

GENERAL TERMS & CONDITIONS***Integrated Policy Format***

Provides directors and officers liability, entity securities liability, outside directorship liability, employment practices liability, fiduciary liability, crime coverage, or any combination of these coverages

Declarations page contains useful matrix of purchased coverages

Flexible Limits Choices: Insureds can purchase either single aggregate limit of liability for all coverages or separate limits of liability for each type of coverage

Attractive Retention Features

No retention for individual D&O coverage

No presumptive indemnification for insured persons (i.e., insurer advances defense costs without retention if the insured company refuses to indemnify for any reason)

Insureds Have the Right to Defend Claims

No consent of insurer required to incur defense costs within the retention

No "hammer clause"

Insured May Elect Whether to Treat Written Demand as a Claim

Defense Funded: Covered defense costs are advanced during the pendency of a claim

Attractive Allocation Feature: "Best efforts" allocation

Severability Granted

Knowledge or acts of one insured person are not imputed to another insured person

Knowledge or acts of only executive officers are imputed to the insured company

Bankruptcy Coverage

Insured company automatically includes debtor-in-possession

Insured versus insured exclusion does not apply to claims by bankruptcy trustee or receiver

Spousal Liability Coverage: Automatically provided

Automatic Coverage For New Subsidiaries And Plans: Newly created or acquired subsidiaries and ERISA plans covered, if acquisition price is not more than 25% of the consolidated assets of the insured company

Noncancellable: Insurer can not cancel policy, unless the insured fails to pay the premium

Notice of Non-Renewal or New Terms: Insurer must give 60 days prior notice of non-renewal or of a proposal to renew on different terms and conditions

Flexible Extended Reporting Period

Available if coverage is non-renewed by either the insurer or the insureds, or is canceled by the insureds

Insureds can give notice of potential liability claims, not merely actual claims

This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the policy described. Please remember that only the policy can give actual terms, coverages, amounts, conditions and exclusions.

DIRECTORS, OFFICERS AND ENTITY SECURITIES LIABILITY**Coverage Part A*****Broad "Insured Persons" Definition***

Covers directors and officers

Covers the equivalent of directors and officers with foreign subsidiaries

Covers employees with respect to securities claims

Broad "Claim" Definition

Covers civil and criminal proceedings and arbitrations

Covers written demands for monetary damages or non-monetary relief

Covers administrative and regulatory proceedings against insured persons

Covers formal investigations against insured persons

Broad "Securities Claim" Definition

Covers claims relating to the purchase or sale of securities

Covers claims brought by a securities holder

Broad "Loss" Definition

Covers damages, settlements, judgments, defense costs and pre-judgment and post-judgment interest

Covers punitive, exemplary and multiple damages, except in employment claims

Insurer may not challenge insureds' reasonable determination of punitive damage insurability

Outside Directorships Coverage Available

Blanket, double excess non-profit outside directorship liability coverage (if purchased)

Scheduled, triple excess for-profit outside directorship liability coverage (if purchased)

Exclusions Eliminated or Limited

Some exclusions are not applicable to corporate reimbursement coverage

Pollution exclusion is not applicable to non-indemnified securities claims

Insured versus insured exclusion is not applicable to employment-related claims or any claims by non-officer employees

Illegal profit exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured gained illegal profit, remuneration or advantage

Fraud exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured committed fraudulent or criminal acts with actual knowledge of their wrongful nature or with intent to cause damage

No exclusion for purchases and sales, or sales and purchases, of securities within six months (§ 16(b))

This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the policy described. Please remember that only the policy can give actual terms, coverages, amounts, conditions and exclusions.

EMPLOYMENT PRACTICES LIABILITY**Coverage Part B**

Broad “Insured” Definition: Covers the entity and its directors, officers and full-time or part-time employees

Broad “Claim” Definition

Covers civil, criminal, administrative or regulatory proceedings (including EEOC or similar state proceedings), and arbitrations

Covers written demands for monetary damages

Covers formal investigations

Broad “Loss” Definition

Covers damages, settlements, judgments, defense costs and pre-judgment and post-judgment interest

Covers back pay and front pay

Covers punitive, exemplary or multiple damages

Insurer may not challenge insureds’ reasonable determination of punitive damage insurability

Broad Claimant Description: Covers claims by past, present or prospective full-time or part-time employees

Broad Definition of Covered “Wrongful Employment Practices”: Includes wrongful termination; discrimination; sexual harassment; violation of any federal, state, local or common law concerning employment; misrepresentation; failure to adopt adequate employment policies; defamation; and retaliation against employees

Exclusions Eliminated or Limited

No exclusion for emotional distress or mental anguish

Prior litigation and prior notice of claim exclusion does not apply to prior EEOC proceedings brought by a different employee

Illegal profit exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured gained illegal profit, remuneration or pecuniary advantage

Fraud exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured committed fraudulent or criminal acts with actual knowledge of their wrongful nature or with intent to cause damage

Exclusion relating to violation of ERISA, workers compensation, COBRA, Fair Labor Standards Act, National Labor Relations Act, OSHA, etc. does not apply to retaliation claims by employees for exercising their rights under such laws

Pollution exclusion does not apply to claims for retaliatory treatment

This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the policy described. Please remember that only the policy can give actual terms, coverages, amounts, conditions and exclusions.

FIDUCIARY LIABILITY**Coverage Part C*****Broad Insuring Agreement***

Covers claims for wrongful acts by insureds as fiduciaries or administrators of insured welfare plans, pension plans and government-mandated insurance plans of the insured company

Coverage applies to liability of the insureds both for their own wrongful acts and the wrongful acts of any natural person for whom the insureds are legally responsible

Broad "Insured" Definition: Insureds include the insured company, the plans, and directors, officers, natural person trustees or employees of the insured company or the plans

Plans do not need to be scheduled***Broad "Claim" Definition***

Covers civil, criminal, administrative and regulatory proceedings and arbitrations

Covers written demands for monetary damages or non-monetary relief

Covers formal investigations

Broad "Loss" Definition

Covers damages, settlements, judgments, defense costs and pre-judgment and post-judgment interest

Covers punitive, exemplary or multiple damages

Insurer may not challenge insureds' reasonable determination of punitive damage insurability

Exclusions Eliminated or Limited

Fraud exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured committed fraudulent or criminal acts with actual knowledge of their wrongful nature or with intent to cause damage, or intentionally violated any statute, rule or order with actual knowledge of such violation or with intent to cause damage

Illegal profit exclusion applies only if it is established in a final adjudication by a judge, jury or arbitrator that the insured gained illegal profit, remuneration or pecuniary advantage

Defense costs coverage for claims relating to failure to collect employer contributions, return of employer contributions or plan assets, or for benefits due under a plan

Benefits due exclusion does not apply to benefits owed by a natural person insured based on his/her own wrongful acts

Civil penalties pursuant to ERISA Section 502(i) or (l) are not excluded

This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the policy described. Please remember that only the policy can give actual terms, coverages, amounts, conditions and exclusions.

COMMERCIAL CRIME

Coverage Part D

Coverages Include

Employee dishonesty
Forgery or alteration, theft, disappearance and destruction of money and securities
Property on premises and in transit
Computer fraud
Wire Transfer fraud
Counterfeit money orders and U.S./Canadian currency
Audit and investigative expenses required for proof of loss

Coverage Features

Automatic coverage for leased employees
Worldwide coverage
Clear language defining “knowledge of loss to occur” when a corporate officer, sole proprietor or partner learns of it
Coverage automatically extends to non-compensated officers
Sixty-day automatic coverage for purchased or merged entities
Guaranteed one-year extended discovery period for pre-cancellation loss, if the replacement policy does not cover the loss
Coverage can be extended to indemnify for employee theft of customer property while working on third party premises.
Automatic coverage for all ERISA plans with zero deductible
Clear language for applying only one deductible for a loss covered by policies issued through present and prior carrier

This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the policy described. Please remember that only the policy can give actual terms, coverages, amounts, conditions and exclusions.