



**INVESTMENT MANAGEMENT LIABILITY SOLUTIONS  
INVESTMENT ADVISER MANAGEMENT LIABILITY COVERAGE PART**

**I. INSURING AGREEMENTS**

**1. Management Liability (Individual)**

The Insurer shall pay on behalf of the **Insured Persons** that **Loss** resulting from any **Claim** first made against them during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act**, except and to the extent that the **Insured Entity** has indemnified them for such **Loss**.

**2. Management Liability (Reimbursement)**

The Insurer shall pay on behalf of the **Insured Entity** that **Loss** for which the **Insured Entity** has indemnified the **Insured Persons** and which results from any **Claim** first made against the **Insured Persons** during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act**.

**3. Insured Entity Securities Liability**

The Insurer shall pay on behalf of the **Insured Entity** that **Loss** resulting from any **Securities Claim** first made against the **Insured Entity** during the **Policy Period** or Extending Reporting Period, if applicable, for a **Wrongful Act**.

**II. DEFINITIONS**

**Insured Entity** means the **Investment Adviser**.

**Insured Person** means any **Executive** or **Employee** of an **Insured Entity**.

**Securities Claim** means a **Claim**, other than an administrative or regulatory proceeding against or investigation of an **Insured Entity**, made against any **Insured** and:

1. brought by:
  - a. any person or entity and alleging, arising out of, based upon or attributable to the purchase or sale or offer or solicitation of an offer to purchase or sell any securities of an **Insured Entity**; or
  - b. a security holder of an **Insured Entity** with respect to such security holder's interest in securities of such **Insured Entity**; or
2. brought derivatively on the behalf of an **Insured Entity** by a security holder of such **Insured Entity**.

**Wrongful Act** means any actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty committed or attempted by:

1. an **Executive** in his or her capacity as such or any matter claimed against such **Executive** solely by reason of his or her status as such;
2. an **Employee** in his or her capacity as such, but solely in regard to any **Securities Claim**;
3. an **Insured Entity**, but solely in regard to any **Securities Claim**.

**III. EXCLUSIONS**

The Insurer shall not be liable to pay that part of **Loss** under this Policy in connection with any **Claim** made against the **Insured Persons** or the **Insured Entities**:

**1. Bodily Injury/Property Damage**

for any actual or alleged bodily injury (including death), sickness, disease, emotional distress, mental anguish, libel, slander or defamation of any person, or damage to or destruction of any tangible property including loss of use, except that this exclusion shall not apply to allegations of emotional distress, mental anguish, libel, slander or defamation by a claimant in an **Employment Practices Claim**;



2. **ERISA or any Similar Act**

for any actual or alleged violation of the responsibilities, obligations or duties imposed upon fiduciaries by **ERISA or any Similar Act**;

3. **Prior Notice**

based upon or arising out of:

- a. any **Wrongful Act** or any matter, fact, circumstance, situation, transaction, or event notice of which was given by an **Insured** under any policy of which this Policy is a direct or indirect renewal or replacement; or
- b. any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** described in a. above, would constitute **Interrelated Wrongful Acts**;

4. **Prior or Pending**

based upon or arising out of or constituting any civil, criminal, administrative or regulatory proceeding, investigation or arbitration against any of the **Insureds** which was pending on or prior to the Prior or Pending Date set forth in Item 8. of the Declarations or the same or essentially the same fact, circumstance, situation, transaction or event underlying or alleged in such proceeding, investigation or arbitration;

5. **Pollution**

based upon or arising out of: any nuclear reaction, radiation or contamination, or any actual, alleged or threatened discharge, release, escape, or disposal of, or exposure to, **Pollutants**; any request, direction or order that any of the **Insureds** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effect of **Pollutants** or nuclear reaction, radiation or contamination, or any voluntary decision to do so; or any actual or alleged property damage, or bodily injury, sickness, disease or death of any person, or financial loss to the **Insured Entity**, its security holders, or its creditors resulting from any of the aforementioned matters;

6. **Illegal Profits/Deliberate Acts**

based upon or arising out of:

- a. the gaining of any profit, remuneration or advantage to which the **Insured** was not legally entitled if a judgment, ruling or other finding of fact in any proceeding adverse to the **Insured** establishes the **Insured** was not legally entitled to such profit or advantage; or
- b. the committing of any deliberate fraudulent or deliberate criminal act by the **Insured** if a judgment, ruling or other finding of fact in any proceeding establishes that such act was committed.

For purposes of determining the applicability of Exclusion 6:

- a. the facts pertaining to and knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured Person**; and
- b. only facts pertaining to and knowledge possessed by any past, present or future chair of the Board or Directors, president, chief executive officer, chief financial officer, chief operating officer or general counsel (or equivalent position) of an **Insured Entity** shall be imputed to the **Insured Entities**;

7. **Wrongful Acts of Executives of other Entities**

for any **Wrongful Act** by such **Insured Person** while serving in the capacity, or solely by reason of his or her status, as a director, officer, trustee, governor, manager, member, partner, employee or similar position in any entity, other than an **Insured Entity**;

8. **Hold Harmless or Indemnification Agreement**



for liability assumed by the **Insureds** under any type of hold harmless or indemnification agreement whereby the **Insureds** incur liability arising out of the **Wrongful Acts** of third parties which liability the **Insureds** would not otherwise incur absent such hold harmless or indemnification agreement; or

9. **Claims By Insureds**

by or on behalf of:

- a. any **Insured Persons** in any capacity; or
- b. the **Insured Entity**; or
- c. any security holder, member or partner of an **Insured Entity**, whether directly or derivatively, unless such security holder's, member's or partner's **Claim** is brought and maintained solely by persons acting totally independent of and totally without the solicitation, assistance, participation or intervention of the **Insured Entity**, or any **Insured Person**;

provided, however, that this Exclusion shall not apply to:

- i. any **Employment Practices Claim** brought by an **Employee** of the **Insured Entity**;
- ii. any **Claim** that is in the form of a cross-claim, third party claim or otherwise for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded under this Policy;
- iii. any **Claim** brought or maintained by or on behalf of a bankruptcy or insolvency trustee, examiner, liquidator, receiver or rehabilitator for an **Insured Entity**, or any assignee of such trustee, examiner, liquidator, receiver or rehabilitator; or
- iv. any **Claim** brought by any past **Executive** of an **Insured Entity** who has not served as a duly elected or appointed director, officer, trustee, governor, management committee member, member of the board of managers, general partner, partnership manager, trust manager, In-House General Counsel, Chief Compliance Officer or Risk Manager (or equivalent position) of or consultant for an **Insured Entity** for at least four (4) years prior to such **Claim** being first made.