part of this Policy, the applicable limit of liability shall apply separately to each part of such “loss.”

The “insurance organization’s” obligations for all “claims” first made during the “policy period” against the “insureds,” under each coverage or enhanced coverage made part of this Policy shall cease once the applicable limit of liability has been exhausted by payment of “loss.”

Any limit of liability for the Extended Reporting Period, if elected, shall be part of, and not in addition to, the applicable limit of liability for the “policy period” immediately preceding the elected Extended Reporting Period. The purchase of the Extended Reporting Period shall not increase or reinstate any applicable limit of liability for the “policy period” immediately preceding the Extended Reporting Period.

All limits of liability made part of this Policy apply separately to each consecutive annual period during the “policy period” and to any remaining period of less than 12 months, starting with the beginning of the “policy period,” unless the “policy period” is extended after the first day of the “policy period” for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the applicable limits.

Defense And Settlements

1. The “insureds” agree not to settle or offer to settle any “claim,” incur any “defense costs” or otherwise assume any contractual obligation, admit any liability, voluntarily make any payment or confess or otherwise agree to any damages or judgments with respect to any “claim” covered by this Policy without the “insurance organization’s” written consent, that shall not be unreasonably withheld. The “insurance organization” shall not be liable for any “loss” based upon settlement, “defense costs,” assumed obligation, admitted liability, voluntary payment, or confessed or agreed damages or judgment to that it has not consented.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Defense and Settlements - continued

2. The “insurance organization” shall be entitled to full cooperation and all information and particulars it may reasonably request from the “insureds” in order to conduct its investigation or to reach a settlement of the “claim.” The “insureds” agree that in the event of a “claim,” the “insureds” shall do nothing that may prejudice the “insurance organization” or its potential or actual rights of recovery.
3. The “insurance organization” may, with the consent of the “insured organization,” settle any “claim” for any monetary amount that the “insurance organization” deems reasonable. If the “insured organization” withholds consent to such settlement, the “insurance organization” liability for all “loss” arising from such “claim” shall not exceed the total of:
 - a. The amount for which the “insurance organization” could have settled such “claim”; plus
 - b. “Defense costs” incurred as of the date such settlement was proposed in writing by the “insurance organization” to the “insured organization”; plus
 - c. 80% of the covered “loss,” excluding “defense costs,” incurred after the date such settlement was proposed in writing by the “insurance organization” to the “insured organization,” in excess of the amount for which the “insurance organization” could have settled such “claim”; plus
 - d. 80% of “defense costs” incurred after the date such settlement was proposed in writing by the “insurance organization” to the “insured organization”; minus
 - e. Any applicable deductible.
4. Any amounts paid by the “insurance organization” under paragraphs a., b. or c. above shall be part of and not in addition to the applicable limits of liability shown on the Declarations.
5. The “insurance organization” and the “insureds” shall not unreasonably withhold any consent referenced in this Defense And Settlements Condition.
6. The “insurance organization” shall have the right to appeal any judgment with respect to any “claim” covered, in whole or in part, by this Policy and the expense of appealing such judgment shall be part of “defense costs.”
7. The “insurance organization” shall have the right and duty to select defense counsel and defend any “claim” covered under this Policy. The “insurance organization’s” duty to defend “claims” shall apply even if any of the allegations are groundless, false or fraudulent, but shall only obligate the “insurance organization” to pay “defense costs.”

Insured Organization Rights And Obligations

The “insured organization” agrees that it shall be considered the sole agent of, and shall act on behalf of, each “insured” with respect to:

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Insured Organization Rights And Obligations - continued

- a. The payment of premiums and the receiving of any return premiums that become due under this Policy;
- b. The negotiation, agreement to and acceptance of endorsements made part of this Policy;
- c. The giving or receiving of any notice provided for in this Policy;
- d. The adjustment of “loss” amounts; and
- e. The receipt or enforcement of payment of “loss” (and the “insured organization” further agrees that it shall be responsible for application of any such payment as provided in the Policy).

Each “insured” agrees that the “insured organization” shall act on its behalf with respects to such matters.

Legal Action Against Insurance Organization

1. Legal action against the “insurance organization” under this Policy may not be brought by any person or entity unless:
 - a. There has been full compliance with all the terms of this Policy; and
 - b. The “insureds” obligation to pay has finally been determined:
 - 1) By final judgment; or
 - 2) In a written agreement executed by the “insureds,” the claimant and the “insurance organization.”
2. A person or entity does not have the right under this Policy to join the “insurance organization” as a party to any action or proceeding that a “claim” against the “insureds” is being asserted.

Liberalization

If we adopt any revision during the “policy period” that would broaden the coverage under this Policy without additional premium, the broadened coverage will immediately apply to this Policy.

Modification Of Policy Terms

This Policy contains all of the agreements between the “insurance organization” and the “insureds” concerning the coverage provided. The Policy terms can be modified only by written endorsement issued by the “insurance organization” and made a part of this Policy.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Non-Assignment

Neither this Policy nor any rights under this Policy can be assigned without the written consent of the “insurance organization.”

Other Insurance

The coverage provided under this Policy is excess over any other valid and collectible insurance or bond coverage that applies or would have applied in the absence of this Policy, 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 the coverage provided in this Policy.

Any payment by an “insured” of a deductible (or retention) under such other insurance shall reduce, if such “loss” would otherwise be covered “loss” under this Policy, by the amount of such payment, the applicable deductible under the coverage.

For purposes of Lender Liability Coverage only, coverage provided is primary to any other insurance, indemnity or bond coverage issued to the “insured” by the “insurance organization.”

For purposes of Employment Practices Liability Coverage only, coverage provided under this Policy is excess to any other insurance issued to or provided by a professional employer organization, employee leasing company or any other similar organization that applies or would have applied in the absence of this Policy.

Presumptive Indemnification

As a condition precedent to the right to receive the benefit of any coverage provided by this Policy, the “insured organization” agrees to indemnify all “insured persons” for all “loss” to the fullest extent permitted by law. The “insured organization” shall also take all steps necessary or allowable to provide such indemnification.

Priority Of Payments

1. If payment is due and owed under this Policy for “loss” and such “loss” together with any prior payments of “loss,” exceeds the applicable limit of liability, the “insurance organization” shall be liable to pay such “loss” subject to the remaining applicable limit of liability in the following priority:
 - a. First, the “insurance organization” shall pay on behalf of any “insured person” for “loss” as a result of a “claim”; and
 - b. Second, only if and to the extent the payment under paragraph a. above does not exhaust the applicable limit of liability, the “insurance organization” shall pay any other “loss” covered by this Policy.

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Priority Of Payments – continued

2. The parties agree that any other “insured” including any bankruptcy trustee, debtor-in-possession or any other successor of the “insured organization,” shall have no interest in or claim for any payments under this Policy until all “claims” against all “insured persons” have been fully and finally resolved and all payments for such “loss” covered under the Policy have been made.

Rights To Recover From Others

If the “insureds” have rights to recover all or part of any “loss” for which the “insurance organization” has made payment under this Policy, those rights are transferred to the “insurance organization.” The “insureds” must do everything necessary to secure and protect those rights. The “insureds” must not do anything to impair those rights. At the “insurance organization’s” request, the “insureds” shall bring suit or transfer those rights to “insurance organization” and cooperate with the “insurance organization” in the enforcement of those rights.

Severability Of Application

In providing coverage under this Policy, the “insurance organization” has relied upon the statements and representations included in the “application” and all such statements and representations are material to the acceptance of risk. The “insureds” represent that all such statements and representations are true. This Policy is issued in reliance upon the “application.”

If any such statements and representations are untrue, this Policy shall not afford any coverage with respect to any of the following “insureds”:

- a. Any “insured person” who knew the facts that were not truthfully disclosed in the “application”;
- b. Under the Reimbursement Coverage in the Management Liability Coverage, the “insured organization” to the extent that it indemnifies an “insured person” referenced in paragraph a. above;
- c. The “insured organization,” if the Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer, General Counsel, Risk Manager, Human Resource Manager, or any equivalent position knew the facts that were not truthfully disclosed in the “application”; or
- d. The “insured plan,” under the Fiduciary Liability Coverage, if the Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer, General Counsel, Risk Manager, Human Resource Manager, or any equivalent position knew the facts that were not truthfully disclosed in the “application,”

whether such “insured person” knew of any untruthful statements or misrepresentations in the “application.”

**TERMS, CONDITIONS AND OTHER PROVISIONS
MANAGEMENT & PROFESSIONAL LIABILITY POLICY**

CONDITIONS

Severability Of Exclusions

No fact pertaining to or knowledge possessed by any “insured person” shall be imputed to any other “insured person” for purposes of applying all exclusions made part of this Policy. Only facts pertaining to or knowledge possessed by the Chairman of the Board, Chief Executive Officer, President, Chief Financial Officer, General Counsel, Risk Manager, Human Resource Manager, or any equivalent position, shall be imputed to the “insured organization” or “insured plan” for purposes of applying any exclusion made part of this Policy.

Territory

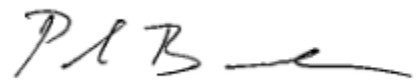
Coverage under this Policy applies in all parts of the world.

Valuation And Foreign Currency

All premiums, limits, deductibles, “loss” and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or any 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 final judgment is entered, the amount of the settlement is agreed upon or any part of the “loss” is due.



President



Secretary

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.