

ENDORSEMENT NO:

This endorsement, effective 12:01 am,
of policy number

forms part

issued to:

by:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIORITY PROTECTIONSM "A PLUS" ENDORSEMENT

This endorsement modifies insurance provided under the following:

PRIORITY PROTECTION PLUS POLICY

It is agreed that:

I. Section II. **DEFINITIONS, (D) "Claim"** is deleted and replaced by the following:

(D) "Claim" means:

- (1)** a written demand for civil damages or other civil relief, first made when an **Insured Person** receives such demand; a written demand shall include, without limitation, a demand to toll the running of the statute of limitations;
- (2)** a civil proceeding, including but not limited to an arbitration proceeding or other alternative dispute resolution proceeding, for civil damages or other civil relief, first made when an **Insured Person** receives the complaint or similar pleading;
- (3)** a regulatory or administrative proceeding, provided that such regulatory or administrative proceeding is not an investigation, first made when an **Insured Person** receives a filed notice of charges, or with respect to a foreign jurisdiction, any similar document; or
- (4)** a criminal proceeding, first made when an **Insured Person** is the subject of an indictment that has been returned by a grand jury, or has been served with an accusation, information, complaint, summons or similar charging document filed in a criminal court;

provided such demand or proceeding alleges a **Wrongful Act** by such **Insured Person**; or

- (5)** a civil, criminal, administrative or regulatory investigation of an **Insured Person** in which such **Insured Person** has been identified by name in a formal order of investigation, Wells Notice, target letter (within the meaning of Title 9, §11.151 of the United States Attorney's Manual) or with respect to a foreign jurisdiction, any similar document, as someone against whom a proceeding as set forth in (2) through (4) above may be brought, first made when such **Insured Person** receives such document.

- (6) a civil, criminal, administrative or regulatory investigation of or proceeding against an **Entity** in which an **Insured Person** has been served with a subpoena or, with respect to a foreign jurisdiction, any similar document, first made upon the service of such subpoena or document upon such **Insured Person**.

II. Section II. **DEFINITIONS, (F) “Defense Costs”** is deleted and replaced by the following:

- (F) **“Defense Costs”** means reasonable and necessary legal fees and expenses incurred in the defense or appeal of a **Claim**, including **Extradition Costs**. **Defense Costs** shall include the costs of appeal, attachment or similar bonds, provided that the Insurer shall have no obligation to furnish such bonds. **Defense Costs** shall not include salaries, wages, remuneration, overhead or benefit expenses of any **Entity** or **Insured Person**.

III. Section II. **DEFINITIONS, (N) “Loss”**, is deleted and replaced by the following

- (N) **“Loss”** means:

the amount which any **Insured Person** is legally liable to pay solely as a result of a **Claim**, including **Defense Costs**, compensatory damages, pre and post judgment interest, settlement amounts, and legal fees and costs awarded pursuant to judgments and appeals. **Loss** shall specifically include punitive or exemplary damages or the multiple portion of any multiplied damage award unless such damages are uninsurable pursuant to applicable law.

- (1) **Loss** (other than **Defense Costs**) shall not include:

- (a) taxes, fines or penalties imposed by law; however, this subparagraph (1)(a) will not apply to fines or penalties that an **Insured Person** is legally liable to pay solely as a result of a **Claim**, if (i) such fines or penalties are not deemed to be uninsurable in accordance with subparagraph (1)(b) below; and (ii) are imposed in connection with such **Insured Person’s** service with respect to an **Entity** that is in the status of **Financial Insolvency**; or
- (b) amounts for matters uninsurable pursuant to any applicable law.

- (2) Notwithstanding subparagraph (1) (b) above:

- (a) regarding the insurability of punitive or exemplary damages or the multiple portion of any multiplied damage award, the insurability of such damages shall be governed by the laws of any applicable jurisdiction that does not prohibit coverage of such damages;
- (b) the Insurer shall not assert that the portion of any judgment or settlement of a **Claim** allocable to alleged violations of Section 11 or 12 of the Securities Act of 1933, as amended, in connection with an offering of securities by an **Entity** constitutes uninsurable loss, and subject to all other terms, conditions and exclusions of this Policy, shall treat that portion of such judgment or settlement as constituting **Loss** under this Policy.

IV. Section II. **DEFINITIONS, (U) “SOX Whistleblowing”**, is deleted and replaced by the following:

- (U) **“Whistleblowing”** means the lawful act of an **Insured Person**, in which such **Insured Person** provides information, causes information to be provided, or otherwise assists in an investigation regarding any conduct which the **Insured Person** reasonably believes constitutes a violation of any federal, state, local or foreign law, when the information or assistance is provided to, or the investigation is conducted by:

- (1) a federal, state, local or foreign regulatory or law enforcement agency;
- (2) any member of Congress or any committee of Congress; or
- (3) a person with supervisory authority over the **Insured Person** (or such other person working for the employer who has the authority to investigate, discover, or terminate misconduct).

V. Section II. **DEFINITIONS**, is amended by the addition of the following:

- **“Employed Lawyer”** means any past, present or future duly elected or appointed director, officer, member of the board of managers or management committee member of an **Entity** in his or her capacity as legal counsel to an **Entity**.
- **“Extradition Costs”** means reasonable and necessary fees and expenses directly resulting from a **Claim** in which an **Insured Person** lawfully opposes, challenges, resists or defends against any request for the extradition of such **Insured Person** from his or her current country of employ and domicile to any other country for trial or otherwise to answer any criminal accusation, including the appeal of any order or other grant of extradition of such **Insured Person**.

VI. Section V. **EXCLUSIONS**, (C) and (D) are deleted and replaced by the following:

- (C) other than **Defense Costs** in connection with any **Claim** brought by or on behalf of any **Entity**, provided that this exclusion shall not apply to:
- (1) any **Claim** that is a **Derivative Action**;
 - (2) in the event of **Financial Insolvency**, any **Claim** by the **Debtor in Possession** or any bankruptcy examiner, trustee, or assignee thereof, if such **Claim** is made without the assistance, participation or solicitation of any **Insured Person**;
 - (3) any **Claim** brought by or on behalf of any **Entity** at the direction of the **Acquiring Entity**, first made on or after a takeover of **Named Entity** (as fully described in Section **XVI. CHANGES IN EXPOSURE (B)** of this Policy);
 - (4) any **Claim** that is brought and maintained in a jurisdiction outside the United States of America, Canada, Australia or any other common law country, including territories thereof (hereinafter a “Non-Common Law Jurisdiction”), if such **Claim** is brought pursuant to a pleading or procedural requirement of such jurisdiction; or
 - (5) any **Claim** against an **Employed Lawyer**.

With respect to (1) and (2) above, **Whistleblowing** alone shall not constitute assistance, participation or solicitation.

- (D) of an **Insured Person** other than **Defense Costs**, based upon, arising from, or in any way related to:
- (1) the gaining of any personal profit or remuneration to which such **Insured Person** is not legally entitled if any final adjudication establishes such gain; provided, however, that this exclusion shall not apply to that portion of **Loss** directly resulting from alleged violations of Section 11 or Section 12 of the Securities Act of 1933; or
 - (2) any criminal or deliberately fraudulent act or omission by such **Insured Person**, if any final adjudication establishes such an act or omission.

Regarding Exclusion (D) above, the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person**.

VII. Section **XVII. APPLICATIONS – REPRESENTATIONS AND SEVERABILITY**, is deleted and replaced by the following:

(A) This Policy is issued in reliance upon the **Application**, which shall be construed as a separate **Application** for coverage based upon each **Insured Person's** knowledge of the statements and information contained therein. Knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured Person** for the purpose of determining the availability of coverage with respect to any **Claim** made against such other **Insured Person**.

(B) Under no circumstances shall the Insurer be entitled to rescind this Policy.

VIII. Section **XX. BANKRUPTCY OR INSOLVENCY**, is amended by the addition of the following:

If a liquidation or reorganization is commenced by or against the **Entity** pursuant to the United States Bankruptcy Code, as amended, or any similar state or local law, the **Insured Persons** hereby waive and release any automatic stay or injunction which may apply in such proceeding to the Policy or its proceeds under such Bankruptcy Code or law. The **Insured Persons** also agree not to oppose or object to any efforts by the Insurer to obtain relief from any such stay or injunction.

All other terms and conditions remain unchanged.



Neal S. Wolin, President & COO