

SURPLUS LINES WARNING LANGUAGE

This policy is written by a surplus lines insurer and is not subject to the filing or approval requirements of the New Jersey Department of Banking and Insurance. Such a policy may contain conditions, limitations, exclusions and different terms than a policy issued by an insurer granted a Certificate of Authority by the New Jersey Department of Banking and Insurance. The insurer has been approved by the Department as an eligible surplus lines insurer, but the policy is not covered by the New Jersey Insurance Guaranty Fund, and only a policy of medical malpractice liability insurance as defined in N.J.S.A. 17:30D-3d or a policy of property insurance covering owner-occupied dwellings of less than four dwelling units are covered by the New Jersey Surplus Lines Guaranty Fund.

This Insurance is effected with certain Underwriters at Lloyd's, London.

This Certificate is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of the said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, their Executors and Administrators.

The Assured is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:

Lockton Affinity, LLC
Executive Center
10895 Lowell Avenue, Suite 300
Overland Park, KS 66210

SLC-3 (USA) NMA2868 (24/08/2000)

CERTIFICATE PROVISIONS

- 1. Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
- 2. Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as hereinbefore set forth. As used in this Certificate

"Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.

3. **Cancellation.** If this Certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 6 of the attached Declaration Page, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted. Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.

5. **Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
6. **Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.
7. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

Short Rate Cancellation Table For Term of One Year.

Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium
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1 5%	66 - 69 29%	154 - 156 53%	256 - 260 77%
2 6	70 - 73 30	157 - 160 54	261 - 264 78
3 - 4 7	74 - 76 31	161 - 164 55	265 - 269 79
5 - 6 8	77 - 80 32	165 - 167 56	270 - 273 (9 mos) 80
7 - 8 9	81 - 83 33	168 - 171 57	274 - 278 81
9 - 10 10	84 - 87 34	172 - 175 58	279 - 282 82
11 - 12 11	88 - 91 (3 mos) 35	176 - 178 59	283 - 287 83
13 - 14 12	92 - 94 36	179 - 182 (6 mos) 60	288 - 291 84
15 - 16 13	95 - 98 37	183 - 187 61	292 - 296 85
17 - 18 14	99 - 102 38	188 - 191 62	297 - 301 86
19 - 20 15	103 - 105 39	192 - 196 63	302 - 305 (10 mos) 87
21 - 22 16	106 - 109 40	197 - 200 64	306 - 310 88
23 - 25 17	110 - 113 41	201 - 205 65	311 - 314 89
26 - 29 18	114 - 116 42	206 - 209 66	315 - 319 90
30 - 32 (1 mos) 19	117 - 120 43	210 - 214 (7 mos) 67	320 - 323 91
33 - 36 20	121 - 124 (4 mos) 44	215 - 218 68	324 - 328 92
37 - 40 21	125 - 127 45	219 - 223 69	329 - 332 93
41 - 43 22	128 - 131 46	224 - 228 70	333 - 337 (11 mos) 94
44 - 47 23	132 - 135 47	229 - 232 71	338 - 342 95
48 - 51 24	136 - 138 48	233 - 237 72	343 - 346 96
52 - 54 25	139 - 142 49	238 - 241 73	347 - 351 97
55 - 58 26	143 - 146 50	242 - 246 (8 mos) 74	352 - 355 98
59 - 62 (2 mos) 27	147 - 149 51	247 - 250 75	356 - 360 99
63 - 65 28	150 - 153 (5 mos) 52	251 - 255 76	361 - 365 (12 mos) 100

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
 1. Determine full annual premium as for insurance written for a term of one year.
 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
 3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

LLOYD'S

One Lime Street London EC3M 7HA

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

POLICY HOLDER NOTICE

A.M. BEST RATING

CERTAIN UNDERWRITERS AT LLOYD’S, LONDON

A.M. Best Rating: A (Excellent)

A.M. Best Company is a worldwide insurance-rating and information agency. **This rating reflects the A.M. Best Company's opinion of an insurer's financial strength and ability to meet ongoing obligations to policyholders** based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile and, where appropriate, the specific nature and details of a rated debt security. A.M. Best Company is not engaged in the offer or sale of any security and does not provide investment advice of any kind. These ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations. Further, **all ratings, are provided "as is," without warranty of any kind, express or implied. The rating information is the current rating provided by A.M. Best as of the date your insurance policy was mailed to you and is subject to change without notice.**

Best's is a registered trademark of the A.M. Best Company, Inc. The rating symbols "A++", "A+", "A", "A-", "B++" and "B+" are registered certification marks of the A.M. Best Company, Inc. Below is a table providing as brief explanation of the rating symbols.

**More Detailed Information About A.M. Best Company And Their Rating Methodology Can Be Viewed On
Their Website At WWW.AMBEST.COM**

GUIDE TO BEST’S FINANCIAL STRENGTH RATINGS			
	RATING	DESCRIPTOR	DEFINITION
Secure	A++, A+	Superior	Assigned to companies that have, in the opinion of A.M. Best, a superior ability to meet their ongoing obligations to policyholders
	A, A-	Excellent	Assigned to companies that have, in the opinion of A.M. Best, an excellent ability to meet their ongoing obligations to policyholders
	B++, B+	Very Good	Assigned to companies that have, in the opinion of A.M. Best, a very good ability to meet their ongoing obligations to policyholders
Vulnerable	B, B-	Fair	Assigned to companies that have, in the opinion of A.M. Best, a fair ability to meet their ongoing obligations to policyholders, but are financially vulnerable to adverse changes in underwriting and economic conditions.
	C++, C+	Marginal	Assigned to companies that have, in the opinion of A.M. Best, a marginal ability to meet their ongoing obligations to policyholders and are financially vulnerable to adverse changes in underwriting and economic conditions.
	C, C-	Weak	Assigned to companies that have, in the opinion of A.M. Best, a weak ability to meet their ongoing obligations to policyholders and are financially very vulnerable to adverse changes in underwriting and economic conditions.
	D	Poor	Assigned to companies that have, in the opinion of A.M. Best, a poor ability to meet their ongoing obligations to policyholders and are financially extremely vulnerable to adverse changes in underwriting and economic conditions.
	E	Under Regulatory Supervision	Assigned to companies (and possibly their subsidiaries / affiliates) that have been placed by an insurance regulatory authority under a significant form of supervision, control or restraint whereby they are no longer allowed to conduct normal ongoing insurance operations. This would include conservatorship or rehabilitation, but does not include liquidation. It may also be assigned to companies issued cease and desist orders by regulators outside their home state or country.
	F	In Liquidation	Assigned to companies that have been placed under an order of liquidation by a court of law or whose owners have voluntarily agreed to liquidate the company. Note: Companies that voluntarily liquidate or dissolve their charters are generally not insolvent.
	S	Rating Suspended	Assigned to companies that have experienced sudden and significant events affecting their balance sheet or operating performance whereby the rating implications cannot be evaluated due to a lack of timely or adequate information.

Lockton Affinity, LLC has not performed an independent analysis and as such, cannot guarantee or make any representations in regard to the financial condition of any insurance companies with which we place business. Please refer to www.AMBest.com for the latest information.

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.

DECLARATIONS

AFB FINANCIAL SERVICES ERRORS & OMISSIONS INSURANCE

THIS IS A CLAIMS MADE AND REPORTED POLICY. EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE AFFORDED UNDER THIS INSURANCE POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE COVERED CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE UNDERWRITERS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE. DAMAGES AND CLAIMS EXPENSES SHALL BE APPLIED AGAINST THE DEDUCTIBLE. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES SHALL BE REDUCED AND MAY BE COMPLETELY EXHAUSTED BY PAYMENT OF CLAIMS EXPENSES.. PLEASE REVIEW THE COVERAGE AFFORDED UNDER THIS INSURANCE POLICY CAREFULLY AND DISCUSS THE COVERAGE HEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.

These Declarations along with the completed and signed application and the Policy with endorsements shall constitute the contract between the **Insureds** and the Underwriters.

Underwriters: Certain UNDERWRITERS, LLOYDS, LONDON

UMR: B0713GLOPR2102151

Policy Number: RIA1299624-06

Item 1. Named Insured: Visconti & Assoc., a Financial Services

 Address:P.O. Box 6158 221 River Street, 9th Floor

 Hoboken, NJ 07030

Item 2. **Policy Period:**
 From: February 1, 2022
 To: February 1, 2023
Both dates at 12:01 a.m. Local Time at the Address stated in Item 1.

Item 3. **Limit of Liability:**

- (a) \$ 1,000,000 Each **Claim** – includes **Claims Expenses**
- (b) \$ 1,000,000 Aggregate for the **Policy Period** –includes **Claims Expenses**
- (c) \$ 1,000,000 each **Cost of Corrections** sublimit–includes **Claims Expenses**
- (d) \$ 1,000,000 Aggregate for the **Policy Period** – **Cost of Corrections** sublimit–includes **Claims Expenses**

The above sublimits are part of, and not in addition, to the Aggregate Limit of Liability stated in Item 3 (b)

Item 4. **Deductible:**

- (a) \$5,000 Each **Claim** deductible – includes **Claims Expenses**
- (b) \$5,000 Each **Costs of Correction** deductible – includes **Claims Expenses**

Item 5.

Total Premium

\$ 2,203.00

Item 6. **Retroactive Date:** 02/01/2010

Item 7. **Extended Reporting Period:**

- (a) One Year at 100% of the total annualized premium for this Policy; or
- (b) Two Years at 150% of the total annualized premium for this Policy; or
- (c) Three Years at 200% of the total annualized premium for this Policy.

Item 8. **Notification under this Policy:**

- (a) Notification pursuant to Clause XI. shall be given to:

Email: Claims@beazley.com

Fax: 1-866-910-1397

Online:

Mail: Beazley Group

30 Batterson Park Road

Farmington, CT 06032

- (b) All other notices under this Policy shall be given to:

Lockton Affinity, LLC

10895 Lowell Avenue, Suite 300

Overland Park, KS 66210 | Toll Free: 866-386-2544

Item 9. **Service of process in any suit shall be made upon:**

Lloyds America, Inc

Attention: Legal Department

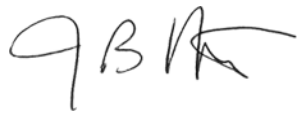
280 Park Avenue, East Tower, 25th Floor

New York, New York 10017

Item 10. **Choice of Law:** New York

Item 11. **Endorsements Effective at Inception:** See Schedule of Forms

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



Authorized Representative

02/14/2022

Date

SCHEDULE OF TAXES, SURCHARGES AND FEES

DESCRIPTION	AMOUNT
Program Administrator Service Charge	\$150.00
TAX	\$110.15

Name of Insurer and Percentage Participation on this Risk:**Certain UNDERWRITERS, LLOYDS, LONDON**

Syndicate	Number	Liability signing
Beazley Furlonge Ltd	AFB 2623	82%
Beazley Furlonge Ltd	AFB 623	18%

FSEO TRUST ATTACHED TO POLICY

The following endorsement attached to this policy and effective as of the inception date of this policy is amended to show the following schedule entry:

Trustee Liability Amendatory Endorsement **FSEO TRUST 02 15 ed**

Retroactive Date: 2/1/2018 for: **FSEO TRUST** at 12:01 A.M.

SCHEDULE OF FORMS		
Form Number	Edition Date	Title
NMA2868	24/08/2000	SL3C (USA) Policy Jacket (All states except CA & IL)
FSEO Dec	0914 ed	AFB Financial Services Errors & Omissions Insurance Declarations
SCHEDPF	0914 ed	Schedule of Policy Forms
FSEO	12/16 ed	AFB Financial Services Errors & Omissions Insurance
NMA1191	7/ 5/59	Radioactive Contamination Exclusion
NMA1256	17/3/60	Nuclear Incident Exclusion Clause
NMA2962	6/2/2003	Biological and Chemical Materials Exclusion
LMA3100	15 Sept. 2010	Sanction Limitation and Exclusion Clause
LSW1135B	06 03	Lloyds Privacy Policy Statement
FSEO FID	1116 ed	Fiduciary Liability Endorsement
FSEO TRUST	09 15 ed	Trustee Liability Amendatory Endorsement

POLICYHOLDER NOTICES		
<p>We have included Policyholder Notices in order to advise you of various insurance topics that may have impact on your policy. Coverage is not provided or amended by these notices, nor can they be construed to replace any provisions of your policy. A listing of Policyholder Notices is provided below for your convenience only.</p>		
LSW1001	08 94	Several Liability Notice/Clause
PHNOTICE NB LRS	09 05	Policy Holder Notice - Explanation of A.M. Best Rating
ILP001	01 04	U.S. Treasury Dept. OFAC Advisory Notice
NJ		Surplus Lines Warning Language



AFB FINANCIAL SERVICES ERRORS & OMISSIONS INSURANCE

NOTICE: This is a Claims Made and Reported Policy. Except to such extent as may otherwise be provided herein, the coverage afforded under this Insurance Policy is limited to liability for only those covered **Claims** that are first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period** or **Extended Reporting Period**, if applicable. **Damages** and **Claims Expenses** shall be applied against the Deductible. The Limit of Liability available to pay **Damages** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. Certain words and phrases which appear in bold type have a special meaning; please refer to Section VII, Definitions. Please review the coverage afforded under this Insurance Policy carefully and discuss the coverage hereunder with your insurance agent or broker.

In consideration of the payment of premium and reliance upon the statements, representations and warranties made in the application which is made a part of this insurance policy (hereinafter referred to as the "Policy" or "insurance") and subject to the Limit of Liability, exclusions, conditions and other terms of this insurance, the Underwriters agree with the **Named Insured** (set forth in Item 1 of the Declarations, made a part hereof) as follows:

I. INSURING AGREEMENT

To pay on behalf of the **Insured Damages** and **Claim Expenses** including the **Cost of Corrections**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** or **Claims** first made against any **Insured** and reported to the Underwriters during the **Policy Period** or **Extended Reporting Period** (if applicable), arising out of any negligent act, error or omission of the **Insured** in rendering or failing to render **Professional Services** on or after the Retroactive Date shown in Item 6 of the Declarations, except as excluded or limited by the terms, conditions and exclusions of this Policy.

II. SUPPLEMENTARY PAYMENTS

A. Subpoena Expenses

The Underwriters will pay on behalf of the **Insured Subpoena Expenses** up to \$50,000 in addition to the Aggregate limit of liability shown in Item 3 (b) of the Declarations, incurred by the **Insured** because of any **Subpoena** first served against any **Insured** and reported to the Underwriters during the **Policy Period** or **Extended Reporting Period**, if applicable, resulting from the **Insured's** rendering or failing to render **Professional Services**. No Deductible shall apply to payments under this provision.

The Underwriters shall have the right, at the **Insured's** request, to choose an attorney to advise the **Insured** with regard to a **Subpoena**. Notice under this Section will be deemed to be a notice of **Claim** as stated in Section XI of this Policy.

B. Disciplinary Proceedings

The underwriters will reimburse the **Insured**, upon written request, for legal fees and expenses up to \$50,000 in the aggregate per **Policy Period** incurred by the **Insured** with the prior written consent of the Underwriters, in responding to a **Disciplinary Proceeding** first brought against the **Insured** during the **Policy Period** or **Extended Reporting Period**, if applicable, provided that the **Disciplinary Proceeding**:

1. arises out of any negligent act, error or omission of the **Insured** in rendering or failing to render **Professional Services** on or after the Retroactive Date shown in Item 6 of the Declarations; and
2. is reported to the Underwriters during the **Policy Period**.

No Deductible shall apply to payments under this provision.

C. Defendant's Reimbursements

If the **Insured** shall attend mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of each **Claim**, after a total of 3 (three) days of attendance required for each **Claim**, the Underwriters shall reimburse the **Insured**, upon written request, for the actual loss of earnings and reasonable expenses due to such attendance. Under no circumstances shall this reimbursement exceed \$500 per day for all **Insureds**, regardless of how many mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of **Claims** the **Insured** attends, subject to a maximum of \$25,000, which amount shall be part of and not in addition to the Aggregate limit of liability shown in Item 3(b) of the Declarations.

D. Pre-Claim Assistance

If the **Insured** provides the Underwriters, during the **Policy Period** or **Extended Reporting Period** (if applicable), with written notice of a negligent act, error or omission or circumstance as stated in Section XI below, and that negligent act, error or omission or circumstance is reasonably expected to result in a **Claim** but no **Claim** has yet been made against the **Insured**, the Underwriters will, at the Underwriters' sole discretion, choose to investigate such circumstance at the underwriters' expense. Such expense will not reduce the Limits of Liability or be subject to Deductible until one of the following occurs:

1. A **Claim** results from the negligent act, error or omission or circumstance; or
2. The Underwriters incur \$5,000 in expenses arising out of the investigation.

Any further payment will be considered **Claims Expenses** and will reduce the Limits of Liability and be subject to the Deductible.

E. Mitigation Costs

In the event a **Claim** is resolved to the satisfaction of all parties and the Underwriters without resorting to litigation, the Underwriters will waive the **Insured's** Deductible obligation with regards to such **Claim** for 100% of the **Insured's** Deductible shown in Item 4(a) of the Declarations and up to a maximum of \$50,000.

III. DEFENSE, SETTLEMENT AND INVESTIGATION OF CLAIMS

- A. The Underwriters shall have the right and duty to defend, subject to the Limit of Liability, exclusions and other terms and conditions in this Policy, any **Claim** against the **Insured** seeking **Damages** which are payable under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false or fraudulent. Defense counsel shall be mutually agreed upon between the **Named Insured** and the Underwriters, but, in the absence of such agreement, the Underwriters' decision shall be final.
- B. The Limit of Liability available to pay **Damages** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Damages** and **Claims Expenses** shall be applied against the deductible.
- C. The Underwriters shall have the right to make any investigation they deem necessary, including, without limitation, any investigation with respect to the application and statements made in the application and with respect to coverage.
- D. If the **Insured** shall refuse to consent to any settlement or compromise recommended by the Underwriters and acceptable to the claimant and elects to contest the **Claim**, Underwriters' liability for any **Damages** and **Claims Expenses** shall not exceed the amount for which the **Claim** could have been settled, less the remaining deductible, plus the **Claims Expenses** incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is



less, and the Underwriters shall have the right to withdraw from the further defense thereof by tendering control of said defense to the **Insured**.

- E. It is further provided that the Underwriters shall not be obligated to pay any **Damages or Claims Expenses**, or to undertake or continue defense of any suit or proceeding after the applicable limit of the Underwriters' liability has been exhausted by payment of **Damages or Claims Expenses** or after deposit of the applicable Limit of Liability in a court of competent jurisdiction, and that upon such payment, the Underwriters shall have the right to withdraw from the further defense thereof by tendering control of said defense to the **Insured**.

IV. THE INSURED AND THE INSURED ORGANIZATION

As used throughout this Policy, whether expressed in singular or plural, "**Insured**" shall mean:

- A. The **Named Insured** and any **Subsidiaries** of the **Named Insured** (together the "**Insured Organization**");
- B. A director, officer or employee of the **Insured Organization**, but only for **Professional Services** rendered on behalf of the **Insured Organization**, during such time such person is a officer, director or employee of the **Insured Organization**;
- C. An independent contractor of the **Insured Organization**, but only for **Professional Services** rendered on behalf of the **Insured Organization**, during such time such person is an independent contractor of the **Insured Organization** and only where such independent contractor's revenues related to the business of the **Insured Organization** are declared within the application;
- D. A principal if the **Named Insured** is a sole proprietorship, or a partner if the **Named Insured** is a partnership, but only for **Professional Services** rendered on behalf of the **Insured Organization**, during such time such person is a principal or partner;
- E. Any person who previously qualified as an **Insured** under B or C above prior to the termination of the required relationship with the **Insured Organization**, but only while acting in that capacity solely on behalf of the **Insured Organization**;
- F. Any person who is, was, or hereafter becomes the appointed Chief Compliance Officer pursuant to Rule 206(4)-7 of the Investment Advisers Act of 1940 solely while acting in such a capacity for the **Insured Organization**;
- G. Any individual professional or professional organization while rendering **Professional Services** on behalf of or under contract with the **Insured Organization**; provided that any such individual or organization shall be an **Insured** only if listed on the application for this Policy and specifically endorsed by name onto this Policy; and
- H. The estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this Insurance.

V. TERRITORY

This Insurance applies to negligent acts, errors or omissions which take place anywhere in the world provided the **Claim** is first made against the **Insured** within the United States of America, its territories or possessions, or Canada during the **Policy Period** or **Extended Reporting Period** purchased in accordance with Section X.



VI. EXCLUSIONS

The coverage under this Insurance does not apply to **Damages, Claims Expenses** or other amounts covered under this Policy, incurred with respect to any **Claim**:

- A. Arising out of or resulting from any criminal, dishonest, fraudulent or malicious act, error or omission committed by any **Insured** with actual, criminal, dishonest, fraudulent or malicious purpose or intent; however, the insurance afforded by this Policy shall apply to **Claims Expenses** incurred in defending any such **Claim** alleging the foregoing until such time as there is a final adjudication, judgment, binding arbitration decision or conviction against the **Insured**, or admission by the **Insured**, establishing such conduct at which time the **Named Insured** shall reimburse Underwriters for all **Claims Expenses** incurred defending the **Claim** and Underwriters shall have no further liability for **Claims Expenses**;
- B. For or arising out of **Bodily Injury** or **Property Damage**;
- C. Arising out of or resulting from the insolvency or bankruptcy of any **Insured** or of any other entity including but not limited to the failure, inability, or unwillingness to pay **Claims**, losses, or benefits due to the insolvency, liquidation or bankruptcy of any such individual or entity; or any Financial Institution, **Broker, Dealer**, clearing agency or **Registered Representative**;
- D. Made by any business enterprise in which any **Insured** has greater than a 15% ownership interest, or arising out of or resulting from any **Insured's** activities as a trustee, partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the **Insured Organization**;
- E. Arising out of or resulting from any act, error or omission committed prior to the inception date of this Insurance:
 - 1. if any **Insured** on or before the inception date knew or could have reasonably foreseen that such act, error or omission might be expected to be the basis of a **Claim**; or;
 - 2. in respect of which any **Insured** has given notice of a circumstance which might lead to a **Claim** to the insurer of any other policy in force prior to the inception date of this Policy;
- F. For or arising out of any liability or obligation of the **Insured** under any contract or agreement, either oral or written, except a written fiduciary contract or agreement for rendering **Professional Services** for a fee or to the extent the **Insured** would have been liable in the absence of such contract or agreement;
- G. For or arising out of actual or alleged plagiarism, misappropriation of likeness, breach of confidence, or misappropriation or infringement of any intellectual property right, including patent, trademark, trade secret and copyright;
- H. For or arising out of libel, slander, or any other form of defamation, disparagement or harm to the reputation or character of any person or organization, or for or arising out of invasion of or interference with a person's right to privacy;
- I. For or arising out of any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced And Corrupt Organizations Act or RICO), as amended, or any regulation promulgated thereunder or any similar federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law;

- J. Arising out of or resulting from any employer-employee relations, policies, practices, acts, or omissions, any actual or alleged refusal to employ any person, or misconduct with respect to employees;
- K. For or arising out of or resulting from actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy;
- L. Arising out of or resulting from acts of the **Insured** related to any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts sponsored by an **Insured** as an employer or in which any **Insured** is a participant;
- M. For or arising out of the failure to buy or maintain any form of insurance, suretyship or bond;
- N. For or arising out of any failure to pay any bond, interest on any bond, any debt, financial guarantee or debenture;
- O. For or arising out of any actual or alleged commingling of or inability or failure to pay, collect, or safeguard funds;
- P. For or arising out of any loss sustained or alleged to have been sustained through the fluctuation in the market value of any security or property, including real property;
- Q. For or arising out of any use of non-public information in a manner prohibited by the laws of the United States, including, but not limited to, the Insider Trading and Securities Fraud Enforcement Act of 1988(as amended), Section 10(b) or 20(A) of the Securities Exchange Act of 1934 (as amended), and Rule 10b-5 thereunder; any state, commonwealth, territory or subdivision thereof, or the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing, or based upon any **Claim** alleging or arising from market timing or the after-hours trading of any security;
- R. Related to any proceeding or administrative action brought by or on behalf of any state, federal, local or foreign governmental entity or actions brought by or on behalf of any governmental or quasigovernmental official or agency including but not limited to Federal Trade Commission, the Securities and Exchange Commission, the National Association of Securities Dealers (NASD), the Securities Investor Protection Corporation, the Financial Industry Regulatory Authority (FINRA), or any state or federal securities or insurance commission, agency or official. This exclusion does not apply to an otherwise supplementary payment covered under Section II.B (Disciplinary Proceedings).
- S. For or arising out of any actual or alleged antitrust violation, restraint of trade, unfair competition, false, deceptive or unfair trade practices, violation of consumer protection laws or false or deceptive advertising;
- T. For or arising out of any breach of warranty, guarantee, or service level agreement, or for or arising out of any delay of delivery, failure to deliver, or non-acceptance of products or services including warranties, promises or guarantees, express, implied or otherwise as to interest rates, fluctuations in interest rates, future premium payments, market values, investment returns or income tax consequences;
- U. For or arising out of the actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products or services; or as a result of your cost guarantees, cost representations, contract price, or estimates of probable costs or cost estimates being exceeded;
- V. Directly or indirectly arising out of or resulting from the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property;

- W. Directly or indirectly arising out of or resulting from the presence or actual, alleged, or threatened discharge, seepage, dispersal, migration, release, escape, generation, transportation, storage, or disposal of pollutants at any time, including any request, demand or order that the **Insured** or others test for, monitor, clean up, remove, assess, or respond to the effects of pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, odors, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- X. Directly or indirectly arising out of, or resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity;
- Y. Directly or indirectly arising out of, or resulting from or in consequence of, or in any way involving:
 - 1. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;
 - 2. any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; or
 - 3. any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins.

Underwriters will have no duty or obligation to defend any **Insured** with respect to any **Claim** or governmental or regulatory order, requirement, directive, mandate or decree which directly or indirectly arises out of, or results from or in consequence of, or in any way involves actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind.

- Z. Brought by or against an **Insured** as a beneficiary or distributee of any trust or estate, or any **Claim** brought against an **Insured** as trustee (except where engaged as a trustee under a written fiduciary contract or agreement for rendering **Professional Services** for a fee), administrator, conservator, executor or guardian for others;
- AA. For or arising out of any **Claim** made against an **Insured** by a person or organization that is not a client or customer of an **Insured** or a client's or customer's appointed administrator, executor, receiver, trustee in bankruptcy, beneficiary or heir; however, this exclusion shall not apply any **Claim** initiated by any government body or self regulatory organization which arises out of **Professional Services**;
- BB. For or arising out of any liability the **Insured** may have as a result of the **Insured's** activities in any profession other than when rendering **Professional Services**, including but not limited to, **Broker/Dealer**, accountant, actuary, enrolled agent, tax preparer, lawyer, mortgage broker, property or casualty insurance agent, real estate agent or broker, securities analyst, third party administrator or administrator of any employee benefit plan;

- CC. For or arising out of the rendering or failing to render **Professional Services** to any **Broker/Dealer** which buys, sells or trades in **Securities** exclusively as a principal for its own account;
 - DD. For, arising out or related to the failure to disclose the **Insured's** investment banking relationship with a company whose products or instrument the **Insured** has recommended for purchase of sale;
 - EE. For or arising out of any trading or failure to trade in any **Securities** traded exclusively outside the United States of America, its territories, possessions, Puerto Rico or Canada; any function of any **Insured** as a specialist or market maker for any **Securities** or failure to make a market for any **Securities** or brought by or on behalf of any clearing agency or arising out of any function of any **Insured** as a clearing agency;
 - FF. For or arising out of investment products partially or totally owned or controlled by any **Insured**: or **Securities** for which the **Insured** acts as a market maker; or the **Insured's** failure to disclose the **Insured's** status as a market maker in connection with any research or recommendations provided to your customer or client.
 - GG. For or arising out of any **Professional Services** rendered to or on behalf of or any recommendation to invest in any organization including but not limited to a corporation, company, limited liability company, limited liability partnership, partnership, sole proprietorship not-for-profit organization, governmental entity, or other business organization, including the subsidiaries thereof, in which any **Insured** or **Insured's** spouse is a partner, principal, officer, director, manager, employee or a more than five percent (5%) shareholder or member at the time the act, error or omission giving rise to said **Claim** took place;
 - HH. For or arising out of any disallowed deduction(s), credit(s) or other item(s) on a tax return; or for taxes which would be owed in any case by a client;
 - II. Against a **Registered Representative** based upon, arising from, or in any way involving **Securities**, investment products or any services not approved or authorized by the **Broker/Dealer** with which the **Registered Representative** is affiliated at the time the **Claim** took place;
 - JJ. For or arising out of the purchase, sale, servicing, recommendation to purchase, sell, hold any of the following:
 - 1. Unregistered Securities and private placements;
 - 2. Options, futures, warrants, derivatives, limited partnerships, hedge funds or fund of hedge funds whether or not registered with the SEC,
 - 3. Viatical agreements, collateralized debt obligations, mortgage-backed securities, promissory notes, collectibles, or any transaction involving real property, tangible property or tangible personal property;
- However, this exclusion shall not apply to:
- 1. employer granted stock options both non-qualified and incentive stock options,
 - 2. publicly traded mutual funds registered with the SEC, Real Estate Investment Trusts ("REITS") traded on a national exchange, or limited or master limited partnerships traded on a national exchange

3. covered call and put options, hedge funds or fund of funds that are part of mutual fund traded on a national exchange and collective trusts regulated by The National Securities Clearing Corporation (NSCC).
 4. assets managed by the **Insured** for others for a fee provided that the assets were part of an existing portfolio and the **Insured** does not promote, sell, or recommend these assets
- KK. Directly or indirectly arising out of or resulting from acting as an **Investment Underwriter**, syndicator, or investment banker and the associated counseling or investment activities for any of the foregoing, including but not limited to any aspect of any actual, attempted or threatened mergers, acquisitions, divestitures, tender offers, proxy contest leveraged buy-outs, going private transactions, reorganizations, capital restructurings, recapitalizations, spin-offs, primary or secondary offerings of **Securities** (regardless of whether the offering is a public or a private placement), business valuations, or efforts to advise, raise or furnish capital or financing for any enterprise or entity or any disclosure requirements in connection with any of the foregoing.
- LL. By or on behalf of one or more **Insureds** or on behalf of any present, past or future shareholder or member, in their capacity as such, under this Insurance against any other **Insured** or **Insureds** under this Insurance.

If a Retroactive Date is applicable to this coverage, it will appear at Item 6. of the Declarations and the following exclusion shall apply:

- MM. Or circumstance that might lead to a **Claim** arising out of any act, error or omission which took place, or is alleged to have taken place, prior to the Retroactive Date as set forth in Item 6. of the Declarations.

VII. DEFINITIONS

Wherever used in this Policy, the following definitions shall apply.

- A. "**Bodily Injury**" means any form of physical injury, sickness, disease, mental anguish, emotional distress or the death of any person.
- B. "**Broker/Dealer**" shall have the meaning assigned to that term by the Securities Exchange Act of 1934, as amended; but **Broker/Dealer** does not mean a person who is a **Registered Representative**.
- C. "**Claim**" means:
1. a demand received by any **Insured** for money or services, including the service of suit or institution of arbitration proceedings;
 2. a threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction);
 3. a notice of an investigation or violation(s) of law or regulation initiated by any governmental body or self-regulatory organization arising out of **Professional Services**.

Multiple **Claims** arising from or related to the same negligent act, error or omission or any continuing negligent acts, errors or omissions shall be considered a single **Claim** for the purposes of this Policy, irrespective of the number of Claimants. All such **Claims** shall be deemed to have been made at the time of the first such **Claim**.

D. “**Claims Expenses**” means:

1. reasonable and necessary fees charged by an attorney designated by the Underwriters; and
2. all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim**, suit or proceeding arising in connection therewith, or circumstance which might lead to a **Claim**, if incurred by the Underwriters, or by the **Insured** with the written consent of the Underwriters;

Claims Expenses does not include any salary, overhead or other charges by the **Insured** for any time spent in cooperating in the defense and investigation of any **Claim** or circumstance that might lead to a **Claim** notified under this Insurance.

E. “**Cost of Corrections**” means the amount of direct monetary loss (net of any offset available from any trade error account maintained by any **Insured**) resulting from a negligent error by the **Insured** in failing to follow written instructions or written directions from another **Insured** or customer, client or shareholder regarding the purchase and sell of **Securities**, that if not corrected, would result in covered **Damages** and **Claims Expenses** under this policy.

F. “**Damages**” means a monetary judgment, award or settlement.

The term **Damages** shall not include:

1. future royalties or future profits, restitution, disgorgement of profits by an **Insured**, or the costs of complying with orders granting injunctive or equitable relief;
 2. return or offset of fees, charges, or commissions for goods or services already provided or contracted to be provided or the value of any **Professional Services** rendered or expense incurred by the **Insured** for modification or correction of previous work
 3. punitive or exemplary damages, any damages which are a multiple of compensatory damages, or fines, sanctions or penalties; or
 4. any amounts for which the **Insured** is not liable, or for which there is no legal recourse against the **Insured**.
- G. “**Disciplinary Proceedings**” means a proceeding brought up by a state or federal licensing board or regulatory agency, self-regulating organization or peer review committee to investigate misconduct by an **Insured** in the performance of **Professional Services**.
- H. “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended and any rules or regulations promulgated thereunder.
- I. “**Extended Reporting Period**” means the applicable period of time after the end of the **Policy Period** for reporting **Claims** as provided in Section X of this Policy.
- J. “**Financial Advisor**” means an individual who is in the business of providing **Financial Planning Services** for a fee as a **Financial Planner** or **Investment Management Services** as a **Registered Investment Advisor** or providing general financial education courses and seminars, but not limited to, services rendered in support of Section 404(c) of **ERISA**.

- K. **"Financial Plan"** means a written plan identifying a client's assets, liabilities, financial objectives and risk appetite and which recommends a course of activities or specific actions consistent with the client's risk tolerance to achieve the client's objectives and goals.
- L. **"Financial Planner"** means an individual in the business of providing **Financial Planning Services** to others for a fee and may include services in the capacity of **Registered Representative, Registered Investment Advisor, Financial Advisor** or **Life Insurance Agent** while providing **Financial Planning Services** as part of a **Financial Plan** or an **Investment Management Contract**.
- M. **"Financial Planning Services"** means financial or investment advice given as part of a **Financial Plan**, including advice related to risk management, investments, estate planning, life insurance, retirement planning, college planning, and taxes; or **Investment Management Services** provided pursuant to an **Investment Management Contract**.
- N. **"Investment Management Contract"** means a written agreement that identifies goals and strategies for the investment for the investment of the client's money following a process which specifies investment goals, risk tolerance, asset classes and guidelines for the selection of money managers and/or ongoing monitoring and reporting performance.
- O. **"Investment Management Services"** means all activities necessary to execute services as agreed under an **Investment Management Contract**.
- P. **"Life Insurance Agent"** means a duly licensed professional engaged in the sale of life, health, disability, accident or long term care insurance including professional services rendered as a licensed life insurance consultant.
- Q. **"Named Insured"** means the individual, partnership, entity or corporation designated as such in Item 1 of the Declarations.

- R. **"Policy Period"** means the period of time between the inception date shown in the Declarations and the effective date of termination, expiration or cancellation of this Insurance and specifically excludes any **Extended Reporting Period**.
- S. **"Professional Services"** means services rendered for or advice given to a client or customer by an **Insured** for a fee, remuneration, or other consideration pursuant to a written agreement between the customer/client and the **Insured** and in an **Insured's** capacity as an appropriately licensed, accredited or certified **Financial Advisor, Financial Planner, Registered Investment Advisor, Registered Representative** and/or **Life Insurance Agent**. **Professional Services** also includes services performed in the capacity of a fiduciary pursuant to **ERISA**.
- Professional Services** shall not include:
1. any services rendered during the period of any suspension or revocation of the **Insured's** certification, licensure, accreditation, appointment or other right to practice in any capacity.
 2. activities as a partner, principal, officer, director, manager, member or employee of any organization or public office other than the **Named Insured** or an organization specifically endorsed by name onto this Policy.
 3. any acquisition or sale of securities by an **Insured Broker/Dealer** for its own account.
- T. **"Property Damage"** means injury to or destruction of any tangible property, including the loss of use thereof.
- U. **"Registered Investment Advisor"** means a licensed professional, including an individual, corporation, partnership or LLC, who meets the definition of investment advisor as defined in the Investment Advisors Act of 1940, as amended, and who is duly registered with either the Securities Exchange Commission ("SEC") or the appropriate state or self securities regulatory agency.
- V. **"Registered Representative"** means a person who: (1) is registered with the National Association of Securities Dealers, Inc. as a **Registered Representative** of a **Broker/Dealer** pursuant to the provisions of the Securities Exchange Act of 1934; and (2) is in the business of buying and selling **Securities** for the account of others, including but not limited to, direct participation products such as limited partnerships, shares in mutual funds, unit investment trusts and variable annuities. It does not include any person while acting in the capacity of a principal of a **Broker/Dealer**, including but not limited to a General Securities Principal or Limited Principal General Securities Sales Supervisor.
- W. **"Securities"** shall have the meaning assigned to that term by the following: (1) the Securities Exchange Act of 1934; (2) the Securities Act of 1933; (3) the Investment Advisers Act of 1940 as amended; and/or (4) any rules or regulations issued pursuant to any of these acts.
- X. **"Subpoena"** means a subpoena seeking documents, testimony or information obtained by the **Insured** in the course of **Professional Services**.
- Y. **"Subpoena Expenses"** means reasonable legal fees and expenses incurred in seeking to quash or modify a **Subpoena** on any appropriate ground, including but not limited to grounds of reporter's privilege or shield law or other applicable First Amendment, statutory or common-law privilege relating to the protection of newsgathering activities. **Subpoena Expenses** do not include any remuneration, salaries, wages, tips,



expenses, overhead or benefits expenses of any **Insured**, except with the prior written consent of the Underwriters.

- Z. **"Subsidiary"** means any corporate entity while more than 50% of the outstanding securities representing the present right to vote for the election of such entity's directors are owned by the **Named Insured** directly or indirectly, if such entity:
1. was so owned on the inception date of this Policy;
 2. becomes so owned after the inception date of this Policy provided the revenues of the entity do not exceed 10% of the **Named Insured's** Annual Revenues as set forth in their most recent application for insurance; or
 3. becomes so owned after the inception date of this Policy provided that if the revenues of the entity exceed 10% of the **Named Insured's** Annual Revenues as set forth in their most recent application for insurance, the provisions of Provision XVII, Mergers and Acquisitions, must be fulfilled.
- AA. **"Investment Underwriter"** shall have the meaning assigned to that term by the Investment Advisers Act of 1940, as amended, and any rules issued pursuant thereto.

VIII. LIMIT OF LIABILITY

- A. The "Annual Aggregate" stated in Item 3(b) of the Declarations is Underwriters' combined total Limit of Liability for all **Damages** and **Claims Expenses** arising out of all **Claims** or circumstances which might lead to a **Claim** which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.
- B. The Limit of Liability stated in Item 3(a) of the Declarations for "Each **Claim**" is the limit of Underwriters' Liability for all **Damages** and **Claims Expenses** arising out of each **Claim**.
- C. The sublimit stated in Item 3(c) of the Declarations for "Each **Cost of Corrections Claim**" is the limit of Underwriters' Liability for all **Damages** arising out of each **Cost of Corrections**.
- D. The Aggregate sublimit stated in Item 3(d) of the Declarations is the Underwriters total limit of liability for all **Damages** arising out of all **Costs of Corrections** which are covered under the terms and conditions of this Policy. This sublimit is part of and not in addition to the Annual Aggregate stated in Item 3(b) of the Declarations.
- E. Sub-limits of liability are part of, and not in addition to, the overall limit of liability.
- F. The Limit of Liability for the **Extended Reporting Period** shall be part of and not in addition to the Limit of Liability of the Underwriters for the **Policy Period**.

IX. DEDUCTIBLE

- A. The "Each **Claim** deductible" stated in Item 4.(a) of the Declarations applies separately to each and every **Claim**. The deductible shall be satisfied by payments by the **Named Insured** of **Damages** and **Claims Expenses** resulting from **Claims** first made and reported to the Underwriters during the **Policy Period** and

the **Extended Reporting Period** as a condition precedent to the payment by the Underwriters of any amounts hereunder. The Underwriters shall be liable only for the amounts in excess of such deductible subject to Underwriters' total liability not exceeding the limits stated in Items 3(a) and 3(b) of the Declarations. The **Named Insured** shall make direct payments within the deductible to appropriate other parties designated by the Underwriters.

- B. The "Each **Cost of Corrections** deductible" stated in Item 4.(b) of the Declarations shall apply separately to each order to purchase or sell **Securities**.

X. EXTENDED REPORTING PERIOD

- A. In the event of termination of this Insurance by either the Underwriters or the **Named Insured**, the **Named Insured** designated in Item 1. of the Declarations shall have the right, upon payment in full and

not proportionally or otherwise in part of the percentage of the Premium set forth in Item 5. of the Declarations, to have issued an endorsement providing an **Extended Reporting Period** for the period of time set forth in Item 7 of the Declarations for **Claims** first made against any **Insured** and reported to the Underwriters during the **Extended Reporting Period**, and arising out of any negligent act, error or omission committed on or after the Retroactive Date and before the end of the **Policy Period**, subject to the conditions set forth herein. In order for the **Named Insured** to invoke the **Extended Reporting Period** option, the payment of the additional premium for the **Extended Reporting Period** must be paid to Underwriters within 30 days of the non-renewal or cancellation. If notice of election of the **Extended Reporting Period** and full premium payment is not given to the Underwriters within such thirty (30) day period, there shall be no right to purchase the **Extended Reporting Period**.

- B. The Limit of Liability for the **Extended Reporting Period** shall be part of, and not in addition to, the Aggregate Limit of Liability of the Underwriters for the **Policy Period** stated in Item 3(b) of the Declarations and the exercise of the **Extended Reporting Period** shall not in any way increase the Aggregate Limit of Liability stated in Item 3 (b) of the Declarations or any other sublimits of liability.
- C. The quotation by Underwriters of a different premium or deductible or Limit of Liability or changes in policy language for the purpose of renewal shall not constitute a refusal to renew by the Underwriters.
- D. D. The right to the **Extended Reporting Period** shall not be available to the **Named Insured** where:
 - 1. The Policy premium has not been paid in full;
 - 2. Cancellation or non-renewal by the Underwriters is due to non-payment of premium or failure of an **Insured** to pay such amounts in excess of the applicable Limit of Liability or within the amount of the applicable deductible;
 - 3. the **Insured's** license or other right to practice is under revocation, suspension, or surrender at the request of any regulatory authority; or
 - 4. the **Named Insured** is in noncompliance with the terms and conditions of this Policy.
- E. All notices and premiums payments with respect to the **Extended Reporting Period** shall be directed to Underwriters through the entity named in Item 8(b) of the Declarations.

F. At the commencement of the **Extended Reporting Period** the entire premium shall be deemed earned, and in the event the **Named Insured** terminates the **Extended Reporting Period** for any reason prior to its natural expiration, Underwriters will not be liable to return any premium paid for the **Extended Reporting Period**.

XI. NOTICE OF CLAIM, OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

- A. If any **Claim** is made against the **Insured**, the **Insured** shall immediately forward to Underwriters through persons named in Item 8(a) of the Declarations written notice of such **Claim** in the form of a telecopy, email, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative. In no event, shall such notice to the Underwriters be later than the end of the **Policy Period**, the end of the **Extended Reporting Period**, if applicable.
- B. If during the **Policy Period** the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** it must give written notice to Underwriters through persons named in Item 8(a) of the Declarations as soon as practicable during the **Policy Period**. Such notice must include::
1. the specific details of the negligent act, error or omission that could reasonably be the basis for a **Claim**;
 2. the injury or damage which may result or has resulted from the circumstance; and
 3. the facts by which the **Insured** first became aware of the negligent act, error or omission.

Any subsequent **Claim** arising out of such circumstance made against the **Insured** who is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to Underwriters.

- C. Subject to the above, if during the **Policy Period** the **Insured** provides such written notice of a circumstance which is reasonably expected to result in a **Claim**, the Underwriters at their sole option, may investigate such specific circumstance. Until such time that a **Claim** arising from such specific circumstance has been made, such an investigation shall be at the Underwriter's sole expense.
- D. A **Claim** shall be considered to be reported to the Underwriters when notice is first given to Underwriters through persons named in Item 8(a) of the Declarations of the **Claim** or of a negligent act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with Section B above.
- E. In the event of non-renewal of this Insurance by the Underwriters, the **Insured** shall have sixty (60) days from the expiration date of the **Policy Period** to notify Underwriters of **Claims** made against the **Insured** during the **Policy Period** which arise out of negligent acts, errors, or omissions committed prior to the termination date of the **Policy Period** and otherwise covered by this Insurance.
- F. If any **Insured** shall make any **Claim** under this Policy knowing such **Claim** to be false or fraudulent, as regards amount or otherwise, this Policy shall become null and void and all coverage hereunder shall be forfeited.

XII. ASSISTANCE AND COOPERATION OF THE INSURED

- A. The **Insured** shall cooperate with the Underwriters in all investigations, including investigations regarding the application for and coverage under this Policy. The **Insured** shall execute or cause to be executed all papers and render all assistance as is requested by the Underwriters.
- B. Upon the Underwriters' request, the **Insured** shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** because of negligent acts, errors or omissions with respect to which insurance is afforded under this Policy; and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
- C. The **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any **Claim** without the consent of Underwriters.
- D. Expenses incurred by the **Insured** in assisting and cooperating with Underwriters, as described above, do not constitute **Claims Expenses** under the Policy.

XIII. OTHER INSURANCE

This Insurance shall apply in excess of any other valid and collectible insurance available to any **Insured**, including any self insured retention or deductible portion thereof unless such other insurance is written only as specific excess insurance over the Limit of Liability of this Policy.

XIV. ACTION AGAINST UNDERWRITERS

- A. No action shall lie against the Underwriters or their representatives unless, as a condition precedent thereto: (1) there shall have been full compliance with all terms of this Insurance; and (2) until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment or award against the **Insured** after actual trial or arbitration or by written agreement of the **Insured**, the Claimant and the Underwriters.
- B. Any person or organization or the legal representative thereof who has secured such judgment, award or written agreement shall thereafter be entitled to make a claim under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Insurance to join the Underwriters as a party to an action or other proceeding against the **Insured** to determine the **Insured's** liability, nor shall the Underwriters be impleaded by the **Insured** or his legal representative.
- C. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Underwriters of its obligations hereunder.

XV. SUBROGATION

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the **Insureds'** rights of recovery therefore against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to **Damages** and **Claims Expenses** paid by Underwriters, and third to the deductible. Any additional amounts recovered shall be paid to the **Named Insured**.

XVI. ENTIRE AGREEMENT

By acceptance of the Policy, all **Insureds** agree that this Policy embodies all agreements between them and the Underwriters relating to this Insurance. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Insurance or stop the Underwriters from asserting any right under the terms of this Insurance; nor shall the terms of this Insurance be waived or changed, except by endorsement issued to form a part of this Insurance, signed by Underwriters.

XVII. MERGERS AND ACQUISITIONS

A. Newly Acquired Subsidiaries

If during the **Policy Period** the **Named Insured** or any **Subsidiary** acquires any entity whose annual revenues are more than ten percent (10%) of the **Named Insured's** total annual revenues for the four quarterly periods directly preceding inception of the **Policy Period**, then, subject to the **Policy Period** and all other terms and conditions of this Policy, coverage under this Policy shall be afforded for a period of sixty (60) days, but only for any **Claim** that arises out of any negligent act, error or omission first committed after the entity becomes so owned. Coverage beyond such sixty (60) day period shall only be available if the **Named Insured** gives the Underwriters written notice of the acquisition, obtains the written consent of the Underwriters to extend coverage beyond such sixty (60) day period to the entity and agrees to pay any additional premium required by the Underwriters.

B. Mergers or Consolidations

If during the **Policy Period** the **Named Insured** consolidates or merges with or is acquired by another entity, or sells substantially all of its assets to any other entity, then this Policy shall remain in full force and effect, but only with respect to negligent acts, errors or omissions that occur prior to the date of the consolidation, merger or acquisition. No coverage shall be provided by this Policy for any other **Claim** unless the **Named Insured** provides written notice to the Underwriters prior to such consolidation, merger or acquisition, the **Named Insured** has agreed to any additional premium and terms of coverage required by the Underwriters and the Underwriters have issued an endorsement extending coverage under this Policy.

C. All notices and premium payments made under this Clause shall be directed to the Underwriters through the entity named in Item 8.(b) of the Declarations.

XVIII. ASSIGNMENT

The interest hereunder of any **Insured** is not assignable. If the **Insured** shall die or be adjudged incompetent, such Insurance shall cover the **Insured's** legal representative as the **Insured** as would be permitted by this Policy.

XIX. CANCELLATION

- A. The **Named Insured** may cancel this Policy by surrender thereof to the Underwriters, or by mailing to the Underwriters written notice stating when thereafter the cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice shall be equivalent to mailing.

- B. The Underwriters may cancel this Policy by mailing or delivering to the **Named Insured** written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. However, if the Underwriters cancel this Policy because the **Insured** has failed to pay a premium due, this Policy may be cancelled by the Underwriters by mailing or delivering a written notice of cancellation to **the Named Insured** stating when not less than ten (10) days thereafter such cancellation shall be effective. The notice of cancellation shall state the reason for such cancellation. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the Underwriters shall be equivalent to mailing.
- C. If this Policy is cancelled pursuant to A. hereinabove, the Underwriters shall retain the customary short rate portion of the premium hereon. If this Policy is cancelled pursuant to B. hereinabove, the Underwriters shall retain the pro rate portion of the premium hereon. Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of cancellation.
- D. If the Underwriters decide not to renew this Policy, the Underwriters shall mail or deliver written notice to the **Named Insured** at least sixty (60) days before the end of the **Policy Period**. The notice of nonrenewal shall state the reason for nonrenewal.

XX. SINGULAR FORM OF A WORD

Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

XXI. TITLES OF PARAGRAPHS

The titles of paragraphs sections, provisions or endorsements of or to this Policy are intended solely for convenience and reference, and are not deemed in any way to limit or expand the provisions to which they relate and are not part of the Policy.

XXII. WARRANTY BY THE INSURED

By acceptance of this Policy, all **Insureds** agree that the statements contained in the application, any application for Insurance of which this Policy is a renewal, and any supplemental materials submitted therewith are their agreements and representations, that they shall be deemed material to the risk assumed by Underwriters, and that this Policy is issued in reliance upon the truth thereof.

The misrepresentation or non-disclosure of any matter by the **Insured** or its agent in the application, any application for Insurance of which this Policy is a renewal, or any supplemental materials submitted therewith will render the Policy null and void and relieve the Underwriters from all liability under the Policy.

The application and any application for Insurance of which this Policy is a renewal, and any supplemental materials submitted therewith are deemed incorporated into and made a part of this Policy.

XXIII. NAMED INSURED AS AGENT

The **Named Insured** specified in Item 1. of the Declarations shall be considered the agent of all **Insureds**, and shall act on behalf of all **Insureds** with respect to the giving of or receipt of all notices pertaining to this Policy, the acceptance of any endorsements to this Policy, and the **Named Insured** shall be responsible for the payment of all premiums and deductibles.

XXIV. WAR AND TERRORISM EXCLUSION

- A. Notwithstanding any provision to the contrary within this Insurance or any endorsement thereto, it is agreed that this Insurance excludes **Damages** or **Claim Expenses** directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 2. any act of terrorism.

For the purpose of this clause, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

- B. This Clause also excludes **Damages** or **Claim Expenses** directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 or 2 above.
- C. If the Underwriters allege that by reason of this exclusion, any **Damages** or **Claim Expenses** are not covered by this Insurance, the burden of proving the contrary shall be upon the **Insured**.
- D. In the event any portion of this Clause is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

XXV. SERVICE OF SUIT CLAUSE (U.S.A.)

- A. It is agreed that in the event of the failure of the Underwriters to pay any amount claimed to be due under this Insurance, the Underwriters herein, at the **Insured's** request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon the Underwriters' representative designated in Item 9 of the Declarations, and that in any suit instituted against any one of the Underwriters upon this Policy, the Underwriters will abide by the final decision of such court or of any appellate court in the event of an appeal.
- B. The Underwriters' representative designated in Item 9 of the Declarations is authorized and directed to accept service of process on the Underwriters' behalf in any such suit and/or upon the **Insured's** request to give a written undertaking to the **Insured** that they will enter a general appearance upon the Underwriters' behalf in the event such a suit shall be instituted.

- C. Pursuant to any statute of any state, territory or district of the United States which makes provision therefor, the Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on the **Insured's** behalf or any beneficiary hereunder arising out of this Policy, and hereby designate the Underwriters' representative designated in Item 9 of the Declarations as the person to whom said officer is authorized to mail such process or a true copy thereof.

XXVI. CHOICE OF LAW

Unless otherwise set forth in Item 10 of the Declarations, this Policy shall be interpreted in accordance with New York state law, without giving effect to conflicts of laws principles, other than such principles directing application of New York law.

XXVII. SHORT RATE CANCELLATION TABLE

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the **Insured** the Earned Premium shall be computed as follows:-

SHORT RATE CANCELLATION TABLE

- A. For insurances written for one year:-

Days	Per cent.	Days	Per cent.	Insurance of One Premium	Insurance of One in Force Year in Force Year Premium
1 - 73	30	206 - 209	.....	66
74 - 76	31	210 - 214	(7 months)	67
77 - 80	32	215 - 218	.....	68
81 - 83	33	219 - 223	.....	69
84 - 87	34	224 - 228	.....	70
88 - 91	(3 months)	35	229 - 232	.....	71
92 - 94	36	233 - 237	.....	72
95 - 98	37	238 - 241	.....	73
99 - 102	38	242 - 246	(8 months)	74
103 - 105	39	247 - 250	.....	75
106 - 109	40	251 - 255	.....	76
110 - 113	41	256 - 260	.....	77
114 - 116	42	261 - 264	.....	78
117 - 120	43	265 - 269	.....	79
121 - 124	(4 months)	44	270 - 273	(9 months)	80
125 - 127	45	274 - 278	.....	81
128 - 131	46	279 - 282	.....	82
132 - 135	47	283 - 287	.....	83
136 - 138	48	288 - 291	.....	84
139 - 142	49	292 - 296	.....	85
143 - 146	50	297 - 301	.....	86
147 - 149	51	302 - 305	(10 months).....	87
150 - 153	(5 months)	52	306 - 310	.....	88
154 - 156	53	311 - 314	.....	89
157 - 160	54	315 - 319	.....	90

161 - 164	55	320 - 323	91
165 - 167	56	324 - 328	92
168 - 171	57	329 - 332	93
172 - 175	58	333 - 337 (11 months).....	94
176 - 178	59	338 - 342	95
179 - 182 (6 months)	60	343 - 346	96
183 - 187	61	347 - 351	97
188 - 191	62	352 - 355	98
192 - 196	63	356 - 360	99
197 - 200	64	361 - 365 (12 months).....	100
201 - 205	65		

B. For Insurances written for more or less than one year:-

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.
 - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
 - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

Furthermore and notwithstanding the foregoing, Underwriters shall retain the total premium for this Policy, such total premium to be deemed earned upon inception of the Policy if any **Claim** or any circumstance that could reasonably be the basis for a **Claim** is reported to Underwriters under this Policy on or before such date of cancellation.

**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE -
PHYSICAL DAMAGE - DIRECT (U.S.A.)**

This Policy does not cover any loss or damage arising directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination however such nuclear reaction nuclear radiation or radioactive contamination may have been caused * NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

* NOTE. - If Fire is not an insured peril under this Policy the words "NEVERTHELESS" to the end of the clause do not apply and should be disregarded.

7/5/59

NMA1191

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

Biological or Chemical Materials Exclusion

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

NMA2962

06/02/2003

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100

15 September 2010

LLOYD'S PRIVACY POLICY STATEMENT

UNDERWRITERS AT LLOYD'S, LONDON

The Certain Underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

INFORMATION WE COLLECT

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as credit-worthiness or credit history

INFORMATION WE DISCLOSE

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

CONFIDENTIALITY AND SECURITY

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION

You have a right to request access to or correction of your personal information that is in our possession.

CONTACTING US

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.

06/03

LSW1135B

FIDUCIARY LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB FINANCIAL SERVICES ERRORS & OMISSIONS INSURANCE

In consideration of the premium charged for this Policy, it is hereby understood and agreed that, subject to all terms, conditions and exclusions of this Policy:

1. Clause I. INSURING AGREEMENT is amended with the addition of the following insuring agreement:

To pay on behalf of the **Insured Damages** and **Claim Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** or **Claims** first made against any **Insured** and reported to the Underwriters during the **Policy Period** or **Extended Reporting Period** (if applicable), arising out of **Fiduciary Act** of the **Insured** in rendering or failing to render **Professional Services** on or after the Retroactive Date shown in Item 6 of the Declarations, except as excluded or limited by the terms, conditions and exclusions of this Policy.

2. The coverage under this endorsement does not apply to **Damages** or **Claims Expenses** incurred with respect to any **Claim**:

- A. based upon, arising out of, or attributable to any prior or pending written demand for monetary damages or non-monetary relief, arbitration, administrative or regulatory proceeding, civil proceeding or criminal proceeding, or any fact-finding investigation by the Department of Labor or the Pension Benefit Guaranty Corporation against the **Insured** as of the applicable Prior Litigation Date set forth in the Declarations, or the same or substantially the same facts, circumstances or situations underlying or alleged therein; or
- B. for discrimination, other than provided in **ERISA**; or
- C. for the **Insured's** liability under any contract or agreement; provided that this exclusion shall not apply to the extent:
 1. the **Insured's** would have been liable in the absence of such contract or agreement; or
 2. the liability was assumed in accordance with or under the trust agreement or equivalent document pursuant to which the **Plan** was established; or
 3. based upon, arising out of, or attributable to any actual or alleged obligation of the **Insured** under any law governing workers compensation, unemployment, social security or disability benefits, except the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

3. For the purposes of this endorsement, this Policy does not apply to **Damages** that constitute:

1. **Benefits** due or that are to become due under any **Plan** if such benefits were the sole responsibility of the **Insured's** client and the **Plan** complied with all applicable laws; or
2. any settlement or judgment which represents **Benefits** provided this shall not apply to the extent that recovery for such **Benefits** is based upon a covered **Fiduciary Act** by the **Insured**; this exclusion shall not apply to **Claims Expenses**; or
3. The **Insured's** failure to collect contributions for any **Plan** unless such failure is due to the **Insured's** act, error or omission solely in the **Administration** of a **Plan**; this exclusion shall not apply to **Claims Expenses**.

4. Clause **VII. DEFINITIONS** is amended to add the following definitions:

BB. Administration means:

1. counseling employees, beneficiaries or plan participants with respect to any **Plans**; or
2. providing interpretations with respect to any **Plan**; or
3. handling records in connection with any **Plan**; or
4. enrolling, terminating or canceling employees under any **Plan**.

CC. Benefits means retirement, health or welfare plans established by the Insured's clients for employees of the **Insured's** clients.

DD. Fiduciary Act means any actual or alleged:

1. breach of the responsibilities, obligations or duties imposed upon the **Insured** in the **Insured's** capacity as a fiduciary of any **Plan**, other than a **Plan** organized for the benefit of the **Insured** or the **Insured's** employees, by: (i) **ERISA**; (ii) **HIPAA**; or (iii) any law of the United States or other jurisdiction; or
2. other matter claimed against the **Insured** solely because of the **Insured's** service as a fiduciary of any **Plan**; or
3. act, error or omission solely in the **Administration** of a **Plan**; or
4. **Professional Services** as a fiduciary for others for a fee, including **ERISA 3(38)** professional services to others for a fee.

EE. Plan means:

1. any employee benefit plan, as defined by **ERISA**, which is operated solely by the **Insured's** client, or by the **Insured's** client and a labor organization, for the benefit of the **Insured's** client's employees, or individuals participating under the employee benefit plan; or
 2. any other employee benefit plan not subject to Title 1 of **ERISA** sponsored solely by the **Insured's** client for the benefit of the **Insured's** client's employees; or
 3. any government-mandated benefit program for workers compensation, unemployment, social security or disability benefits for the **Insured's** client's employees.
5. Solely for the purposes of this Endorsement, **Damages** as defined in the Policy also includes civil penalties imposed upon an **Insured** under section 502(i) (29 USC 1132(i)), or section 502(l) (29 USC 1132(l)) of **ERISA**.
6. **Premium** in respect of coverage given under this Endorsement: N/A

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

Effective date of this Endorsement: <Effective Date>

This Endorsement is attached to and forms a part of Policy Number: <Policy Number>

<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

Information required to complete this endorsement at inception, if not shown, will be shown in the Declarations

TRUSTEE LIABILITY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

AFB FINANCIAL SERVICES ERRORS & OMISSIONS INSURANCE

In consideration of the premium charged, it is hereby understood and agreed that:

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

a. Definition **S. Professional Services** includes services performed as a **Trustee** for any **Trust**.

b. The following definitions are added:

Trustee means acting in a fiduciary relationship in which you are responsible to manage the liabilities, assets and income of a **Trust** for the economic benefit of the beneficiaries of the **Trust**.

Trust means a legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust instrument. For purposes of this endorsement, a **Trust** does not include a Personal Trust.

2. Section VI. Exclusions, is amended as follows:

a. Exclusion **D.** is deleted and replaced by the following

D. Made by any business enterprise in which any Insured has greater than a 15% ownership interest, or arising out of or resulting from any Insured's activities as a partner, officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the Insured Organization;

b. Exclusion **Z** is replaced by the following:

Z. Brought by or against an Insured as a beneficiary or distributee of any trust or estate, or any-Claim brought against an Insured as an administrator, conservator, executor or guardian for others

3. The following exclusion is added:

Based upon, or arising from, or in any way involving non-compliance with any statute or regulation committed by you or by any person for whom you are legally responsible.

4. The following is added to Section **XIII. OTHER INSURANCE**:

This policy shall be excess over, and shall not contribute with, any other Trust Agreement Indemnification, or existing insurance, unless such other insurance is specifically written to be excess of this policy.

5. It is further understood and agreed that if an entry is shown in the Schedule of this endorsement or in the Declarations as applicable to this endorsement and with respect to coverage provided by this endorsement only:

1. Item 3 **Limit of Liability** of the Declarations is replaced by the limits shown in Item 3 **Limit of Liability** of the Schedule of this endorsement.

2. Item 4 **Deductible** of the Declarations is replaced by the limits shown in Item 4 **Deductible** of the Schedule of this endorsement.

3. Item 6 **Retroactive Date** of the Declarations is replaced by the Date shown in Item 6. **Retroactive Date** of the Schedule of this endorsement.

SCHEDULE		
Item 3. Limit of Liability:		
(a)	\$	Each Claim – Includes Claim Expenses
(b)	\$	Aggregate for the Policy Period –includes Claims Expenses
(c)	\$	each Cost of Corrections sublimit–includes Claims Expenses
(d)	\$	Aggregate for the Policy Period – Cost of Corrections sublimit–includes Claims Expenses
The above sublimits are part of, and not in addition, to the Aggregate Limit of Liability stated in Item 3 (b)		
Item 4. Deductible:		
(a)	\$	Each Claim deductible – includes Claims Expenses
(b)	\$	Each Costs of Correction deductible – includes Claims Expenses
Item 6. Retroactive Date:		

If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement)

All other terms and conditions of this Policy remain unchanged.

Authorized Representative