



Private Insurance Company Endorsement

In consideration of the premium paid for this Policy, it is agreed that solely with respect to any **Private Insurance Company** and its **Insured Persons**:

1. Section I, **Insuring Agreements**, paragraph 3, **Insured Entity Securities Liability**, is deleted in its entirety and replaced as follows:

3. **Insured Entity Liability**

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

2. Section II, **DEFINITIONS**, the definitions of **Employment Practices Claim**, **Insured Entity**, **Insured Person**, **Outside Entity Executive** and **Wrongful Act** are amended as follows:

A. The definition of **Employment Practices Claim** is deleted in its entirety and replaced as follows:

Employment Practices Claim means a **Claim** against an **Insured Person** alleging any **Wrongful Employment Practice**.

B. The definition of **Insured Entity** is amended to add the following new sentence:

Insured Entity includes any Attorney-in-Fact.

C. The definition of **Insured Person** is amended to add the following new sentence:

Insured Person also means **Executive** or **Employee** of an **Attorney-in-Fact**.

D. The definition of **Outside Entity Executive** is amended as follows:

Outside Entity Executive does not include any **Executive** of an **Attorney-in-Fact**.

E. The definition of **Wrongful Act** is deleted in its entirety and replaced with the following:

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;
3. with respect to any **Outside Entity Executive**, by such **Outside Entity Executive** in his or her capacity as such or any matter claimed against such **Outside Entity Executive** solely by reason of his or her status as such; or
4. an **Insured Entity**.

Wrongful Act also includes actual or alleged error, misstatement, misleading statement, act, omission, neglect or breach of duty by the **Insured Entity** or any **Insured Person** relating to the calculation of its policyholder dividends or assessments, or the placement or management of its reinsurance.

3. Section II, **DEFINITIONS**, is amended to add new definitions as follows:

Attorney in Fact means a person designated and appointed by subscribers to a reciprocal insurer to act for and bind the subscribers in all transactions relating to or arising out of the operations of a reciprocal insurer, subject to limitations as may be lawfully provided.



Investment Advisory Services means giving financial, economic or investment advice, including performing investment management services, regarding investments in securities, including determining what securities are to be purchased or sold, pursuant to a written contract defining the consideration for and the scope of such advice or services.

Private Insurance Company means an insurance company that holds a license as a reciprocal insurance company, mutual insurance company, or a captive insurance company under the laws of any jurisdiction of the United States, Puerto Rico, Canada or any other foreign jurisdiction or as a federal risk retention group under the United States Federal Liability Risk Retention Act of 1986.

4. Section III, **EXCLUSIONS**, is amended by the addition of the following:

- **Contractual Liability**

for the actual or alleged breach of any oral, written or implied contract or agreement; provided, however, this exclusion shall not apply if and to the extent that liability would have attached to the **Insureds** in the absence of such contract or agreement;

- **Publishing Liability**

for any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights;

- **Violation of Law**

for any actual or alleged violation of any law, whether statutory, regulatory or common law, respecting any of the following activities: antitrust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships;

- **Professional Services**

for the rendering or failure to render professional services, including, but not limited to **Investment Advisory Services**, to a customer or client of the **Insured Entity**;

- **Securities**

based upon or arising out of, or in any way involving:

- a. the public offer, sale, offer to sell, solicitation or distribution of securities issued by the **Insured Entity** or any **Subsidiary**; or
- b. the actual or alleged violation of any federal, state, local or provincial statute relating to securities or any rules or regulations promulgated thereunder if such violation actually or allegedly occurred after a transaction described in a. above;

However, if within 30 days prior to the effective date of any public offering of securities (whether or not exempted by section 3(b) of the Securities Act of 1933) the **Insureds** give the Insurer written notice of such public offering together with full particulars and underwriting information required thereto, then the Insurer may, at its sole option, agree in writing to provide coverage for such public offerings provided the **Insureds** accept such terms, conditions and additional premium as may be required by the Insurer for such coverage.

5. Section III, **EXCLUSIONS**, paragraph 1. **Bodily Injury/Property Damage** is deleted in its entirety and replaced with:



- 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:
 - a. to allegations of emotional distress, mental anguish, libel, slander or defamation by a claimant in an **Employment Practices Claim**;
 - b. where such bodily injury, sickness, disease, emotional distress, mental anguish, libel, slander or defamation of any person (other than an **Insured Person** unless such **Insured Person** is alleging such injury as a policyholder, customer or beneficiary) resulted solely from claims handling and adjusting by the **Private Insurance Company** or its **Insured Persons** or by a third party claims administrator acting pursuant to a contract with such **Private Insurance Company**;
 - c. to damage to or destruction of any tangible property (other than to property which is owned or occupied by or rented to or used by the **Insured**, or is in the care, custody or control of the **Insured**, or as to which the **Insured** is for any purpose exercising physical control) resulting solely from claims handling and adjusting by the **Private Insurance Company** or its **Insured Persons** or by a third party claims administrator acting pursuant to a contract with such **Private Insurance Company**.

All other terms and conditions of the Policy remain unchanged.

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

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