

THE HARTFORD PRIVATE EQUITY CHOICE[®] POLICY

In consideration of, and subject to the payment of the premium, in reliance on the **Application**, and subject to all the terms and conditions of this Policy, the Insurer and the **Insureds** agree as follows:

COMMON TERMS AND CONDITIONS

I. TERMS AND CONDITIONS

- (A) All Coverage Parts included in this Policy are subject to the following Common Terms and Conditions. If any provision in these Common Terms and Conditions is inconsistent or in conflict with the terms and conditions of any Coverage Part, the terms and conditions of such Coverage Part shall control for purposes of that Coverage Part.
- (B) Except as otherwise provided by specific reference to other Coverage Parts, the terms and conditions of each Coverage Part shall apply only to such Coverage Part.

II. COMMON DEFINITIONS

The following terms, whether used in the singular or plural, shall have the meanings specified below:

- (A) **“Advisory Board”** means a board or committee of an **Insured Entity** created pursuant to a limited partnership agreement, equivalent documents, or resolutions of such **Insured Entity**.
- (B) **“Advisory Board Member”** means a natural person who is not an **Employee** or a **Manager**, while such person was or is serving on an **Advisory Board**.
- (C) **“Affiliate(s)”** means any of the following entities while such entity was or is under the **Management Control** of the **Named Entity**, whether directly or indirectly through one or more other **Affiliates**:
 - (1) the general partner of any **Investment Fund**;
 - (2) any investment or other management company that renders **Professional Services** to an **Investment Fund**;
 - (3) any co-investment fund or parallel fund of any **Investment Fund**; or
 - (4) any blocker or feeder vehicle or other acquisition vehicle of any **Investment Fund** formed for the sole purpose of collecting or distributing funds or amounts.

However, **Affiliate** shall not include a(n) **Portfolio Company**, **Investment Fund**, **Investment Holding Company**, or **Unaffiliated Investment Holding Company**.

- (D) **“Application”** means any:
 - (1) application for this Policy, including any materials or information submitted therewith or made available to the Insurer during the underwriting process, which shall be on file with the Insurer and deemed a part of this Policy and attached hereto, as if physically hereto;

- (2) application for any policy in an uninterrupted series of policies issued by the Insurer or any insurance company controlling, controlled by, or under common control with, the Insurer of which this Policy is a renewal or replacement; and
 - (3) publicly available information filed by an **Insured Entity** or a **Portfolio Company** within the preceding two years with the United States Securities and Exchange Commission or its foreign equivalent.
- (E) “**Claim**” shall have the meaning specified for such term in each Coverage Part.
- (F) “**Damages**” shall have the meaning specified for such term in each Coverage Part.
- (G) “**Defense Costs**” shall have the meaning specified for such term in each Coverage part
- (H) “**Domestic Partner**” means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law.
- (I) “**Employee**” means any natural person while such person was or is an employee of an **Insured Entity**. **Employee** shall also include any part-time, seasonal, temporary, leased or loaned employee, to the extent indemnification is provided by an **Insured Entity**.
- (J) “**Employment Practices Wrongful Act**” means any:
- (1) wrongful dismissal, discharge, or termination of employment (including constructive dismissal, discharge, or termination), wrongful failure or refusal to employ or promote, wrongful discipline or demotion, failure to grant tenure, negligent employment evaluation, or wrongful deprivation of career opportunity;
 - (2) sexual or other workplace harassment, including quid pro quo and hostile work environment;
 - (3) employment discrimination, including discrimination based upon age, gender, race, color, national origin, religion, creed, marital status, sexual orientation or preference, gender identity or expression, genetic makeup, or refusal to submit to genetic makeup testing, pregnancy, disability, HIV or other health status, Vietnam Era Veteran or other military status, or other protected status established under federal, state, or local law;
 - (4) **Retaliation**;
 - (5) breach of any oral, written, or implied employment contract, including, without limitation, any obligation arising from a personnel manual, employee handbook, or policy statement; or
 - (6) violation of the Family and Medical Leave Act.

Employment Practices Wrongful Act shall also mean the following, but only when alleged in addition to or as part of any **Employment Practices Wrongful Act** described above:

- (i) employment-related wrongful infliction of emotional distress;
- (ii) failure to create, provide for or enforce adequate or consistent employment-related policies and procedures;
- (iii) negligent retention, supervision, hiring or training; or
- (iv) employment-related: invasion of privacy, defamation, or misrepresentation.

- (K) “ERISA” means the Employee Retirement Income Security Act of 1974.
- (L) “Family Trust” means a family wealth planning entity that is organized as a trust and created for the sole benefit of an **Insured Person** or a natural person associated by blood, affinity, or law to an **Insured Person**.
- (M) “Financial Insolvency” means the status of an **Insured Entity**:
- (1) as a result of the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the **Insured Entity**;
 - (2) as a result of the **Insured Entity** becoming a debtor in possession as such term is defined in Chapter 11 of the United States Bankruptcy Code as well as any equivalent status pursuant to any similar law; or
 - (3) upon dissolution and after final distribution of all **Investment Funds**’ remaining capital to the limited partner investors thereof as set forth in the agreement that governs such dissolution and distribution.
- (N) “Insured Entity” shall have the meaning specified for such term in each Coverage Part.
- (O) “Insured Person” shall have the meaning specified for such term in each Coverage Part.
- (P) “Insureds” shall have the meaning specified for such term in each Coverage Part.
- (Q) “Interrelated Wrongful Acts” means **Wrongful Acts** that are based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any of the same or related, or series of related, facts, circumstances, situations, transactions, or events whether such **Wrongful Acts** are alleged in a single **Claim** or multiple **Claims**.
- (R) “Investment Fund” means an entity that:
- (1) was created by or established by an **Insured Entity** before the **Policy Period** and at the inception date of this Policy is listed by endorsement hereto, or
 - (2) is created by or established by an **Insured Entity** during the **Policy Period** in accordance with Section XII. (D)(2) of these Common Terms and Conditions,
- for the purpose of raising capital by the issuance of securities that are exempt from the registration requirements of the Securities Act of 1933, including, but not limited to, any pooled investment vehicle, general partnership, limited partnership, limited liability company or business trust.
- (S) “Investment Holding Company” means any holding company or other acquisition vehicle, while such entity was or is under the **Named Entity**’s direct or indirect **Management Control**, formed by an **Insured Entity** for the purpose of an **Investment Fund** holding an interest in a **Portfolio Company**, whether such interest is held directly or indirectly through one or more other **Investment Holding Companies** or one or more **Unaffiliated Investment Holding Companies**.
- (T) “Loss” shall mean **Damages** and **Defense Costs**.

- (U) **“Management Control”** means:
- (1) Owning interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a corporation, the members of the management board of a limited liability company, or the general partners of a limited partnership; or
 - (2) Having the right, pursuant to a written contract or the by-laws, charter, operating agreement, partnership agreement or similar documents of an entity, to control the operation of such entity.
- (V) **“Manager”** means any natural person while such person was or is a(n):
- (1) General Partner, Managing Partner, Managing Director, Principal, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, in-house General Counsel, member of the board of managers or management committee member, or any equivalent executive officer of an **Insured Entity**; or
 - (2) executive of an **Insured Entity** created outside the United States of America to the extent that such executive holds a position equivalent to any of those described in sub-paragraph (1) immediately above.
- (W) **“Named Entity”** means the entity named in Item 1 of the Declarations.
- (X) **“Notice Managers”** means the natural person in the offices of Managing General Partner, Chief Financial Officer, General Counsel or Risk Manager of an **Insured Entity**.
- (Y) **“Policy Period”** means the period from the Inception Date to the Expiration Date set forth in Item 3 of the Declarations, or to any earlier cancellation date.
- (Z) **“Pollutants”** means any solid, liquid, gaseous or thermal irritant, nuisance or contaminant, including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals, odors, noise, lead, oil or oil product, radiation, asbestos or asbestos-containing product, waste and any electric, magnetic or electromagnetic field of any frequency. Waste includes, without limitation, material to be recycled, reconditioned or reclaimed. **Pollutants** also means any substance located anywhere in the world identified on a list of hazardous substances issued by any federal agency (including, but not limited to, the Environmental Protection Agency) or any state, county, municipality or locality or counterpart thereof, or any foreign equivalent thereof.
- (AA) **“Portfolio Company”** means any entity while an **Investment Fund** directly, or indirectly through an **Investment Holding Company**, has or had an ownership interest in such entity's debt or equity securities.
- (BB) **“Portfolio Company Employment Wrongful Act”** means an **Employment Practices Wrongful Act** attempted, committed or allegedly attempted or committed by:
- (1) An **Insured** in the rendering of advice to, or exercising of influence over, a **Portfolio Company**; or
 - (2) An **Insured Entity** in its capacity as a controlling shareholder of a **Portfolio Company**.
- (CC) **“Retaliation”** means alleged adverse treatment of a natural person by his or her employer based upon such person:

- (1) exercising any rights under law, including, but not limited to, rights under any workers compensation laws, the Family and Medical Leave Act, **ERISA**, or the Americans with Disabilities Act;
 - (2) refusing to violate any law;
 - (3) assisting, testifying, or cooperating with a proceeding or investigation regarding alleged violations of law;
 - (4) disclosing or threatening to disclose alleged violations of law to a superior or to any governmental agency; or
 - (5) filing any "whistle blower" claim against any employer under the federal False Claims Act, the Sarbanes-Oxley Act of 2002, or any similar law.
- (DD) "**Third Party**" means any natural person who is a customer, vendor, service provider or other business invitee of an **Insured Entity**. **Third Party** shall not include natural persons qualifying as **Insured Persons** under any Coverage Part forming part of this Policy.
- (EE) "**Third Party Wrongful Act**" means any:
- (1) discrimination against a **Third Party** based upon age, gender, race, color, national origin, religion, creed, marital status, sexual orientation or preference, pregnancy, disability, HIV or other health status, Vietnam Era Veteran or other military status, or other protected status established under federal, state or local law; or
 - (2) sexual harassment against a **Third Party**, including unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature.
- (FF) "**Unaffiliated Investment Holding Company**" means an entity, including, but not limited to, a holding company or other acquisition vehicle, formed to hold a direct interest in a **Portfolio Company**, provided an **Investment Fund** owns an equity interest in such entity and an **Insured Entity** does not have **Management Control**.
- (GG) "**Wrongful Act**" shall have the meaning specified for such term in each Coverage Part.

III. CLAIMS MADE AND INTERRELATIONSHIP OF CLAIMS

All **Claims** that include allegations of the same **Wrongful Act** or any **Interrelated Wrongful Acts** shall be deemed to be a single **Claim** for all purposes under this Policy, first made on the earliest date that:

- (A) the earliest of such **Claims** was first made, regardless of whether such date is before or during the **Policy Period**;
- (B) satisfactory notice of any **Wrongful Act** alleged in any such **Claims** was given to the Insurer pursuant to Section IV (B) of these Common Terms and Conditions; or
- (C) notice of any **Wrongful Act** or circumstance alleged in any such **Claims** was given under any other directors and officers, management liability or similar insurance policy commencing before the Inception Date in Item 3(A) of the Declarations, regardless of whether such policy was issued by the Insurer.

IV. NOTICES TO THE INSURER AND THE INSUREDS, INCLUDING NOTICE OF CLAIM OR POTENTIAL CLAIM

(A) Notice of Claim to the Insurer

As a condition precedent to coverage under this Policy, the **Insureds** shall give the Insurer written notice of any **Claim** at the applicable address set forth in Item 8 of the Declarations, as soon as practicable after a **Notice Manager** is notified of such **Claim**, but in no event later than sixty (60) days after the termination of the **Policy Period**, or any Extended Reporting Period.

(B) Notice of Potential Claim to the Insurer

If, during the **Policy Period**, the **Insureds** become aware of a specific **Wrongful Act** that reasonably may be expected to give rise to a **Claim**, and, if written notice of the particulars of such **Wrongful Act** is given to the Insurer during the **Policy Period**, including the reasons for anticipating such a **Claim**, the nature and date of the **Wrongful Act**, the identity of the **Insureds** allegedly involved, the alleged injuries or damages sustained, the names of potential claimants, and the manner in which the **Insureds** first became aware of the **Wrongful Act**, then the terms and conditions of coverage under this Policy, and the remaining available Limits of Liability of the **Policy Period**, shall apply to any **Claim** subsequently arising from such **Wrongful Act**, notwithstanding that the **Claim** was not first made during the **Policy Period**. As a condition precedent to coverage under this Policy, the **Insureds** shall give the Insurer written notice of any **Claim** arising from such **Wrongful Act** as soon as practicable after a **Notice Manager** becomes aware of such **Claim**, but in no event later than sixty (60) calendar days.

(C) Notices to the Insurer (other than Claims or Potential Claims)

All notices required by this policy or in connection with this policy shall be sent to the applicable address set forth in Item 8 of the Declarations.

(D) Notices to the Insureds

All notices to the **Insureds** shall be sent to the **Named Entity** at the address set forth in Item 1 of the Declarations.

V. ADVANCEMENT AND ALLOCATION OF DEFENSE COSTS

(A) It shall be the duty of the **Insureds**, and not the Insurer, to defend any **Claim**.

(B) Upon written request by any **Insured**, the Insurer shall advance **Defense Costs** in excess of the applicable Retention amount, in defense of any **Claim** covered by this Policy.

However if such **Defense Costs** are only partially covered by this Policy because: (i) such **Claim** involves both **Insureds** and persons or entities who are not **Insureds**, or (ii) such **Claim** is subject to one or more ALLOCABLE EXCLUSIONS, as set forth in Section IV. (A) of each Coverage Part; or (iii) a portion of such **Claim** is subject to one or more exceptions to the exclusions listed in EXCLUSIONS WITH EXCEPTIONS, as set forth in Section IV. (C) of each Coverage Part (or Section V. EXCLUSION APPLICABLE TO INSURING AGREEMENT (C) of the Private Equity Fund Management and Professional Liability Coverage Part); or (iv) a portion of such **Claim** is for amounts that do not constitute **Damages**, unless otherwise specified, then the **Insureds** and the Insurer agree to use their best efforts to fairly and reasonably allocate such **Defense Costs** on the basis of the relative legal and financial exposures of the covered and non-covered

parties and/or the covered and non-covered portions of such **Claim** and/or such **Defense Costs**.

If the Insurer and the **Insured(s)** agree on the amount of **Defense Costs** that constitute covered **Defense Costs**, the Insurer shall advance such **Defense Costs** on a current basis.

If the Insurer and the **Insured(s)** cannot agree on the amount of **Defense Costs** that constitute covered **Defense Costs**, then:

- (1) the Insurer shall advance on a current basis **Defense Costs** that it believes to be covered until a different allocation is negotiated or determined by arbitration; and
- (2) the Insurer and the **Insured(s)** agree to submit the dispute to binding arbitration. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel, which shall consist of one arbitrator selected by the **Insured(s)**, one arbitrator selected by the Insurer and a third independent arbitrator selected by the first two arbitrators.

Any negotiated, arbitrated or judicially determined allocation of **Defense Costs** on account of a **Claim** shall be applied retroactively to all **Defense Costs** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Defense Costs** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of **Damages** on account of such **Claim**.

VI. ALLOCATION OF DAMAGES

If a **Claim** results in a settlement or judgment that includes both **Damages** and amounts that do not constitute **Damages**, then the **Insureds** and the **Insurer** agree to use their best efforts to fairly and reasonably allocate the amount of such settlement or judgment on the basis of the relative legal and financial exposures to the covered damages and the non-covered amounts.

If **Damages** with respect to a **Claim** are only partially covered by this Policy because: (i) such **Claim** involves both **Insureds** and persons or entities who are not **Insureds**, or (ii) such **Claim** is subject to one or more ALLOCABLE EXCLUSIONS, as set forth in Section IV. (A) of each Coverage Part ; or (iii) a portion of such **Claim** is subject to one or more exceptions to the exclusions listed in the EXCLUSIONS WITH SPECIFIED EXCEPTIONS, as set forth in Section IV. (C) of each Coverage Part (or Section V. EXCLUSION APPLICABLE TO INSURING AGREEMENT (C) of the Private Equity Fund Management and Professional Liability Coverage Part); or; (iv) the settlement or judgment includes **Damages** excluded in EXCLUSIONS APPLICABLE TO DAMAGES BUT NOT TO DEFENSE COSTS, as set forth in Section IV. (D) of each Coverage Part, then the **Insureds** and the Insurer agree to use their best efforts to fairly and reasonably allocate such **Damages** on the basis of the relative legal and financial exposures of the covered and non-covered parties and/or the covered and non-covered portions of such **Claim** and/or such **Damages**.

If the Insurer and the **Insured(s)** can agree on the amount that constitutes covered **Damages**, the Insurer shall pay such amount as soon as practicable.

If the Insurer and the **Insured(s)** cannot agree on the amount of covered **Damages**, then the Insurer and the **Insured(s)** agree to submit the dispute to binding arbitration. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel, which shall consist of one arbitrator selected by the **Insured(s)**, one arbitrator selected by the Insurer and a third independent arbitrator selected by the first two arbitrators.

VII. LIMIT OF LIABILITY

- (A) The Aggregate Limit of Liability for each Coverage Part in ITEM 5 of the Declarations shall be the maximum aggregate amount that the Insurer shall pay under such Coverage Part for all **Loss** from all **Claims** covered under such Coverage Part. If any Limit of Liability is exhausted, the premium for this Policy shall be fully earned.
- (B) Notwithstanding the above, the Combined Aggregate Limit of Liability For All Coverage Parts stated in ITEM 5 of the Declarations:
 - (1) shall be the maximum aggregate amount that the Insurer shall pay for all **Loss** from all **Claims** covered under this Policy; and
 - (2) any amount specified as an Aggregate Limit of Liability for any individual Coverage Part in ITEM 5 of the Declarations shall be subject to, part of, and not in addition to, the amount stated as the Combined Aggregate Limit of Liability for All Coverage Parts.
- (C) **Defense Costs** shall be part of, and not in addition to, each applicable Limit of Liability. Payment of **Defense Costs** by the Insurer shall reduce each Limit of Liability.

VIII. SELF-INSURED RETENTION AND PRESUMPTION OF INDEMNIFICATION

- (A) The Insurer shall only pay **Loss** in excess of the Retention applicable to each **Claim** as specified in Item 5 of the Declarations. **Defense Costs** are applied against the Retention. The Retention shall be borne by the **Insureds** uninsured at the **Insureds'** own risk.
- (B) If **Loss** arising from any **Claim** is covered in whole or in part under more than one Coverage Part or Insuring Agreement, the applicable Retention shall be applied separately to that part of **Loss** covered by each Coverage Part or Insuring Agreement and the sum of the Retentions so applied shall constitute the Retention applicable to such **Claim**; provided, however, the largest applicable Retention amount set forth in Item 5 of the Declarations shall be the maximum retention applicable to such **Claim**.
- (C) No Retention shall apply to **Loss** incurred by any **Insured Person** that an **Insured Entity** is not permitted by common or statutory law to indemnify, or is permitted or required to indemnify, but is not able to do so by reason of **Financial Insolvency**.
- (D) For the purpose of determining if an **Insured Entity** is permitted or required to indemnify an **Insured Person**, the organizational and corporate governance documents of any **Insured Entity**, including, but not limited to, any certificate of incorporation, articles of organization, or bylaws, as well as any agreements relating to indemnification of **Insured Persons**, shall be presumed to permit indemnification and advancement of **Defense Costs** to the maximum extent permissible under any applicable law, regardless of the actual provisions of such documents. Notwithstanding any other provision of this Policy to the contrary, if any **Insured Entity** is permitted or required by common or statutory law to indemnify an **Insured Person** for any **Loss**, or to advance **Defense Costs** on his or her behalf, and fails to do so other than because of **Financial Insolvency**, then the Insurer's liability shall be subject to the Retention that would have applied if such indemnification had been made.
- (E) If an **Insured Entity** is unable to indemnify an **Insured Person** for any **Loss**, or to advance **Defense Costs** on his or her behalf because of **Financial Insolvency**, then, subject to Section VIII (D) of these Common Terms and Conditions, the **Named Entity** shall indemnify such **Insured Person** and advance **Defense Costs** on their behalf.

IX. CONSENT AND COOPERATION

- (A) The **Insureds** shall, as a condition precedent to their rights under this Policy, give to the Insurer all information and cooperation as the Insurer may reasonably require and shall do nothing that may prejudice the Insurer's position or its potential or actual rights of recovery, whether by subrogation or otherwise.
- (B) The **Insureds** shall not admit or assume any liability, make any settlement offer, enter into any settlement agreement, stipulate to any judgment, or incur any **Defense Costs** regarding any **Claim** without the prior written consent of the Insurer, such consent not to be unreasonably withheld. The Insurer shall not be liable for any admission, assumption, settlement, stipulation, or **Defense Costs** to which it has not consented.
- (C) The Insurer shall have the right to effectively associate in the defense of any **Claim**, even if such **Claim** is groundless, false or fraudulent. The Insurer may make any investigation it deems appropriate.

X. COVERAGE EXTENSIONS

(A) Spousal/Domestic Partner Liability Coverage

Coverage shall apply to the lawful spouse or **Domestic Partner** of an **Insured Person** for a **Claim** made against such spouse or **Domestic Partner**, provided that:

- (1) such **Claim** arises solely out of:
 - (a) such person's status as the spouse or **Domestic Partner** of an **Insured Person**; or
 - (b) such spouse's or **Domestic Partner's** alleged ownership of property sought as recovery for a **Wrongful Act** by an **Insured Person**;
- (2) the **Insured Person** is named in such **Claim** together with the spouse or **Domestic Partner**; and
- (3) coverage of the spouse or **Domestic Partner** shall be on the same terms and conditions, including, but not limited to, any applicable Retention, as apply to coverage of the **Insured Person** for such **Claim**.

No coverage shall apply to any **Loss** directly resulting from any act, error or omission of such spouse or **Domestic Partner**.

(B) Estates and Legal Representatives – Including Family Trusts

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** made against the estate, **Family Trusts**, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** shall be deemed to be a **Claim** made against such **Insured Person**. No coverage shall apply to any **Loss** directly resulting from any act, error or omission of such estate, **Family Trust**, heirs, legal representatives or assigns.

XI. REPRESENTATIONS AND SEVERABILITY OF THE APPLICATION

- (A) The **Insureds** represent that the statements, representations, and information contained in the **Application** are true and accurate. This Policy is issued in reliance upon the **Application**.

If the **Application** contains intentional misrepresentations or misrepresentations that materially affect the acceptance of the risk by the Insurer:

- (1) For the purpose of determining coverage under all Coverage Parts other than the Private Equity Fund Management and Professional Liability Coverage Part, no coverage shall be afforded under this Policy for any **Insureds** who knew on the Inception Date of this Policy of the facts that were so misrepresented, provided that:

- (a) knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured Person**; and
- (b) knowledge possessed by any **Notice Manager** shall be imputed to all **Insured Entities**. No other person's knowledge shall be imputed to an **Insured Entity**.

- (2) For the purpose of determining coverage under the Private Equity Fund Management and Professional Liability Coverage Part, no coverage shall be afforded under this Policy for:

- (a) any **Insured Person** who had knowledge as of the Inception Date of this Policy of the facts that were so misrepresented or
- (b) an **Insured Entity**, under Insuring Agreement (B), to the extent it indemnifies any **Insured Person** in (2)(a) above; or
- (c) an **Insured Entity**, under Insuring Agreement C, if any of the **Notice Managers** had knowledge as of the Inception Date of this Policy of the facts that were so misrepresented.

For purposes of this paragraph (2), knowledge possessed by any **Notice Manager** shall be imputed to all **Insured Entities**. No other person's knowledge shall be imputed to an **Insured Entity**.

- (B) The above paragraphs shall be the Insurer's sole remedy with respect to misrepresentations in the **Application**. Under no circumstances shall the Insurer be entitled to rescind the Policy.

XII. GENERAL CONDITIONS

(A) CANCELLATION

- (1) The Insurer may cancel this Policy for non-payment of premium by sending not less than 10 days written notice to the **Named Entity**. This Policy may not otherwise be cancelled by the Insurer.
- (2) Except as provided in Section XII. (D) (3) of these Common Terms and Conditions, the **Named Entity** may cancel this Policy by sending written notice of

cancellation to the Insurer. Such notice shall be effective upon receipt by the Insurer unless a later cancellation time is specified therein.

- (3) If the Insurer cancels this Policy, unearned premium shall be calculated on a pro rata basis. If the **Named Entity** cancels this Policy, unearned premium shall be calculated at the Insurer's customary short rates. Payment of any unearned premium shall not be a condition precedent to the effectiveness of a cancellation. The Insurer shall make payment of any unearned premium as soon as practicable.

(B) EXTENDED REPORTING PERIOD

- (1) If the Policy is cancelled or non-renewed for any reason other than non-payment of premium, the **Insureds** shall have the right to elect an extension of time to report **Claims** under this Policy (the "Extended Reporting Period").
- (2) In order to elect the Extended Reporting Period, the **Insureds** shall send a written notice of election of the Extended Reporting Period to the Insurer together with the premium amount identified in Item 6(B) of the Declarations, which written notice and premium must be received by the Insurer within 30 days of cancellation or non-renewal. There shall be no right to elect the Extended Reporting Period after such time.
- (3) The premium for the Extended Reporting Period shall be the premium amount specified in Item 6(B) of the Declarations. Such premium shall be deemed fully earned at the inception of the Extended Reporting Period.
- (4) The Extended Reporting Period shall be for the duration specified in Item 6(A) of the Declarations following the end of the **Policy Period**.
- (5) Coverage during the Extended Reporting Period shall apply to **Claims** made for **Wrongful Acts** occurring prior to the earlier of the end of the **Policy Period** or the time of any transaction described in Section XII. (D) (3) of these Common Terms and Conditions. No coverage shall apply for any claims resulting from **Wrongful Acts** first occurring after such time.
- (6) No separate or additional Limit of Liability applies for the Extended Reporting Period.

(C) OTHER INSURANCE

If **Loss** arising from any **Claim** is insured under any other valid and collectible insurance policy or policies, including, but not limited to, any insurance under which there is a duty to defend and/or whether or not such insurance is issued to or for the benefit of the **Insured Entity, Insured Persons** (other than in the event of Personal Lines Liability Insurance) or any **Portfolio Company**, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other policy or policies, whether such other policy or policies are stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written specifically excess of this Policy by reference in such other policy or policies to this Policy's Policy Number.

(D) **CHANGES IN EXPOSURE**

(1) **ACQUISITION OR CREATION OF AN ENTITY; ASSET ACQUISITIONS; ASSUMPTION OF LIABILITIES**

If, before or during the **Policy Period**, the **Insured Entity**:

- (a) acquires securities or voting rights in another entity or creates another entity which, as a result of such acquisition or creation, becomes an **Affiliate**, or
- (b) acquires any entity by merger into or consolidation with the **Insured Entity**,

then such entity and its natural persons qualifying as **Insured Person(s)** shall be **Insureds** under this **Policy**, subject to the terms and conditions of each Coverage Part, but only for **Wrongful Acts** occurring after such transaction. No coverage shall be available for any **Wrongful Act** of any **Insured** occurring before such transaction or for any **Interrelated Wrongful Acts** thereto.

However, if the transaction(s) occurs during the **Policy Period** and the fair value of either:

- (i) all cash, securities, assumed liabilities and other consideration paid by the **Insured Entity** for any such transaction, or
- (ii) all assets acquired or liabilities assumed by the **Insured Entity** in any single transaction or series of related transactions,

exceeds 25% of the total consolidated assets or liabilities, respectively, of all entities qualifying as **Insured Entities** under this Policy, as reflected in the **Named Entity's** last audited consolidated financial statements prior to such transaction, then the **Named Entity**, as a condition precedent to coverage with respect to such new **Insureds**, or to coverage for **Claims** alleging **Wrongful Acts** relating to such assets or assumed liabilities and occurring subsequent to such transaction, shall give written notice of such transaction to the Insurer as soon as practicable but in no event more than sixty (60) days after the effective date of such transaction, together with such information as the Insurer may require, and shall pay any additional premium so required by the Insurer.

If the **Named Entity** fails to comply with such condition precedent, coverage otherwise afforded by this sub-section shall terminate as of sixty (60) days after the effective date of such merger, acquisition or assumption.

(2) **NEWLY-CREATED INVESTMENT FUNDS**

If, during the **Policy Period**, an **Insured Entity** creates an **Investment Fund**, then such newly-created **Investment Fund** and its **Insured Persons** shall be **Insureds** under the Private Equity Fund Management and Professional Liability Coverage Part, but only with respect to **Wrongful Acts** taking place after such creation.

However, if:

- (a) the offering size of any newly-created **Investment Fund** or the aggregate amount of the offerings of all **Investment Funds** which are newly-created during the **Policy Period** exceeds 175% of the offering amount of the largest created **Investment Fund**, or

- (b) the investment objectives (as set forth in the private placement memorandum, prospectus or similar document issued by the **Insured Entity**) of any newly-created **Investment Fund** differ materially from the investment objectives of the other **Investment Fund(s)**,

then the **Named Entity**, as a condition precedent to coverage with respect to such new **Insureds**, shall give written notice of such newly-created **Investment Fund** to the Insurer as soon as practicable but in no event more than sixty (60) days after the effective date of the offering or private placement memorandum, together with such information as the Insurer may require, and shall pay any additional premium required by the Insurer. If the **Named Entity** fails to comply with such condition precedent, coverage otherwise afforded by this sub-section shall terminate as of sixty (60) days after the effective date of such acquisition or assumption.

(3) ACQUISITION OF THE NAMED ENTITY

If, during the **Policy Period**:

- (a) the **Named Entity** merges into or consolidates with another entity such that the **Named Entity** is not the surviving entity, or
- (b) another entity, or person, or group of entities and/or persons acting in concert acquires securities or voting rights which result in ownership or voting control by the other organization(s) or person(s) of more than 50% of the outstanding securities representing the present right to vote for the election of directors of the **Named Entity**,

then coverage under this Policy shall continue until the later of:

- (i) the termination of the **Policy Period**, or
- (ii) any subsequent date to which the Insurer may agree to extend to by endorsement,

but only with respect to **Claims** for **Wrongful Acts** taking place prior to such merger, consolidation or acquisition. Any coverage extension pursuant to subsection (ii), above, shall be conditioned upon any premium paid or to be paid under this Policy being deemed fully-earned upon inception of such coverage extension. Any **Claim** made during such coverage extension shall be deemed to have been made during the **Policy Period** in which such merger, consolidation or acquisition occurred.

The **Named Entity** shall give written notice of such merger, consolidation or acquisition to the Insurer as soon as practicable, together with such information as the Insurer may reasonably require. Upon such transaction, this Policy shall not be cancelled and the entire premium for this Policy shall be deemed fully earned.

(4) CESSATION OF AFFILIATES & INVESTMENT HOLDING COMPANIES

If, before or during the **Policy Period**, any entity ceases to be an **Affiliate** or **Investment Holding Company**, coverage with respect to such entity and its **Insured Persons** shall continue until termination of this Policy but only with respect to **Claims** for **Wrongful Acts** taking place prior to the date such entity ceased to be an **Affiliate** or **Investment Holding Company**.

(E) SUBROGATION

The Insurer shall be subrogated to all of the **Insureds'** rights of recovery regarding any

payment of **Loss** by the Insurer under this Policy. The **Insureds** shall execute all papers required and do everything necessary to secure and preserve such rights, including, but not limited to, the execution of any documents necessary to enable the Insurer to effectively bring suit in the name of the **Insureds**. The **Insureds** shall do nothing to prejudice the Insurer's position or any potential or actual rights of recovery.

Notwithstanding the above, the Insurer shall not exercise its rights of subrogation against an **Insured Person** under this Policy.

(F) ACTION AGAINST THE INSURER

- (1) No action shall be taken against the Insurer unless there shall have been full compliance with all of the terms and conditions of this Policy.
- (2) No person or organization shall have any right under this Policy to join the Insurer as a party to any **Claim** against the **Insureds** nor shall the Insurer be impleaded by the **Insureds** in any such **Claim**.

(G) ASSIGNMENT

Assignment of interest under this Policy shall not bind the Insurer without its consent as specified in a written endorsement issued by the Insurer to form a part of this Policy.

(H) BANKRUPTCY OR FINANCIAL INSOLVENCY

Bankruptcy or **Financial Insolvency** of any **Insured** shall not relieve the Insurer of any of its obligations under this Policy.

(I) AUTHORIZATION OF NAMED ENTITY

The **Named Entity** shall act on behalf of all **Insureds** with respect to all matters under this Policy including, but not limited to, the giving and receiving of notices regarding **Claims**, cancellation, election of the Extended Reporting Period, payment of premiums, receipt of any return premiums, and acceptance of any endorsements to this Policy.

(J) CHANGES

This Policy shall not be changed or modified except in a written endorsement issued by the Insurer to form a part of this Policy.

(K) ENTIRE AGREEMENT

This Policy, including the Declarations, Common Terms and Conditions, included Coverage Part(s), **Application** and any written endorsements or warranties attached hereto, constitute the entire agreement between the **Insureds** and the Insurer relating to this insurance.

(L) HEADINGS

The headings of the various sections of this Policy are intended for reference only and shall not be deemed part of the terms and conditions of coverage.

(M) REFERENCES TO LAWS

- (1) Wherever this Policy mentions any law including, but not limited to, any statute, Act or Code of the United States of America, such mention shall be deemed to include all amendments of, and all rules or regulations promulgated under, such law.

- (2) Wherever this Policy mentions any law or laws, including, but not limited to, any statute, Act or Code of the United States of America, and such mention is followed by the phrase "or any similar law", such phrase shall be deemed to include all similar laws of all jurisdictions throughout the world, including, but not limited to, statutes and any rules or regulations promulgated under such statutes as well as common law.

(N) **COVERAGE TERRITORY**

This Policy extends to **Wrongful Acts** taking place or **Claims** made anywhere in the world.

SPECIMEN