PRIVATE COMPANY PROTECTION PLUS
Directors and Officers & Private Company Liability Insurance
Employment Practices Liability Insurance
Fiduciary Liability Insurance

In consideration of the premium paid and in reliance upon all statements made and information furnished to the Underwriter, including all statements made in the Application, the Underwriter agrees to provide coverage as shown in the Declarations and described as follows:

PART 1
DIRECTORS & OFFICERS LIABILITY INSURANCE

(To be read in conjunction with the Common Policy Definitions, Exclusions and Conditions Sections, Part 4, 5, 6 below)

I. INSURING AGREEMENTS

A. INDIVIDUAL LIABILITY COVERAGE

The Underwriter shall pay on behalf of the Individual Insured, Loss from Claims made against Individual Insureds during the Policy Period (or, if applicable, during the Extended Reporting Period), and reported to the Underwriter pursuant to the terms of this Policy, for D&O Wrongful Acts, except to the extent the Private Company has indemnified the Individual Insured for such Loss.

B. PRIVATE COMPANY INDEMNITY COVERAGE

The Underwriter shall pay on behalf of the Private Company, Loss from Claims made against Individual Insureds during the Policy Period (or, if applicable, during the Extended Reporting Period), and reported to the Underwriter pursuant to the terms of this Policy, for D&O Wrongful Acts, if the Private Company has indemnified such Individual Insureds for such Loss.

C. PRIVATE COMPANY LIABILITY COVERAGE

The Underwriter shall pay on behalf of the Private Company, Loss from Claims made against the Private Company during the Policy Period (or, if applicable, during the Extended Reporting Period), and reported to the Underwriter pursuant to the terms of this Policy, for a D&O Wrongful Act.

II. DEFINITIONS

A. D&O Wrongful Act means any actual or alleged:

1. act, error, omission, misstatement, misleading statement, neglect, or breach of duty committed or attempted by an Individual Insured in his/her capacity as an Individual Insured; or

2. act, error, omission, misstatement, misleading statement, neglect, or breach of duty committed or attempted by the Private Company; or
3. act, error, omission, misstatement, misleading statement, neglect, or breach of duty committed or attempted by an Individual Insured arising out of serving in his/her capacity as a director, officer, governor or trustee of an Outside Entity, but only:
   a. if such service is at the written request or direction of the Private Company; and
   b. if, at the time such service began, the Individual Insured did not know or could not have reasonably foreseen that such act, error, omission, misstatement, misleading statement, neglect, or breach of duty could lead to a Claim under this Policy.

B. Outside Entity means:
   1. any not-for-profit entity described in section 501(c)(3) of the Internal Revenue Code of 1986 (as amended); or
   2. any other entity listed as an Outside Entity in an endorsement to this Policy.

III. EXCLUSIONS

The Underwriter shall not be liable under this Part 1 to make any payment for Loss in connection with any Claim made against the Private Company under Insuring Agreement C:

A. arising out of, based upon or attributable to any actual or alleged plagiarism, infringement of copyright, patent, trademark, trade name, trade dress, service mark, title or slogan, piracy or misappropriation of ideas or trade secrets;

B. arising out of, based upon or attributable to any actual or alleged price fixing, restraint of trade, monopolization, unfair competition, or violation of the Federal Trade Commission Act, the Sherman Anti-Trust Act, the Clayton Act, the Robinson-Patman Act, the Hart-Scott-Rodino Anti-Trust Improvement Act or any other similar federal, state, or local statutory provision or common law anywhere in the world;

C. for any actual or alleged liability under any written or oral contract or agreement; however, this exclusion does not apply to any of the following:
   1. liability of the Private Company which would have attached even in the absence of such contract or agreement; or

D. arising out of, based upon or attributable to any failure to comply with any law concerning workers compensation, unemployment insurance, social security, disability benefits or any similar laws;

E. for any actual or alleged violation of any of the responsibilities, obligations, or duties imposed by ERISA, the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act, Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law;

F. for any actual or alleged malfunction of any product or failure of any product to perform in any manner as a result of any defect, deficiency, inadequacy or dangerous condition in such product or in its design or manufacture;

G. arising out of, based upon or attributable to an Employment Practices Act or a Fiduciary Liability Act.

IV. PRESumptive INDEMNIFICATION

If the Private Company is permitted or required by common or statutory law, but fails to indemnify the Individual Insured for Loss (except by reason of its financial insolvency), any payment by the Underwriter of such Loss shall be subject to the Insuring Agreement C Retention Amount set forth in Item 4.(A) of the Declarations. The charter, by-laws, shareholder and board of director's resolutions of the Private Company shall be deemed to provide indemnification for such Loss to the fullest extent permitted by law.
PART 2
EMPLOYMENT PRACTICES LIABILITY INSURANCE

(To be read in conjunction with the Common Policy Definitions, Exclusions and Conditions Sections, Part 4, 5, 6 below)

I. INSURING AGREEMENT

The Underwriter shall pay on behalf of the Insured, Loss from Claims made against the Insured during the Policy Period (or, if applicable, the Extended Reporting Period), and reported to the Underwriter pursuant to the terms of this Policy, for an Employment Practice Act.

II. DEFINITIONS

A. Employment Practice Act means any actual or alleged:

1. wrongful dismissal, discharge or termination of employment;
2. breach of a written or oral employment contract or implied employment contract;
3. employment related misrepresentation;
4. wrongful failure to promote;
5. violation of employment discrimination laws (including harassment);
6. wrongful deprivation of a career opportunity;
7. employment related wrongful discipline;
8. negligent employee evaluation;
9. employment related invasion of privacy;
10. employment related defamation (including libel and slander);
11. sexual or workplace harassment of any kind;
12. constructive discharge of employment;
13. employment related Retaliation;
14. employment related humiliation;
15. wrongful demotion;
16. negligent reassignment;
17. violation of any federal, state or local civil rights laws;

and committed or attempted by an Individual Insured in his/her capacity as an Individual Insured or by the Private Company.

Solely with respect to any Claim brought by or on behalf of any Third Party, Employment Practice Act means any actual or alleged wrongful failure to employ, discrimination, sexual harassment or violation of such Third Party's civil rights in relation to such wrongful failure to employ, discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an Individual Insured in his/her capacity as an Individual Insured or by the Private Company.

B. Retaliation means retaliatory treatment against an Individual Insured on account of such individual:

1. exercising his or her rights under law, including but not limited to rights under any workers compensation laws, the Family and Medical Leave Act, or the Americans with Disabilities Act;
2. refusing to violate any law;
3. having assisted or testified in or cooperated with a proceeding or investigation regarding alleged violations of law by the Insured;
4. disclosing in writing to a superior or to any governmental agency any alleged violations of law;
5. filing any claim against the Insured under the Federal False Claims Act or any other similar “whistle blower” federal, state, or local law.
C. **Third Party** means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Private Company**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 2 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

A. arising out of, based upon or attributable to any failure to comply with any law concerning workers compensation, unemployment insurance, social security, disability benefits or any similar laws; however, this exclusion shall not apply to any **Claim for Retaliation**;

B. for any actual or alleged violation of any of the responsibilities, obligations, or duties imposed by ERISA, the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act (except the Equal Pay Act), Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law; however, this exclusion shall not apply to any **Claim for Retaliation**;

C. arising out of, based upon or attributable to a lockout, strike, picket line, replacement or other similar action resulting from labor disputes, labor negotiations, or collective bargaining agreements; provided that this exclusion will not apply to any **Claim for Retaliation**;

D. arising out of, based upon or attributable to obligations or payments owed under (i) an express (written or verbal) contract of employment, (ii) an agreement to make payments in the event of the termination of employment, or (iii) an agreement to assume another’s liability; however, this exclusion does not apply to any of the following:

1. liability of the **Private Company** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs**;

E. to the extent such **Loss**, other than **Defense Costs**, constitutes employment-related benefits, stock options, perquisites, deferred compensation, payment of insurance, or any other type of compensation earned by the claimant in the course of employment or the equivalent value thereof; however, this exclusion shall not apply to front pay or back pay;

F. arising out of, based upon or attributable to a **D&O Wrongful Act** or a **Fiduciary Liability Act**.

**PART 3**

**FIDUCIARY LIABILITY INSURANCE**

(To be read in conjunction with the Common Policy Definitions, Exclusions and Conditions Sections, Part 4, 5, 6 below)

I. **INSURING AGREEMENT**

The **Underwriter** shall pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, the Extended Reporting Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**.

II. **DEFINITIONS**

A. **Administration** means: (i) giving counsel to **Employees**, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of **Employees** or participants under any **Benefit Plan**.

B. **Benefit Plan** means:

1. any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Private Company** solely for the benefit of the **Employees** of the **Private Company**;
2. any Pension Benefit Plan which was, on or prior to the effective date of this Policy, sponsored by the Private Company solely for the benefit of the Employees of the Private Company, provided that coverage was available in respect of such Pension Benefit Plan under any policy of which this Policy is a renewal or replacement and such Pension Benefit Plan has been reported in writing to the Underwriter as part of the Application;

3. any Pension Benefit Plan created or acquired (through merger, consolidation or otherwise) during the Policy Period by the Insured solely for the benefit of the Employees of the Private Company, but only upon the condition that within 90 days after such creation or acquisition, the Insured shall have (i) provided written notice to the Underwriter of such newly created Pension Benefit Plan, and (ii) agreed to any additional terms and paid any additional premium required by the Underwriter in its sole discretion;

4. any government-mandated benefit program for workers compensation, unemployment, social security or disability benefit for Employees of the Private Company.

However, Benefit Plan does not include any multi-employer plan.

Coverage for Benefit Plans which are sold, terminated or spun-off during or prior to the Policy Period shall apply only with respect to any Fiduciary Liability Act occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such Benefit Plan.

C. Fiduciary Liability Act means any actual or alleged:

1. breach by an Insured of the responsibilities, obligations or duties imposed upon fiduciaries of any Benefit Plan by ERISA; or

2. negligent act, error or omission by an Insured solely in the Administration of any Benefit Plans.

D. Pension Benefit Plan means any employee pension benefit plan, as defined in ERISA.

E. Welfare Benefit Plan means any employee welfare benefit plan, as defined in ERISA.

III. EXCLUSIONS

The Underwriter shall not be liable under this Part 3 to make any payment for Loss in connection with any Claim made against the Insured:

A. arising out of, based upon or attributable to the actual or alleged failure to collect or fund contributions owed to any Benefit Plan; or for the return or reversion to any employer of any contribution to or asset of a Benefit Plan;

B. to the extent such Loss constitutes benefits due or to become due under a Benefit Plan or benefits which would be due under a Benefit Plan if its terms complied with all applicable law; however, this exclusion shall not apply to Defense Costs;

C. arising out of, based upon or attributable to any failure or omission to effect and maintain insurance or bonding for the property or assets of any Benefit Plan;

D. arising out of, based upon or attributable to any liability of others assumed by the Insured under any contract or agreement, other than any contract or agreement establishing a Benefit Plan.

E. arising out of, based upon or attributable to any failure to comply with any law concerning workers compensation, unemployment insurance, social security, disability benefits or any similar laws;

F. arising out of, based upon or attributable to an Employment Practices Act or a D&O Wrongful Act.
PART 4
COMMON POLICY DEFINITIONS

A. Application means:
   1. the Application for this Policy, including any material submitted therewith; and
   2. the Application(s), including any material submitted therewith, for all previous policies issued by the Underwriter of which this Policy is a direct or indirect renewal or replacement,

   all of which shall be deemed a part of this Policy as if physically attached hereto.

B. Claim means:
   1. a written demand for monetary or non-monetary relief;
   2. a judicial or civil proceeding commenced by the service of a complaint or similar pleading;
   3. a criminal proceeding commenced by a return of an indictment;
   4. a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigation order or similar document, including, but not limited to, proceedings before the Equal Employment Opportunity Commission or any similar governmental agency;
   5. an arbitration or mediation or other alternative dispute resolution proceeding if the Insured is obligated to participate in such proceeding or if the Insured agrees to participate in such proceeding, with the Underwriter’s written consent, such consent not to be unreasonably withheld;
   6. solely with respect to Part 3 (Fiduciary Liability Insurance), a written notice of commencement of an investigation by the Department of Labor or the Pension Benefit Guaranty Corporation;

      against an Insured for a Wrongful Act, including any appeal therefrom; or
   7. a written request received by an Insured to toll or waive a statute of limitations, relating to a potential Claim as described above.

   However, Claim shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

   A Claim shall be considered made when an Insured first receives notice of the Claim.

C. Damages means any monetary judgment (including any pre- and post- judgment interest thereon) or monetary settlement, including the punitive, exemplary or multiple portion of any judgment (to the extent such damage is insurable under law of any jurisdiction which has a substantial relationship to the Insured or to the Claim seeking such damage and which is most favorable to the insurability of such damage).

D. Defense Costs means:
   1. any reasonable and necessary legal fees and expenses incurred in the defense of a Claim, whether by the Insured with the Underwriter’s consent or directly by the Underwriter, in the investigation, adjustment, defense and appeal of a Claim, except that Defense Costs shall not include:
      a. any amounts incurred in defense of any Claim for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes such duty; or
      b. salaries, wages, overhead or benefit expenses associated with any Insured except as specified in subparagraph 2. below; or
      c. salaries, wages, overhead or benefit expenses associated with employees of the Underwriter; and
2. a $250 per day per Individual Insured supplemental payment for the attendance at the request or with the consent of the Underwriter by such Individual Insured at hearings, trials or depositions. Such payment shall not exceed $5000 in the aggregate for all Individual Insureds in each Claim.

E. Employee means any natural person whose labor or service is engaged by and directed by the Private Company, including part-time, seasonal, leased and temporary employees as well as volunteers, but only while that natural person is acting in his or her capacity as such. Employee shall not include any independent contractors, unless specifically scheduled by endorsement.

F. ERISA means the Employee Retirement Income Security Act of 1974, as amended, any similar federal, state, local or common law, and any rules and regulations promulgated thereunder.

G. Individual Insured means:

1. any individual who has been, now is or shall become a director, officer, governor, trustee, Employee, volunteer, management committee member, or member of the Board of Managers of the Private Company or, solely with respect to Part 3 (Fiduciary Liability Insurance), a director, officer, governor, trustee or Employee of any Benefit Plan;

2. the lawful spouse of a director, officer, governor, trustee, or equivalent executive of the Private Company, but only for actual or alleged Wrongful Acts of such person for which such spouse may be liable as the spouse of such person;

3. the estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for Wrongful Acts of the person described in G. (1) or (4) which, in the absence of such death or incompetence, would have been covered by this Policy;

4. with respect to a Private Company chartered outside the United States of America, any individual who has been, now is or shall become a person serving in a position with such Private Company that is equivalent to any position described in (1) above.

H. Insured means the Private Company and Individual Insured.

I. Interrelated Wrongful Act means: any causally connected Wrongful Act or any series of the same, similar or related Wrongful Acts.

J. Loss means:

1. Damages;

2. Defense Costs;

but Loss does not include:

1. criminal or civil fines or penalties imposed by law except that solely with respect to Part 3 (Fiduciary Liability Insurance) Loss includes fines or penalties imposed under Section 502 (i) and (l) of ERISA; or

2. taxes; or

3. matters deemed uninsurable under the law to which this Policy shall be construed; or

4. any amounts other than Defense Costs, which an Insured is obligated to pay as a result of a Claim seeking relief or redress in any form other than monetary damages; or

5. any costs other than Defense Costs associated with any accommodation required pursuant to the American With Disabilities Act (removed Civil Rights Act of 1964) and the rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.
K. **Named Corporation** means the first entity named in Item 1 of the Declarations Page.

L. **Private Company** means:
   1. the **Named Corporation**, and
   2. any **Subsidiary**, and
   3. any entity or person as a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law, and
   4. solely with respect to Part 3 (Fiduciary Liability Insurance), any **Benefit Plan**.

M. **Policy Period** means the period of time specified in Item 2 of the Declarations Page.

N. **Private Offering** means securities offered or issued by the **Private Company** which are exempt from registration with the United States Securities and Exchange Commission pursuant to Section 3 (b) of the Securities Act of 1933.

O. **Public Offering** means securities issued by the **Private Company** for initial public offering, public sale, public solicitation or public distribution to the general public and which is subject to full registration with the United States Securities & Exchange Commission (SEC). **Public Offering** does not include a **Private Offering**.

P. **Run-Off Policy** means a new policy of insurance offered by the **Underwriter** at the request of the **Named Corporation** in the event of a **Transaction**. The **Run-Off Policy** shall apply to **Claims** made and reported to the **Underwriter** during the term of the **Run-Off Policy**, but only for **Wrongful Acts** occurring prior to the effective date of said **Transaction**.

Q. **Subsidiary** means:
   1. a corporation of which the **Named Corporation** owns on or before the inception of the **Policy Period** more than 50% of the issued and outstanding voting stock either directly, or indirectly through one or more of its **Subsidiaries** or the right to elect, appoint or designate more than 50% of such entity’s **board** of directors, trustees, or managers and which is set forth in the **Application**;
   2. a corporation which becomes a **Subsidiary** during the **Policy Period** and whose assets total less than 25% of the total consolidated assets of the **Named Corporation** as of the inception date of this **Policy Period**. The **Named Corporation** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;
   3. a corporation, which becomes a **Subsidiary** during the **Policy Period** other than a corporation described in paragraph 2. above, but only upon the condition that within 90 days of its becoming a **Subsidiary** the **Named Corporation** shall have provided the **Underwriter** with full particulars of the new **Subsidiary** and agreed to any additional premium and/or amendment of the provisions of this **Policy** required by the **Underwriter** relating to such new **Subsidiary**. Further, coverage as shall be afforded to the new **Subsidiary** is conditioned upon the **Named Corporation** paying when due any additional premium required by the **Underwriter** relating to such new **Subsidiary**.

A corporation becomes a **Subsidiary** when the **Named Corporation** owns more than 50% of the issued and outstanding voting stock, either directly, or indirectly through one or more of its **Subsidiaries**. A corporation ceases to be a **Subsidiary** when the **Named Corporation** ceases to own more than 50% of the issued and outstanding voting stock, either directly, or indirectly through one or more of its **Subsidiaries**. Coverage for **Claims** made against any **Subsidiary** or the **Individual Insureds** of any **Subsidiary** shall only apply to **Wrongful Acts** of such **Subsidiary** or the **Individual Insureds** of such **Subsidiary** occurring after the effective time that such **Subsidiary** became a **Subsidiary** and prior to the time that such **Subsidiary** ceased to be a **Subsidiary**.

R. **Transaction** shall mean:
   1. the **Private Company** merging into or consolidating with another entity such that the other entity is the surviving entity; or
2. another entity, or person or group of entities and/or persons acting in concert acquiring securities or voting rights which result in ownership or voting control by the other entity(ies) or person(s) of more than 50% of the outstanding securities representing the present right to vote for the election of directors of the Private Company; or

3. **Public Offering.**

S. Underwriter means the stock insurance company check marked on the Declarations Page of this Policy.

T. Wrongful Act means:

1. with respect to Part 1, any D&O Wrongful Act,
2. with respect to Part 2, any Employment Practice Act,
3. with respect to Part 3, any Fiduciary Liability Act.

**PART 5
COMMON POLICY EXCLUSIONS**

The Underwriter shall not be liable to make any payment for Loss in connection with any Claim made against the Insured:

A. arising out of, based upon or attributable to such Insured gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the Insured committed such act or omission;

B. arising out of, based upon or attributable to any dishonest or fraudulent act or omission or any criminal act or omission by such Insured; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the Insured committed such act or omission;

No Wrongful Act of any Insured shall be imputed to any other Individual Insured for purpose of determining the applicability of Exclusions A and B above.

C. arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water, or any cost or expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;

D. arising out of, based upon or attributable to any bodily injury or property damage in connection with tobacco smoke, asbestos or mold including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke, asbestos or mold to any persons and in any environment, building or structure;

E. arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto and any similar provisions of any federal, state or local statutory or common law;

F. arising out of, based upon or attributable to:

1. any litigation or demand against an Insured pending on or before the respective Prior and Pending Date set forth in Item 5 of the Declarations Page, or the same or essentially the same facts as alleged in such prior litigation; or

2. any Wrongful Act, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance prior to inception of this Policy; or
3. any Wrongful Act, fact, circumstance or situation of which, as of the respective Prior and Pending Date set forth in Item 5 of the Declarations Page, the Insured had knowledge and from which the Insured could reasonably expect a Claim to arise.

G. arising out of, based upon or attributable to the insolvency, conservatorship, receivership, bankruptcy or liquidation of any bank, banking firm, broker, dealer, investment company, investment banker, insurance company, or other entity of a similar nature; or the failure to pay or suspension of payment by any such entity;

H. to the extent such Loss constitutes Defense Costs in a Claim directly or indirectly by, on behalf of, or for the benefit of any insurance carrier or bond carrier of the Insured or any affiliate of the Insured, regardless of in whose name such Claim is actually made;

I. for any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including Loss of use thereof; however, this exclusion shall not apply to mental anguish or emotional distress under Part 2 (Employment Practices Liability Insurance);

J. brought or maintained by or on behalf of, or in the right of, the Private Company except a derivative action Claim by any person who is not a past or present director, officer, governor, trustee, equivalent executive, management committee member, or member of the Board of Managers of the Private Company and who brings or maintains the Claim without the solicitation, assistance or participation of such persons; provided, however that this exclusion shall not apply to a Claim brought or maintained by or on behalf of a bankruptcy or insolvency receiver, trustee, examiner, conservator, liquidator or rehabilitator for the Private Company, or any assignee of such receiver, trustee, examiner, conservator, liquidator or rehabilitator;

K. brought or maintained by any Individual Insured except:
   1. any Claim in the form of a cross claim, third party claim or other claim for contribution or indemnity by an Individual Insured which is part of or results directly from a Claim which is not otherwise excluded by this Policy;
   2. a Claim for an Employment Practice Act or a Fiduciary Liability Act;
   3. a Claim for a D&O Wrongful Act brought or maintained by an Employee(s) who is not a past or present director, officer, governor, trustee, equivalent executive, management committee member, or member of the Board of Managers of the Private Company if such Claim for a D&O Wrongful Act is brought and maintained by such Employee without the assistance, participation or solicitation of any such persons.

L. for a Wrongful Act committed or attempted by a Subsidiary, Benefit Plan or an Individual Insured of a Subsidiary or Benefit Plan before such entity or plan became an Insured or after the entity or plan ceased to be an Insured;

M. for service by the Individual Insured in any position or capacity in any entity other than the Private Company, a Benefit Plan or an Outside Entity, even if the Private Company directed or requested the Individual Insured to serve in such other position or capacity;

N. arising out of, based upon or attributable to a Public Offering or any violation of the Securities and Exchange Act of 1933, Securities and Exchange Act of 1934, Investment Act of 1940, any state “Blue Sky” securities law, or any other federal, state or local securities law or any amendments thereto or any rules or regulations promulgated thereunder or any other provision of statutory or common law used to impose liability in connection with the offer to sell or purchase, or the actual sale or purchase of securities; provided, however that this exclusion shall not apply:
   1. to any Private Offering, subject to terms and conditions of Part 6, Section XVII;
   2. to any Claim made by any securityholder of the Private Company for the failure of the Insured to undertake or complete a Public Offering.
PART 6
COMMON POLICY CONDITIONS

I. LIMITS OF LIABILITY

Regardless of the number of Insureds involved, Claims made, the Underwriter's liability under the Policy is limited as follows:

A. With respect to coverage under Part 1 of this Policy, the Underwriter's maximum aggregate liability under Part 1 for all Loss on account of all Claims made during the Policy Period, whether covered under Insuring Agreement A, B or C, shall be the Limit of Liability for each Policy Period as set forth in Item 3.(A) of the Declarations.

B. With respect to coverage under Part 2 and Part 3 of this Policy, the Underwriter's maximum aggregate liability for all Loss on account of all Claims made during the Policy Period shall be the Limit of Liability for each Policy Period as set forth in Item 3.(B) and 3.(C), respectively, of the Declarations.

C. The Underwriter's maximum aggregate liability for all Loss on account of all Claims first made during the Policy Period under all purchased Parts, combined, shall be the Aggregate Limit of Liability set forth in Item 3.(D) of the Declarations. The Limits of Liability set forth in Item 3.(A), 3.(B), and 3.(C), are sub-limits that do not increase the Underwriter's maximum liability as set forth in Item 3.(D).

D. Defense Costs are part of the Limit of Liability specified in Item 3. of the Declarations. Payment by the Underwriter of Defense Costs incurred on account of any Claim shall serve to reduce the Limit of Liability stated in Item 3. of the Declarations. The Underwriter is not obligated to pay any Loss after the applicable Limit of Liability has been exhausted.

E. The Limit of Liability for any Extension Period, if applicable, shall be a part of and not in addition to the respective Limit of Liability applicable to the Policy Period.

II. RETENTION CLAUSE

The Underwriter shall only be liable for that portion of Loss arising from each Claim which is in excess of the respective Retention stated in Item 4. of the Declarations Page. Such Retention shall be borne by the Insured, uninsured and at their own risk, provided no Retention shall apply to Loss incurred by Individual Insureds for which the Private Company is not permitted or required to indemnify the Individual Insured or is financially unable to do so. A single Retention shall apply to Loss arising from all Claims alleging Interrelated Wrongful Acts.

III. DEFENSE AND SETTLEMENT

A. The Insured and not the Underwriter shall have the responsibility to defend any Claim. However, the Insured shall have the right, as soon as practicable after a Claim is first made, to tender the defense of such Claim to the Underwriter. Upon written notice to the Underwriter of such election by the Insured and subject to all of the provisions of this Section III. DEFENSE AND SETTLEMENT, the Underwriter shall undertake and manage the defense of such Claim, even if such Claim is groundless, false or fraudulent.

B. If the Insured is defending a Claim pursuant to A. above, the Underwriter shall advance Defense Costs prior to the final disposition of a Claim. The Insured shall elect counsel of its choice subject to approval by the Underwriter, such approval shall not be unreasonably withheld. The Underwriter shall not be liable for Loss admitted by the Insured without the Underwriter's prior written consent, which shall not be unreasonably withheld. The Underwriter reserves the right, but not the duty, at any time to take over control of the defense of any Claim and with the consent of the Insured, settle any Claim as the Underwriter deems expedient.
C. The **Underwriter** is not obligated to pay any **Loss** after the Limit of Liability has been exhausted.

D. In the event that a **Claim** is made against the **Insured**, the **Insured** shall take reasonable measures to protect their interests.

E. If more than one **Insured** is involved in a **Claim**, the **Underwriter** may, in its sole discretion, appoint separate counsel for one or more of such **Insureds** if there is a material (actual or potential) conflict of interest among any such **Insureds**.

F. The **Insured** agrees to provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and agree that in the event of a **Claim** the **Insured** will do nothing that may prejudice the **Underwriter’s** position or its potential rights of recovery.

G. If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter’s** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including Defense Costs incurred, up to the date of such refusal, plus 50% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4. of the Declarations Page.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy’s applicable Limit of Liability that is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured’s** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount set forth in Item 4. of the Declarations Page, even if consent is given to a subsequent settlement.

H. **ORDER OF PAYMENTS**

In the event of **Loss** arising from one or more **Claims** for which payment is otherwise due under Part 1 (Directors and Officers Liability Insurance) but which **Loss** in the aggregate exceeds the remaining available Limit of Liability for Part 1(Directors and Officers Liability Insurance), the **Underwriter** shall:

1. first pay such **Loss** for which coverage is provided under Insuring Agreement A (INDIVIDUAL LIABILITY COVERAGE); then
2. with respect to whatever remaining amount of the Limit of Liability after payment of 1. above, pay such **Loss** for which coverage is provided under any other Insuring Agreement of Part 1 (Directors and Officers Liability Insurance).

IV. **NOTICE/CLAIM REPORTING PROVISIONS**

Notice hereunder shall be given in writing to the **Underwriter** at the following address:

Philadelphia Insurance Companies  
One Bala Plaza, Suite 100  
Bala Cynwyd, Pennsylvania 19004  
Attention: Claims Department

The date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. Any notice to the **Underwriter** shall specify the Part(s) of this Policy under which the notice is being given and shall be treated as notice only under such specified Part(s).

A. In the event that a **Claim** is made against the **Insured**, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice to the **Underwriter** as soon as
practicable after any of the directors, officers, governors, trustees, management committee members, or members of the Board of Members first become aware of such Claim, but, not later than 60 days after the expiration date of this Policy, Extension Period, or Run-Off Policy, if applicable.

B. If during this Policy Period an Insured first becomes aware of any circumstances which may subsequently give rise to a Claim being made against any Insured for a specific alleged Wrongful Act, and as soon as practicable thereafter, but before the expiration or cancellation of this Policy, gives written notice to the Underwriter of the circumstances and the reasons for anticipating such a Claim, with full particulars as to the Wrongful Act, dates and persons involved, then any Claim which is subsequently made against the Insured arising out of such Wrongful Act will be considered made during this Policy Period.

C. All Loss arising out of the same Wrongful Act and all Interrelated Wrongful Acts shall be deemed one Loss on account of a one Claim. Such Claim shall be deemed to be first made when the earliest of such Claims was first made or first deemed made pursuant to Clause B. hereinabove.

V. CANCELLATION AND NON-RENEWAL

A. The Underwriter may not cancel this Policy except for failure to pay the premium when due, in which case the Underwriter shall mail written notice of cancellation to the Private Company at least ten (10) days prior to the effective date of cancellation.

B. The Private Company may cancel this Policy for itself and all other Insureds by surrender of this Policy to the Underwriter or any of its authorized agents or by mailing to the Underwriter written notice stating when thereafter the cancellation shall be effective. If the Private Company cancels, earned premium shall be computed in accordance with the customary short rate table procedure.

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be mailed to the Private Company at least sixty (60) days prior to expiration of the Policy Period.

VI. REPRESENTATIONS AND SEVERABILITY

A. The Insured represent that the particulars and statements contained in the Application are true and agree that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the Underwriter under this Policy; and (3) this Policy is issued in reliance upon the truth of such representations.

B. Except for material facts or circumstances known to the Individual Insured signing the Application, no statement in the Application or knowledge or information possessed by any Insured shall be imputed to any other Individual Insured for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the Underwriter shall be subrogated to the extent of such payment to all of the Insured's rights of recovery. The Insured shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without the Underwriter's express written consent.

VIII. EXTENSION PERIOD

A. If the Underwriter refuses to renew this Policy the following will apply:

For no additional premium, the Underwriter will provide a 60 day extension of the coverage granted under Part 1, 2, and 3 of this Policy for any Claim first made against the Insured during the 60 days after the non-renewal date, but only with respect to any Wrongful Act committed before such non-renewal date and otherwise covered by this Policy (the “Automatic Extension”). This Automatic Extension shall not apply if the Insured has purchased similar insurance from the Underwriter or any other insurer covering such Claim.
Upon expiration of the Automatic Extension, the **Private Company** shall have the right, upon payment of an additional 50%, 100%, 150% of this Policy's annual premium to an extension of the coverage granted by this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to **Wrongful Acts** committed before the non-renewal date and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

**B.** If the **Private Company** cancels or does not renew this Policy or the **Underwriter** cancels for nonpayment of premium the following will apply:

The **Private Company** shall have the right, upon payment of an additional 50%, 100%, or 150% of this Policy’s annual premium, to an extension of the cover granted under Parts 1, 2, and 3 of this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Acts** committed before the date of such cancellation or non-renewal and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made within 60 days following the date of such cancellation or non-renewal. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the **Underwriter** cancels for the non-payment of premium, the **Parent Organization** may purchase the Extension Period only after any earned premium due to the **Underwriter** is paid within 10 days after the date of cancellation or Policy expiration, whichever comes first.

**C.** All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. For the purpose of this Section VIII, any change in premium or terms on renewal shall not constitute a refusal to renew.

**IX.** **CHANGES**

Except by written endorsement issued to the **Insured** forming a part of this Policy, nothing shall effect a change in or addition to the provisions of this Policy. Furthermore, under no circumstances shall the **Underwriter** be deemed to have waived or be estopped from asserting any right under this Policy, at law, or in equity respecting any **Claim** except as stated in writing by the **Underwriter's** authorized Claims Department representative.

**X.** **ASSIGNMENT**

Assignment of interest in this Policy shall not bind the **Underwriter** until the **Underwriter's** consent is endorsed hereon.

**XI.** **AUTHORIZATION CLAUSE AND NOTICES**

By acceptance of this Policy, the **Insured** agrees that the **Private Company** shall act on behalf of any **Insured** with respect to the giving and receiving of any return premiums and notices that may become due under this Policy. Notice to the **Private Company** shall be directed to the individual named in the **Application**, or such other person as shall be designated by the **Private Company** in writing. Such notice shall be deemed to be notice to any **Insured**. The **Private Company** shall be the agent of any **Insured** to effect changes in this Policy.

**XII.** **OTHER INSURANCE**

If the **Insured** has any other insurance for **Claims** covered hereunder, the insurance provided by this Policy shall be excess over such other insurance, regardless of whether such other insurance is collectible or designated as primary or excess.

In event of a **Claim** against the **Insured** arising out of serving in his/her capacity as a director, officer, governor or trustee of an **Outside Entity** or an **Employment Practices Act** against or committed by a leased **Employee**,
coverage as is afforded by this policy shall be specifically excess of indemnification provided by such **Outside Entity** or such leasing company and any insurance provided to such **Outside Entity** or such leasing company.

XIII. ACCEPTANCE

This Policy embodies all agreements existing between the parties hereunder or any of their agents relating to this insurance

XIV. ACTION AGAINST THE UNDERWRITER; ARBITRATION

A. No person or entity shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Underwriter** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Underwriter** of its obligations hereunder.

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any **Insured** and the **Underwriter**, shall be submitted to binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Underwriter** and a third independent arbitrator selected by the first two arbitrators.

XV. CHANGE IN OWNERSHIP OR CONTROL

A. If after the inception of the **Policy Period** a **Transaction** occurs then coverage under Parts 1, 2, and 3 of this Policy shall remain in force, but only for **Claims** made during the **Policy Period** for **Wrongful Acts** committed prior to the effective date of the **Transaction** and only if the following conditions are met:

1. the **Insured** provides written notice of the **Transaction** (other than **Public Offering**) to the **Underwriter** as soon as practicable but no later than 45 days of the effective date of such **Transaction**; and

2. the **Insured** provides the **Underwriter** with such information as the **Underwriter** deems necessary; and

3. in the case of a **Public Offering**, the **Insured** provides written notice of the **Public Offering** to the **Underwriter** no later than 30 days prior to the filing of any registration statement with the United States Securities and Exchange Commission. The **Underwriter** shall provide a quotation for the **Public Offering**.

If **Insured** fails to meet conditions 1., 2., & 3. above, coverage under this Policy shall cease as of the effective date of the **Transaction** and the **Underwriter** shall return any unearned premium on a pro-rata basis.

The **Insured** shall have the right, within 45 days after the **Transaction** (or such date the **Underwriter** may agree by endorsement), to request an offer from the **Underwriter** for a **Run-Off Policy** for a term up to 6 years. If elected, such **Run-Off Policy** shall be conditioned upon payment during the **Policy Period** by the **Insured** of any additional premium, which shall be fully earned at inception, and shall be subject to any additional terms and conditions required by the **Underwriter**.

XVI. TERRITORY AND VALUATION

This Policy shall extend to any **Wrongful Act** committed anywhere in the world.

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the
date the final judgment is reached, the amount of the settlement is agreed upon or the other element of Loss is due, respectively.

XVII. COVERAGE FOR A PRIVATE OFFERING

The Insured shall give the Underwriter written notice of a Private Offering, together with full details and as soon as practicable, but not later than 60 days after the effective date of such Private Offering. However, any Claim arising out of, based upon or attributable to a Private Offering shall be subject to the Private Offering Retention stated in Item 4. of the Declarations Page. Such Private Offering Retention shall be borne by the Insureds, uninsured and at their own risk, except that a Private Offering Retention shall not apply to Loss incurred by Individual Insureds for which the Private Company is not permitted or required to indemnify the Individual Insured or is financially unable to do so.

XVIII. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER.

It is the Underwriter's stated intention that the various coverage parts or policies issued to the Private Company by the Underwriter, or any affiliated company, do not provide any duplication or overlap of coverage for the same Claim. Notwithstanding the foregoing, if more than one coverage part applies to the same Wrongful Act or Interrelated Wrongful Acts, then the maximum Limit of Liability under all such coverage parts combined shall not exceed the highest applicable Limit of Liability under any one coverage part. Notwithstanding the other insurance provision, if this Policy and any other policy issued to the Private Company by the Underwriter, or any affiliated company, apply to the same Wrongful Act, professional incident, occurrence, offense, accident or Loss, then the maximum Limit of Liability under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

XIX. ALLOCATION

If both Loss covered by this Policy and Loss not covered by this Policy are incurred either because a Claim includes both covered and uncovered matters, or because a Claim is made against both the Individual Insured and/or the Private Company, and others, the Insured and the Underwriter shall use their best efforts to agree upon a fair and proper allocation of such amount between covered Loss and uncovered loss. Any such allocation shall be based upon the relative legal exposures of the parties to covered and uncovered matters.

IN WITNESS WHEREOF, the Underwriter has caused this Policy to be signed by its President and Secretary, but the same shall not be binding upon the Underwriter unless countersigned by an authorized representative of the Underwriter.

_____________________________      _______________________________
President          Secretary