



Sponsored Insurance Agents Errors and Omissions Liability Policy

THIS POLICY PROVIDES CLAIMS MADE AND REPORTED COVERAGE. "CLAIMS" MUST FIRST BE MADE AND REPORTED IN WRITING TO THE COMPANY DURING THE "CERTIFICATE PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD OF THIS POLICY. THE PAYMENT OF "DEFENSE COSTS" REDUCES THE LIMITS OF LIABILITY.

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine an "Insured's" rights, duties and what is and is not covered.

This Policy provides insurance to the "Named Certificate Holder" shown in Item 1. of the "Certificate of Insurance" subject to the "Master Policy" Declarations issued to the "Named Insured". Unless otherwise stated, the phrase **the Policy** or **this Policy** shall refer only to the insurance evidenced by the "Certificate of Insurance" and shall not refer to the "Master Policy" Declarations. Similarly, the phrase **Limits of Liability** shall refer to the Limits of Liability identified in the "Certificate of Insurance". The word **Company** shall refer to the company providing this insurance.

Refer to Section II – DEFINITIONS for the special meaning of words and phrases that appear in quotation marks.

In consideration of the payment of premium and in reliance upon the statements made by the "Additional Insured" in the application and its attachments and any material submitted therewith, all of which are made a part hereof, and subject to the "Certificate of Insurance" and the limitations, conditions, provisions and terms of this Policy (including any endorsements hereto), the Company and the "Named Certificate Holders" agree as follows:

I. INSURING AGREEMENTS

A. COVERAGE – PROFESSIONAL LIABILITY

The Company shall pay on behalf of the "Insured", subject to the Limits of Liability shown in Item 4. of the "Certificate of Insurance", all sums in excess of the Deductible shown in Item 6. of the "Certificate of Insurance" that the "Insured" is legally obligated to pay as "Damages" and "Defense Costs" because of a "Claim" first made against the "Insured" and reported to the Company in writing during the "Certificate Period", or any applicable Extended Reporting Period of this Policy, provided that:

1. The "Claim" arises out of a negligent act, error or omission of the "Insured" in rendering or failing to render "Professional Services" for others in the conduct of the "Named Certificate Holder's" profession as an "Agent", "General Agent", notary public, or "Registered Representative" while there is a written contract in effect between the "Named Certificate Holder" and the "Additional Insured"; and such negligent act, error or omission occurred on or after the "Retroactive Date" and before the end of the "Certificate Period"; or
2. The "Claim" is for a "Personal Injury" caused by an offense arising out of rendering or failing to render "Professional Services" for others in the conduct of the "Named Certificate Holder's" profession identified in Section I – INSURING AGREEMENTS, Subsection A.1. above while there is a written contract in effect between the "Named Certificate Holder" and the "Additional Insured"; and such "Personal Injury" occurred on or after the "Retroactive Date" and before the end of the "Certificate Period".

B. COVERAGE – VICARIOUS LIABILITY

If an "Additional Insured" is shown in Item 2. of the "Certificate of Insurance", the Company shall pay on behalf of the "Additional Insured", subject to the shared Limits of Liability, all sums in excess of the Deductible shown in Item 6. of the "Certificate of Insurance" that the "Additional Insured" is legally obligated to pay as "Damages" and "Defense Costs" because of a "Claim" first made against the "Additional Insured" and reported to the Company in writing during the "Certificate Period", or any applicable Extended Reporting Period of this Policy, provided that:

1. The liability exposure of the "Additional Insured" results solely from an allegation that the "Additional Insured" failed to supervise or manage the conduct of a "Named Certificate Holder";

2. The Limits of Liability available to the "Additional Insured" for such "Claim" shall be shared with the Limits of Liability that are applicable to the "Named Certificate Holder". Such Limits of Liability shall not be in addition to the "Named Certificate Holder's" Limits of Liability;
3. The "Additional Insured" shall be subject to all of the terms, conditions, limitations and exclusions of the Policy to the same extent as the "Insured" and shall not be entitled to any rights greater than those available to the "Insured"; and
4. Upon the request of the Company, the "Additional Insured" shall pay the Deductible on behalf of the applicable "Named Certificate Holder" for a "Claim" for which the "Additional Insured" is afforded coverage under the Policy.

C. DEFENSE AND SETTLEMENT

The Company has the right and duty to defend any "Claim" against the "Insured" and "Additional Insured" seeking "Damages" to which this insurance applies even if any of the allegations of the "Claim" are groundless, false or fraudulent. The Company has choice of counsel in defending any "Claim" against the "Insured" and "Additional Insured". The Company has the right to investigate and settle any "Claim". The Company shall investigate and settle any "Claim" as it deems expedient, but the Company shall not be obligated to pay any "Claim", settlement or judgment, or to defend or continue to defend any "Claim" after the Company's applicable Limits of Liability shown in Item 4. of the "Certificate of Insurance" have been exhausted by payment of "Damages" or "Defense Costs".

II. DEFINITIONS

- A. "Additional Insured" means the sponsoring insurance company(ies) shown in Item 2. of the "Certificate of Insurance".
- B. "Agents" means the individuals as shown in Item 1. of the "Certificate of Insurance" and as defined in the Professional Services Endorsement attached to this Policy.
- C. "Broker/Dealer" means any firm in the business of buying and selling "Securities" for itself and others that is registered with the U.S. Securities and Exchange Commission and any applicable state regulatory organization and is a member of the Financial Industry Regulatory Authority (FINRA).
- D. "Certificate of Insurance" means the certificate issued in accordance with the "Master Policy" to the "Named Certificate Holder".
- E. "Certificate Period" means the period of time shown in Item 5. of the "Certificate of Insurance" or any shorter period resulting from a "Termination of Coverage".
- F. "Claim" means a written demand received by the "Insured" or "Additional Insured" seeking "Damages".
- G. "Damages" mean the monetary amounts for which an "Insured" or "Additional Insured" is legally liable, including sums paid as judgments, awards or settlements, and any taxes, fines or penalties incurred by a third party and included in such third party's "Claim" against the "Insured" or "Additional Insured". However, "Damages" do not include:
 1. Fines or penalties imposed by law, or taxes levied on or against an "Insured" or "Additional Insured";
 2. Punitive, exemplary or treble damages;
 3. The return, restitution, offset or withdrawal of fees, premiums, commissions or brokerage charges, including but not limited to, surrender charges and contingent deferred sales charges;
 4. Non-pecuniary or injunctive relief; or
 5. Judgments or awards from acts deemed uninsurable by law.
- H. "Defense Costs" mean:
 1. All reasonable and necessary fees charged by any lawyer designated by the Company for the defense of a "Claim";
 2. All other reasonable fees, costs and expenses resulting from the investigation, adjustment or defense of a "Claim";

3. The premiums for appeal, attachment or similar bonds, if incurred by the Company or by the "Insured" or "Additional Insured" with the Company's written consent. However, the Company shall have no obligation to apply for or to furnish any such bond; and
4. Interest on the full amount of any judgment that accrues after entry of the judgment and before the Company has paid, offered to pay, or deposited in court the amount available for the judgment under this Policy.

However, "Defense Costs" does not include remunerations of an "Insured's" or "Additional Insured's" or the Company's regular employees or officials or independent adjusters.

- I. "General Agent" means an "Agent" designated by and on file with the "Additional Insured" as a General Agent.
- J. "Insured" means:
 1. The "Named Certificate Holder";
 2. Any corporation, partnership or other business entity which engages in "Professional Services" and which is owned by the "Named Certificate Holder", and then only with respect to those operations of the business entity related to the "Professional Services" provided by the "Named Certificate Holder";
 3. Any person acting on behalf of the "Named Certificate Holder", who was or is an employee of the "Named Certificate Holder" or "Named Certificate Holder's" business entity or a partner, officer, director or stockholder of the "Named Certificate Holder's" business entity, provided that such person is not a party to a contract with any other insurance company, and then only with respect to "Professional Services" provided by the "Named Certificate Holder"; or
 4. The heirs, executors, administrators or legal representatives of the "Named Certificate Holder" in the event of death, incapacity or bankruptcy.
- K. "Master Policy" means the "Master Policy" Declarations issued to the "Named Insured". The "Master Policy" provides the "Named Certificate Holders" no insurance separate and apart from the coverage evidenced by the "Certificate of Insurance".
- L. "Named Certificate Holder" means:
 1. The "Agent";
 2. The "General Agent"; or
 3. The "Registered Representative"shown in Item 1. of the "Certificate of Insurance".
- M. "Named Insured" means the entity shown in Item 1. of the "Master Policy" Declarations.
- N. "Pollutants" means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a state, county, municipality or locality counterpart thereof. "Pollutants" shall also mean any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, silica, noise, fungus (including mold, mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi, but not any fungi intended by the "Insured" for consumption) and electric or magnetic or electromagnetic field. Such matters shall include, without limitation, solids, liquids, gaseous, thermal, biological, nuclear or radiological irritants, contaminants or smoke, soot, fumes, acids, alkalis, chemicals or waste materials.
- O. "Personal Injury" means injury, including consequential bodily injury, arising out of one or more of the following offenses:
 1. False arrest, detention or imprisonment;
 2. Malicious prosecution;
 3. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 4. Oral or written publication, in any manner, of material that violates a person's right of privacy; or
 5. Wrongful entry or eviction or other invasion of the right of private occupancy.

- P. "Policy Period" means the period of time shown in Item 3. of the "Master Policy" Declarations or any shorter period resulting from a "Termination of Coverage".
- Q. "Professional Services" mean those services listed in the Professional Services Endorsement attached to this Policy.
- R. "Registered Representative" means an individual who is registered with the Financial Industry Regulatory Authority (FINRA) and has a written contract with a "Broker/Dealer" that is a subsidiary of the "Additional Insured" who, for compensation, renders "Professional Services" on behalf of the "Additional Insured".
- S. "Retroactive Date" means the inception date of the "Named Certificate Holder's" first claims made agent's professional liability policy from which date coverage has been maintained in force without interruption and for which written proof is provided to the Company.
- T. "Securities" mean the definition used by the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisors Act of 1940, as applicable, or any state securities laws, so long as such securities are offered for sale on a United States securities exchange.
- U. "Termination of Coverage" means the earlier of the following:
 - 1. The nonrenewal of this Policy;
 - 2. The cancellation of this Policy;
 - 3. The termination of a written contract between an "Agent" and the "Additional Insured"; or
 - 4. The termination of a written contract between a "Registered Representative" and a "Broker/Dealer" that is a subsidiary of the "Additional Insured".

III. LIMITS OF LIABILITY, DEDUCTIBLE AND MULTIPLE CLAIMS AND CLAIMANTS

- A. The Limits of Liability – Aggregate/Each "Named Certificate Holder" shown in Item 4. of the "Certificate of Insurance" is the most the Company will pay for all "Damages" and "Defense Costs" arising out of "Claims" against the "Named Certificate Holder".
- B. Subject to Subsection A. above, the Limits of Liability – Each "Claim"/Each "Named Certificate Holder" shown in Item 4. of the "Certificate of Insurance" shall apply in excess of the Deductible shown in Item 6. of the "Certificate of Insurance" and is the most the Company will pay for "Damages" and "Defense Costs" arising out of any one "Claim" against the "Named Certificate Holder".
- C. Subject to Subsections A. and B. above, the Limits of Liability available to the "Additional Insured" or the "Insured" identified in Section II – DEFINITIONS, Subsections J.2., J.3., and J.4. shall be shared with and not in addition to the Limits of Liability which is applicable to the "Named Certificate Holder".
- D. The Deductible shown in Item 6. of the "Certificate of Insurance" applies only to the payment of "Damages". The Company shall pay only that portion of the "Damages" which is in excess of the Deductible for each "Claim", subject to the Limits of Liability under this Policy. If a "Claim" is made against more than one "Named Certificate Holder", the Deductible shall apply separately to each "Named Certificate Holder". If a "Claim" is made against an "Additional Insured" or "Insured" other than the "Named Certificate Holder", only one Deductible shall apply regardless of the number of "Additional Insureds" and "Insureds". In such an instance, the Deductible shall be the amount that is applicable to the "Named Certificate Holder" for whom the "Additional Insured" is vicariously liable, or on whose behalf the "Insured" was acting.
- E. The bringing of "Claims" by more than one person or organization, or the making of two or more "Claims" against an "Insured" or "Additional Insured", arising out of a single negligent act, error or omission, or "Personal Injury", or a series of related negligent acts, errors or omissions, or "Personal Injury" shall be treated as a single "Claim". All such "Claims", whenever made, shall be considered first made during the "Certificate Period" in which the earliest "Claim" arising out of such negligent acts, errors or omissions, or "Personal Injury" was first made and all such "Claims" shall be subject to a single Each "Claim"/ Each "Named Certificate Holder" Limit of Liability and shall not operate to increase the Company's Limits of Liability.

IV. EXTENDED REPORTING PERIODS

- A. AUTOMATIC EXTENDED REPORTING PERIOD – CANCELLATION OR NONRENEWAL OF THE MASTER

POLICY

In the event of cancellation or nonrenewal of the "Master Policy", other than for nonpayment of premium, the "Named Certificate Holder" shall have an Automatic Extended Reporting Period of ninety (90) days after the date of such cancellation or nonrenewal to report in writing to the Company any "Claim" which is first made prior to the such cancellation or nonrenewal and arises out of a negligent act, error or omission or "Personal Injury" which occurred before the date of such cancellation or nonrenewal of the "Master Policy" and on or after the "Retroactive Date". However, there shall be no coverage hereunder in the event the "Named Certificate Holder" has any other applicable insurance, including a policy issued subsequent to this Policy. The Automatic Extended Reporting Period shall be included within the Optional Extended Reporting Period if such is purchased.

B. OPTIONAL EXTENDED REPORTING PERIOD – CANCELLATION OR NONRENEWAL OF THE MASTER POLICY

In the event of cancellation or nonrenewal of the "Master Policy", the "Additional Insured", acting on behalf of the "Named Certificate Holder", upon payment of an additional premium equal to two hundred percent (200%) of the annual premium, shall have the right for an Optional Extended Reporting Period of three (3) years following the effective date of such cancellation or nonrenewal in which to report in writing to the Company any "Claim" which is first made during such three (3) year Optional Extended Reporting Period and arises out of a negligent act, error or omission or "Personal Injury" which occurred before the date of such cancellation or nonrenewal of the "Master Policy" and on or after the "Retroactive Date". The rights contained in this section shall terminate unless written notice of such election together with the additional premium due is received by the Company within sixty (60) days after the effective date of the cancellation or nonrenewal of the "Master Policy".

If the Company cancels or nonrenews the "Master Policy" because the "Additional Insured" has failed to pay a premium when due, or has not complied with the terms and conditions of the Policy, the "Additional Insured", acting on behalf of the "Named Certificate Holder", shall not have the right to the Automatic Extended Reporting Period or to purchase such Optional Extended Reporting Period at a later date.

The quotation of a different premium, Deductible, Limits of Liability or Policy terms and conditions for renewal shall not constitute a cancellation or refusal to renew for purposes of Section IV – EXTENDED REPORTING PERIODS, Subsections A. and B. above.

C. EXTENDED REPORTING PERIODS – NAMED CERTIFICATE HOLDER

1. Automatic Extended Reporting Period Of Ninety (90) Days – Named Certificate Holder

In the event of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4., the insurance under this Policy shall continue until the expiration date as set out in Item 3. of the "Master Policy" Declarations or any amendment thereto, or ninety (90) days after such "Termination of Coverage", whichever is greater. The "Named Certificate Holder" shall have a free Automatic Extended Reporting Period of ninety (90) days after such date to report in writing to the Company any "Claim" which is first made during said Automatic Extended Reporting Period of ninety (90) days and arises out of a negligent act, error or omission or "Personal Injury" which occurred before such date and on or after the "Retroactive Date". This Automatic Extended Reporting Period of ninety (90) days, however, shall be limited to "Claims" solely involving products provided by the "Additional Insured". Notwithstanding Section VII – CONDITIONS, Subsection A., no coverage shall be provided in the event the "Named Certificate Holder" has any other applicable insurance. This Automatic Extended Reporting Period shall be included within the Automatic Two (2) Year Extended Reporting Period below or the Optional Extended Reporting Period, if such is purchased. No coverage shall be provided if the "Named Certificate Holder" cancels this Policy before the end of the "Policy Period".

2. Automatic Extended Reporting Period Of Two (2) Years – Named Certificate Holder

On the date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4., by reason of the "Named Certificate Holder's" retirement from the business of providing "Professional Services" or due to the "Named Certificate Holder's" retirement from the business of providing "Professional Services" or due to the "Named Certificate Holder's" having found to be totally and permanently disabled in accordance with formal disability procedures of the "Additional Insured", or death, the insurance under this Policy shall cease on such date. The "Named Certificate Holder" shall be entitled to a free Automatic Extended Reporting Period of two (2) years after such date to report in writing to the Company any "Claim" which is first made during said Automatic Extended Reporting Period of two (2) years and arises out of any

negligent act, error or omission or "Personal Injury" which occurred before such date and on or after the "Retroactive Date". Notwithstanding Section VII – CONDITIONS, Subsection A., no coverage shall be provided in the event the "Named Certificate Holder" has any other insurance. This Automatic Extended Reporting Period of two (2) years shall be included within the Optional Extended Reporting Period, if such is purchased. No coverage shall be provided if the "Named Certificate Holder" cancels this Policy before the end of the "Policy Period".

3. Optional Extended Reporting Period – Named Certificate Holder

The Automatic Extended Reporting Period of two (2) years provided in Subsection C.2. above may be extended so that the retired "Named Certificate Holder", or totally and permanently disabled "Named Certificate Holder", or the legal representative of a deceased "Named Certificate Holder", may elect to purchase an Optional Extended Reporting Period for "Claims" which are first made and reported in writing within:

- a. Three (3) years of the date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4. if the retired "Named Certificate Holder", or totally and permanently disabled "Named Certificate Holder", or the legal representative of the deceased "Named Certificate Holder" pays an additional premium equal to two hundred percent (200%) of the "Named Certificate Holder's" last annual premium within sixty (60) days of such date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4.
 - b. Five (5) years of the date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4., if the retired "Named Certificate Holder", or totally and permanently disabled "Named Certificate Holder", the legal representatives of the deceased "Named Certificate Holder" pays an additional premium equal to three hundred percent (300%) of the "Named Certificate Holder's" last annual premium within sixty (60) days of such date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4.; or
 - c. An unlimited amount of time of the date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4., if the retired "Named Certificate Holder", or totally and permanently disabled "Named Certificate Holder", or the legal representatives of the deceased "Named Certificate Holder" pays an additional premium equal to four hundred percent (400%) of the "Named Certificate Holder's" last annual premium within sixty (60) days of such date of "Termination of Coverage" as defined in Section II – DEFINITIONS, Subsections U.3. and U.4.
- D. The Extended Reporting Periods do not reinstate or increase the Limits of Liability beyond the Limits of Liability available on the "Certificate of Insurance", nor extend the "Certificate Period".
- E. The Extended Reporting Periods do not apply to any "Claim" that is covered under any subsequent insurance issued to the "Named Certificate Holder", or that would be covered but for the exhaustion of the Limits of Liability applicable to such insurance.
- F. "Claims" for any negligent act, error or omission or "Personal Injury" which are first made and reported during an Extended Reporting Period, if applicable, will be deemed to have been made on the last day of the "Certificate Period".

V. NOTICE PROVISION

A. NOTICE OF CLAIM

As a condition precedent to the insurance afforded by this Policy, the "Insured" or "Additional Insured" which seeks coverage shall:

1. As soon as practicable, but no later than sixty (60) days after the "Termination of Coverage", give to the Company at the address below, written notice of any "Claim" made against the "Insured" or "Additional Insured" during the "Certificate Period" or any applicable Extended Reporting Period.
2. Immediately forward to the Company at the address below, every "Claim", notice, summons or other process received directly by the "Insured", "Additional Insured", or by any of his, her or its representatives in the event suit is brought against the "Insured" or "Additional Insured".
3. Give to the Company, at the address below, written proof of "Named Certificate Holder's" first claims made agent's professional liability policy from which date coverage has been maintained in force without

interruption, in the event that the "Claim" arises out of a negligent act, error or omission or "Personal Injury" that occurred before the "Certificate Period".

4. Assist and cooperate with the Company by:
 - a. Meeting with representatives of the Company, submitting to their examination and interrogation, under oath if requested, and giving written statements to such representatives;
 - b. Attending hearings, depositions and trials;
 - c. Assisting in investigation, settlement, securing and giving evidence, and obtaining the attendance of witnesses in the conduct of suit;
 - d. Doing whatever is necessary to secure and effect any rights of indemnity, contribution or apportionment which the "Insured" may have; and
 - e. Not demanding or agreeing to arbitration of any "Claim" made against the "Insured" or "Additional Insured" without written consent of the Company, which shall not be unreasonably withheld. The "Insured" or "Additional Insured" shall not make any payment, admit any liability, settle any "Claim", assume any obligation or incur any expenses without the written consent of the Company.

B. NOTICE OF CIRCUMSTANCE

If during the "Certificate Period", the "Insured" or "Additional Insured" becomes aware of an act, error or omission or "Personal Injury" which may be expected to give rise to a "Claim" under the Policy, the "Insured" or "Additional Insured" shall provide written notice to the Company during the "Certificate Period" containing particulars sufficient to identify an "Insured" or "Additional Insured" and reasonably obtainable information with respect to:

1. A detailed description of the specific act, error or omission or "Personal Injury";
2. The harm "or "Personal Injury" which has resulted, or may result, from such negligent act, error or omission or "Personal Injury";
3. The circumstances by which the "Insured" first become aware of such negligent act, error or omission or "Personal Injury"; and,

then any "Claim", for which coverage is provided by this Policy, that may be made against the "Insured" or "Additional Insured" arising out of such act, error or omission or "Personal Injury" shall be deemed for the purposes of this insurance to have been made and reported on the date on which the notice was received by the Company. No coverage shall be provided in the event the "Insured" has any other applicable insurance.

- C. All notices of "Claim" or circumstances are to be submitted to the following address:

**Zurich North America Commercial
NY Specialties Claims
P.O. Box 968041
Schaumburg, IL 60196-8041**

VI. EXCLUSIONS

This Policy does not apply to any "Claim":

- A. Arising out of any act, error or omission of the "Insured" committed with dishonest, fraudulent, malicious or knowingly wrongful purpose or intent; however, notwithstanding the foregoing, the "Insured" shall be afforded a defense, subject to the terms of this Policy, until the allegations are subsequently proven by a final adjudication. In such event, the "Insured" shall reimburse the Company for all "Defense Costs" incurred by the Company;
- B. Alleging bodily injury, sickness or death of any person, or injury or destruction of any tangible property, including loss of use thereof;
- C. Alleging the liability of others assumed by the "Insured" under any contract or agreement unless such liability would have attached to the "Insured" even in the absence of such agreement;
- D. By an enterprise which one or more "Insureds" own, operate, control or manage; or any "Claim" by an enterprise which owns, operates, controls or manages an "Insured";

- E. Arising out of services performed by the "Insured" as an actuary, accountant, attorney, real estate agent or real estate broker, named fiduciary or third party claims administrator;
- F. Arising out of, or contributed to by, any commingling of, or use of client funds;
- G. Arising out of, directly or indirectly, the insolvency, receivership, bankruptcy, or inability to pay of any organization in which the "Insured"
 - 1. Has placed or obtained a client's coverage;
 - 2. Has placed a client's funds; or
 - 3. Has recommended a client invest.

However, this exclusion shall not apply if the "Claim" is based upon the insolvency, receivership, liquidation or inability to pay of any insurance company that was rated as A- or better by A.M. Best Company at the time the business was placed, obtained or recommended;

- H. Arising out of the "Insured's" activities in computer programming or processing if the resulting programs or software are sold or distributed or if a fee is charged for use of such program or software;
- I. Made against any "Insured" or the "Additional Insured" by:
 - 1. Any "Insured";
 - 2. Any "Additional Insured";
 - 3. Any "Broker/Dealer";
 - 4. Any other insurance company;
 - 5. Any other insurance agency, brokerage or intermediary;
 - 6. Any person or entities who in the past were, but are not currently, parties to an agent contract with the "Additional Insured"; or
 - 7. Any subsidiary or affiliate of the "Insured", "Additional Insured" or "Named Insured";
- J. Arising out of the use of confidential information by an "Insured", including but not limited to such use for the purpose of replacement of coverage;
- K. Arising out of the "Insured's" inability or refusal to pay or collect premium, claim or tax monies, including surcharges or assessments of any kind;
- L. Arising from, or contributed to by, the placement of client's coverage or funds directly or indirectly with any organization which is not licensed to do business in the state or jurisdiction with authority to regulate such business. However, this exclusion does not apply to any "Claim" arising from or contributed to by the placement of client's coverage or funds directly or indirectly with any organization which is an eligible surplus lines insurance company in the state or jurisdiction with authority to regulate such business;
- M. Arising out of the ownership, formation, operation, administration, advice, referral, recommendation or placement of coverage with any health maintenance organization, preferred provider organization, risk retention group, Multiple Employer Welfare Arrangement, self insurance program or purchasing group;
- N. Arising out of or based upon:
 - 1. The Federal Telephone Consumer Protection Act (47 U.S.C. sec 227), Drivers Privacy Protection Act (18 U.S.C. sec. 2721-2725) or Controlling the Assault of Non-Solicited Pornography and Marketing Act (15 U.S.C. sec. 7701, et seq.); or
 - 2. Any other federal, state or local statute, regulation or ordinance that imposes liability for the:
 - a. Unlawful use of telephone, electronic mail, internet, computer, facsimile machine or other communication or transmission device; or
 - b. Unlawful use, collection, dissemination, disclosure or redisclosure of personal information in any manner by an "Insured" or on behalf of any "Insured";
- O. Arising out of the purchase, sale or the giving of advice regarding:

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1. Commodities, commodity future contracts, warrants, forward contracts, interest rate swaps or option contracts other than covered call option contracts or auction rate securities;
 2. Any security priced under five dollars (\$5.00) at the time of purchase;
 3. Promissory notes or other non-securitized evidence of debt;
 4. Viatical settlements, life settlements, stranger owned life insurance policies, or any security backed by either viatical, settlements, life settlements or stranger owned life insurance policies;
 5. Reverse mortgages or similar transactions in which the present value of a conditional contract is exchanged or sold;
 6. ETS pay phones or pay phone investments;
 7. "Junk Bonds" or "High Yield Bonds". For the purposes of this exclusion, "Junk Bonds" or "High Yield Bonds" mean bonds which, at the time of purchase or sale were unrated or rated as below investment grade by any rating agency (including but not limited to Moody's rated bonds of Ba or lower or S&P rated bonds of BB or lower);
 8. A qualified retirement plan (intended to be a plan) described in Section 412(i) of the Internal Revenue Code of 1986, as amended (the "Code") (prior to the amendments by the Pension Protection Act of 2006) or Section 412(e)(3) of the Code (after the amendments by the Pension Protection Act of 2006) or any successor thereto;
 9. A single employer welfare benefit fund (intended to be a welfare benefit fund) described in Section 419(e) of the Internal Revenue Code of 1986, as amended or any successor thereto; or
 10. A multiple employer welfare benefit fund (intended to be a welfare benefit fund) described in Section 419(A)(f)(6) of the Internal Revenue Code of 1986, as amended or any successor thereto;
- P. Brought by, or on behalf of, the Securities Investor Protection Corporation, or any governmental, quasi-governmental, regulatory, or self-regulatory entity, whether directly or indirectly; however, this exclusion shall not apply to any "Claim" by such entity to enforce its rights as a direct customer of the "Insured" or "Additional Insured";
- Q. Brought by, or on behalf of, any clearing agency or arising out of any function of any "Insured" or "Additional Insured" as a clearing agency;
- R. Arising out of the "Insured's" activities in exercising discretionary authority, management or control over a customer's account;
- S. Arising out of or based upon infringement of patent, copyright, trademark, service mark, trade dress, trade secret or trade name, unfair competition or piracy, theft or wrongful taking of concepts including using another's advertising ideas or other intellectual property;
- T. For "Personal Injury":
1. Sustained by any "Insured" or "Additional Insured";
 2. Caused by or at the direction of the "Insured" with the knowledge that the offense would violate the rights of another and would inflict "Personal Injury";
 3. Arising out of oral or written publication of material, if done or at the direction of the "Insured" with knowledge of its falsity;
 4. Arising out of an electronic chatroom or bulletin board the "Insured" hosts, owns or over which the "Insured" exercises control; or
 5. Arising out of the unauthorized use of another's name or product in the "Insured's" email address, domain name or metatag, or any other similar tactics to mislead another's potential customer;
- U. Arising out of alleged discrimination of any kind;
- V. Prior to the first effective date of coverage issued to the "Named Certificate Holder", provided no "Insured" had any basis:
1. To believe that any "Insured" had knowledge of any negligent act, error or omission or "Personal Injury";

2. To foresee that any such negligent act, error or omission or "Personal Injury" or any related negligent act, error or omission or "Personal Injury" might reasonably be expected to be the basis of a "Claim";

W. Based upon, arising out of, or attributable to:

1. The actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of "Pollutants" into or on real or personal property, water or the atmosphere; or
2. Any direction or request that the "Insured" tests for, monitors, cleans up, removes, contains, treats, detoxifies or neutralizes "Pollutants", or any voluntary decision to do so.

This pollution exclusion applies whether or not such "Pollutants" have any function in the "Insured's" business, operations, premises, site or location and regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to any "Damages" and "Defense Costs" associated with such "Pollutants"; or

- X. Based upon, arising out of, or attributable to the quality of care rendered by, lack of care rendered by, or the alleged malpractice of a participating provider of health-related services, its employees, physician, or other practitioner, of any Health Maintenance Organization or other Healthcare provider.

VII. CONDITIONS

A. OTHER INSURANCE

1. If any other insurance is available to any "Insured" with respect to a liability covered by this Policy, and such insurance is afforded under a Policy or Extended Reporting Period issued by a past, present or future member company of the Company, then the maximum Limits of Liability under all policies shall not exceed the highest remaining applicable Limit of Liability under any one policy.
2. If any other insurance is available to any "Insured" with respect to a liability covered by this Policy, and such insurance is not afforded under a policy or Extended Reporting Period issued by a past, present or future member company of the Company, then this insurance will be excess over such insurance even if such other insurance is stated to be primary, excess, contingent, or otherwise. We will pay only our share of the loss, if any, that exceeds the sum of:
 - a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - b. The total Deductible amounts under all such other insurance.
3. If the "Claim" arises out of a negligent act, error or omission, or "Personal Injury" that occurred before the "Certificate Period" and the "Insured" is covered by any other insurance, then there shall be no coverage under this Policy for such "Claim".

We will have no duty to defend the "Insured" against any "Claim" if any other insurer has a duty to defend the "Insured" against that "Claim". If no other insurer defends, we will undertake to do so, but we will be entitled to the "Insured's" rights against all those other insurers.

B. SUBROGATION

In the event of any payment under this Policy, the Company shall be subrogated to the extent of such payment to all the "Insured's" and "Additional Insured's" rights of recovery, and the "Insured" and "Additional Insured" shall execute and deliver instruments and all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company to bring suit in the name of the "Insured" and/or "Additional Insured".

C. CHANGES

Notices to any agent or representative, or knowledge possessed by any agent, representative or any other person shall not effect a waiver or a change in any part of this Policy or prevent the Company from asserting any rights under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsements issued to form a part of this Policy.

D. ACTION AGAINST COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, all "Insureds" have fully complied with all the terms of this Policy and not until the amount of all "Insured's" obligations to pay have been

fully and finally determined either by judgment against all "Insureds" or by written agreement of the "Insured", the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgement or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the Company as a party to any action against the "Insured" to determine the "Insured's" liability, nor shall the Company be impleaded by the "Insured" or the "Insured's" legal representative.

E. ASSIGNMENT

The interest of the "Insured" under this Policy shall not be assignable to any other person. In the event of death or incompetency of the "Named Certificate Holder", this Policy shall cover the "Named Certificate Holder's" legal representative as an "Insured" as respects any liability previously incurred and covered by this Policy.

F. TERRITORY

This Policy applies to negligent acts, errors or omissions or "Personal Injury" which occur anywhere in the world provided that the "Claim" is made against the "Insured" or the "Additional Insured" in the United States of America, its territories or possessions.

G. CANCELLATION AND NONRENEWAL

1. Cancellation

- a. This Policy may be cancelled by the "Named Certificate Holder" by surrender thereof to the Company or any of its authorized representatives, or by mailing to the Company written notice stating when, thereafter, cancellation shall be effective. If this Policy is cancelled by the Company, the earned premium shall be computed pro rata. If this Policy is cancelled by the "Named Certificate Holder", the Company shall retain the customary short-rate proportion of the premium.
- b. The "Master Policy" may be cancelled by the "Additional Insured" acting on behalf of the "Named Certificate Holders" by surrender of the "Master Policy" to the Company or any of its authorized representatives, or by mailing written notice to the Company or any of its authorized representatives stating when such cancellation shall take effect. If cancelled by the "Additional Insured", the Company shall retain the customary short-rate proportion of the premium. In no event may the requested date of cancellation be greater than ten (10) days prior to the date the request is received by the Company.
- c. If this Policy or the "Master Policy" has been in effect less than sixty (60) days and is not a renewal of a Policy issued by the Company, the Company may cancel this Policy or the "Master Policy" for any reason.
- d. If this Policy or the "Master Policy" has been in effect for sixty (60) days or more or is a renewal of a Policy issued by the Company, this Policy or the "Master Policy" may not be cancelled except for one (1) or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Fraud or material misrepresentation affecting the Policy or the "Master Policy";
 - (3) Violation of any of the terms or conditions of the Policy; or
 - (4) Substantial increase in hazard.
- e. Written notice of cancellation, including the reasons for cancellation, shall be mailed or delivered by the Company to (i) the "Named Certificate Holder" in the case of cancellation of this Policy and (ii) the "Named Insured" at the address shown in Item 1. of the "Master Policy" Declarations and the producer of record in the case of cancellation of the "Master Policy", at least:
 - (1) Fifteen (15) days prior to the effective date of cancellation, if this Policy or the "Master Policy" is cancelled for nonpayment of premium; or
 - (2) Sixty (60) days prior to the effective date of cancellation, if this Policy or the "Master Policy" is cancelled for any other reason.
- f. Notice of cancellation shall be sent by certified mail. Delivery shall be considered to be equivalent to mailing. Proof of mailing shall be considered proof of notice.

2. Nonrenewal

- a. If the Company elects not to renew this Policy or the "Master Policy", the Company will send notice at least sixty (60) days prior to expiration unless:
 - (1) The reason for the nonrenewal of this Policy is due to nonpayment of premium or failure to meet Deductible obligations;
 - (2) The reason for the nonrenewal of the "Master Policy" is due to nonpayment of the premium shown in Item 5. of the "Master Policy" Declarations; or
 - (3) The "Additional Insured", acting on behalf of the "Named Certificate Holder", has obtained replacement coverage with another insurance company.
- b. Written notice of nonrenewal of this Policy shall be mailed by certified mail or delivered to the "Named Certificate Holder's" address shown in Item 1. of the "Certificate of Insurance". Written notice of nonrenewal of the "Master Policy" shall be mailed by certified mail or delivered to the "Named Insured" at the address shown in Item 1. of the "Master Policy" Declarations, and mailed to the producer of record. Proof of mailing shall be considered to be proof of notice.

3. In no event shall the "Master Policy" cancellation or nonrenewal become effective prior to the effective date of the cancellation or nonrenewal of all the "Certificates of Insurance".

H. CONFORMANCE TO STATUTE

Terms of this Policy which are in conflict with the statutes of the State wherein this Policy is issued are hereby amended to conform to such statutes.

I. SOLE AGENT

By acceptance of this Policy, the "Additional Insured" shall act on behalf of the "Insureds" and "Additional Insureds" for all purposes, including but not limited to the payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of termination or nonrenewal, reimbursement to the Company of any Deductible advanced and the exercise of the rights provided in Section IV – EXTENDED REPORTING PERIODS or VII – CONDITIONS, Subsection C.

J. BANKRUPTCY

Bankruptcy or insolvency of the "Insured" or of the "Insured's" estate shall not relieve the Company of any of its obligations hereunder.

K. REPRESENTATION

In granting coverage under this Policy, the Company has relied upon the "Certificate of Insurance", agreements, representations and warranties in the written application for this Policy. The agreements, representations and warranties are the basis of coverage under this Policy and shall be considered as incorporated in and constituting part of this Policy.

Endorsement # 01



Definition of Agency Added Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

The following definition is added to Section II. DEFINITIONS:

"Agency" means an individual or firm as shown in Item 1 of the "Certificate of Insurance", provided that they are party to a contract with the "Additional Insured" on the effective date of this Policy and that they are licensed by the appropriate authority to sell property and casualty, life, accident and health insurance products or services. Such individuals or firms shall be specifically designated by their names and kept on file with the "Additional Insured".

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 02

**Definition of Insured Amended Endorsement**
(Persons on behalf of Named Certificate Holder)

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

Subsection II.J.3 is replaced with the following

3. Any person acting on behalf of the "Named Certificate Holder", who was or is either;
 - a. an employee of the "Named Certificate Holder" or "Named Certificate Holder's" business entity or
 - b. a partner, officer, director, stockholder or independent contractor of the "Named Certificate Holder's" business entity provided such person is not party to a contract with any other insurance company;and then only with respect to "Professional Services" provided by the "Named Certificate Holder". Coverage provided to such individuals does not include the direct solicitation of insurance or "Securities" personally or on behalf of the "Named Certificate Holder", regardless of the method of compensation.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY SHALL REMAIN THE SAME.



Definition of Named Certificate Holder Amended Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

Subsection II.L. is deleted and replaced with the following:

L. "Named Certificate Holder" means:

1. The "Agent"
2. The "General Agent"; or
3. "Agency".

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 04

**Professional Services Endorsement**
(Property and Casualty)

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

I. Section II. DEFINITIONS is amended as follows:

A. Subsection II.B. "Agents" is replaced with the following:

"Agents" means the individuals as shown in Item 1 of the "Certificate of Insurance", provided that they are party to a contract with NAU Country Insurance Company on the effective date of this Policy and that they are licensed by the appropriate authority to solicit and sell property and casualty products or services. Such individuals shall be specifically designated by name and their names shall be on file with NAU Country Insurance Company.

B. Subsection II.Q. "Professional Services" is replaced with the following:

"Professional Services" mean:

1. As to Tier I "Agents": The Sale or Servicing of NAU Country Insurance Company Insurance Products only.
2. As to Tier II "Agents": The Sale or Servicing of Property and Casualty Insurance Products, Fixed Life Products, and Accident & Health Insurance Products and employee benefit plans.

II. The following are added to Subsection VI. EXCLUSIONS:

This Policy does not apply to any "Claim":

AA. Which is a class action "Claim"; provided, however, this exclusion shall not apply to "Defense Costs" which the "Named Certificate Holder" in such "Claim" incurs up to the amount shown in the "Certificate of Insurance" as applicable to Each "Claim" / Each "Named Certificate Holder", subject to the limits of liability shown in Item 4. of the "Certificate of Insurance"; or

BB. Based upon or attributable to the purchase, sale, or servicing of Marine Insurance and Aviation Insurance.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Vicarious Liability Amended Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Additional Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is hereby understood and agreed that Section I.B is replaced with the following:

B. COVERAGE – VICARIOUS LIABILITY

The Company shall pay on behalf of the "Additional Insured", subject to the shared Limits of Liability, all sums in excess of the Deductible shown in Item 6 of the "Certificate of Insurance" that the "Additional Insured" is legally obligated to pay as "Damages" and "Defense Costs" because of a "Claim" first made against the "Additional Insured" and reported to the Company in writing during the "Certificate Period", or any applicable Extended Reporting Period of this Policy, provided that:

1. The liability of the "Additional Insured" arises solely out of:
 - a. the negligent act, error or omission of the "Named Certificate Holder" in the performance of or failure to perform "Professional Services"; or
 - b. a "Personal Injury" offense caused by the "Named Certificate Holder" in the rendering of or failure to render "Professional Services"

and would otherwise be covered under COVERAGE A – PROFESSIONAL LIABILITY.;

2. The Limits of Liability available to the "Additional Insured" for such "Claim" shall be shared with the Limits of Liability that are applicable to the "Named Certificate Holder". Such Limits of Liability shall not be in addition to the "Named Certificate Holder's" Limits of Liability;
3. The "Additional Insured" shall be subject to all of the terms, conditions, limitations and exclusions of the Policy to the same extent as the "Insured" and shall not be entitled to any rights greater than those available to the "Insured"; and
4. Upon the request of the Company, the "Additional Insured" shall pay the Deductible on behalf of the applicable "Named Certificate Holder" for a "Claim" for which the "Additional Insured" is afforded coverage under the Policy

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Endorsement # 06

**Exclusion Amended Endorsement**
(Self-Insured Programs, MEWA and Purchasing Groups)

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

Subsection VI. EXCLUSIONS M. is replaced with the following:

This Policy does not apply to any "Claim":

- M. Arising out of the ownership, formation, operation, administration, advice, referral, recommendation or placement of coverage with any, self-insured health maintenance organization (HMO), self-insured preferred partner organization (PPO), risk retention group, Multiple Employer Welfare Arrangement, self-insurance program or purchasing group;

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

Endorsement 07**Deductible Amended Endorsement**
(Reduced Deductible for first paid Claim)

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9670806-09	08/01/2017	08/01/2018	08/01/2017	-----	-----

Named Insured: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Sponsored Insurance Agents Errors and Omissions Liability Policy

It is agreed that:

I. The following definition is added to Section II. DEFINITIONS:

"Deductible Waiver" means application of 50% of the "Deductible" on the "Certificate of Insurance" which is equal to \$2,500.

II. Subsection III.D. is replaced with the following:

- D. The Deductible shown in Item 6. of the "Certificate of Insurance" applies only to the payment of "Damages". The Company shall pay only that portion of the "Damages" which is in excess of the Deductible for each "Claim", subject to the Limits of Liability under this Policy, with the exception of the first paid "Claim" made and reported during the "Policy Period", for which a "Deductible Waiver" would apply. The "Deductible Waiver" shall only apply to "Claims": (i) for which mapping technology was utilized or (ii) that arise solely out of NAU Country Insurance Company products. If a "Claim" is made against more than one "Named Certificate Holder", the Deductible shall apply separately to each "Named Certificate Holder". If a "Claim" is made against an "Additional Insured" or "Insured" other than the "Named Certificate Holder", only one Deductible shall apply regardless of the number of "Additional Insureds" and "Insureds". In such an instance, the Deductible shall be the amount that is applicable to the "Named Certificate Holder" for whom the "Additional Insured" is vicariously liable, or on whose behalf the "Insured" was acting.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



SANCTIONS EXCLUSION ENDORSEMENT

Policyholder: The Agents of NAU Country Insurance Company
Members of the Financial Sales Professional Purchasing Group

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED