



CANCELLATION AND NON RENEWAL ENDORSEMENT

MISSOURI

In consideration of the premium charged, it is hereby understood and agreed that solely with respect to those **Named Insureds** under this Policy, who are residents of or practice in Missouri, the Policy is amended as follows:

Cancellation/Nonrenewal

1. Cancellation by the **Named Insured**

The **Named Insured** has the right to cancel his or her **Certificate of Insurance** at any time by giving notice to the Insurer stating when thereafter the cancellation shall be effective. If the **Certificate of Insurance** is so canceled, earned premium shall be computed pro rata.

2. Cancellation by the Insurer

The Insurer has the right to cancel the **Named Insured's Certificate of Insurance** by mailing notice of cancellation at least thirty (30) days prior to the effective date of cancellation if cancellation is for one or more of the following reasons:

- a. **Certificate of Insurance** obtained through fraud or material misrepresentation or in violation of any of the terms and conditions of the policy;
- b. The risk originally accepted has measurably increased;
- c. Insolvency of the Insurer;
- d. Loss of reinsurance.

In all other cases, the Insurer must mail notice of cancellation at least sixty (60) days prior to the effective date of such cancellation. If the Insurer cancels for non-payment of premium, the Insurer must mail notice of cancellation at least ten (10) days prior to the effective date of such cancellation. All notices shall be mailed to the **Named Insured** at the last mailing address known to the Insurer and shall state the reason for cancellation.

3. Non-Renewal by the Insurer

The Insurer has the right to non-renew the **Named Insured's Certificate of Insurance** effective on any **Certificate of Insurance** anniversary date. All notices of non-renewal must be mailed to the **Named Insured** at the last mailing address known to the Insurer, at least sixty (60) days prior to the effective date of non-renewal and shall provide a specific explanation of the reason(s) for non-renewal.

This endorsement is attached to the **Named Insured's Certificate of Insurance** and amends the **Insured's** coverage under the Master Policy. It takes effect on the effective date of the **Named Insured's Certificate of Insurance**, unless another effective date is shown below. All other provisions of the **Insured's** coverage under the policy remain unchanged.

All other terms and conditions of the Policy remain unchanged.

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



AMENDATORY ENDORSEMENT - MISSOURI

It is understood and agreed that the Policy is amended to add the following to this Policy:

If you have any questions regarding this Policy please call 1-312-822-5000, located at 151 North Franklin Street, Chicago, IL 60606 for assistance.

All other terms and conditions of the Policy remain unchanged.

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



NEW YORK AMENDATORY ENDORSEMENT

Applicable to Policy Form CNA 77697XX

This endorsement forms a part of Policy Number 596427449 issued to the **Policyholder** by the Insurer. In consideration of the premium charged, it is hereby understood and agreed that solely with respect to those **Agents, General Agents, Registered Representatives** and **Insureds** under this Policy, who are residents of or practice in New York State and who receive a New York Certificate of Insurance, the Policy, the Declarations and such **Insured's** Certificate of Insurance are amended as follows:

1. The Notice and introductory paragraph on page 1 is deleted in its entirety and replaced as follows:

NOTICE: THIS IS A CLAIMS MADE POLICY AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST AN INSURED/POLICYHOLDER AND REPORTED TO THE INSURER DURING THE COVERAGE RELATIONSHIP OR ANY EXTENDED REPORTING PERIOD.

DEFENSE COSTS REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. THIS COULD RESULT IN THE LIMIT OF LIABILITY BECOMING COMPLETELY EXHAUSTED BY THE PAYMENT OF DEFENSE COSTS, IN WHICH CASE, NO FURTHER COVERAGE IS PROVIDED BY THIS POLICY. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

2. The introductory paragraph on page 1 of the Policy is deleted in its entirety and replaced as follows:

The Insurer, the **Policyholder** and the **Insureds** agree as follows, in consideration of the payment of the premium and in reliance upon all statements made in the **Application** furnished to the Insurer designated in the **Policyholder's** Declarations and the **Insured's Certificate of Insurance**, a stock insurance corporation, hereafter called the "Insurer".

3. Section I. INSURING AGREEMENT, PROFESSIONAL LIABILITY subpart 5. is deleted in its entirety and replaced with the following:

5. there is no other policy, whether primary contributory, excess contingent or otherwise, which provides insurance to any **Insured** for a **Claim** for a **Wrongful Act** solely in rendering or failing to render **Professional Services** by such **Insured** while affiliated with an entity other than the **Policyholder**.

4. Section II. DEFENSE, Paragraph A.1. is deleted in its entirety and replaced as follows:

A. Defense of **Claims**

1. If a **Claim** is made against the **Insured** within the United States of America, its territories or possessions or Canada, the Insurer shall have the right and duty to defend such **Claim**, even if any of the allegations of the **Claim** are groundless, false or fraudulent.

The Insurer shall have the right to appoint counsel and to make such investigation and defense of a **Claim** as it deems necessary. The **Insureds** or **Policyholder**, as applicable, shall have the option to:

- a. select the defense attorney or to consent to the Insurer's choice of defense attorney, which consent shall not be unreasonably withheld;
- b. participate in, and assist in the direction of, the defense of any **Claim**; and
- c. consent to a settlement, which consent shall not be unreasonably withheld.

Subject to paragraph 2. below, the Insurer's obligation to defend any **Claim** or pay any **Loss**, shall be completely fulfilled and extinguished if the limit of liability has been exhausted by payment of **Loss**.



For any **Claim** made against the **Insured** outside of the United States of America, its territories or possessions or Canada, the Insurer shall have the right and duty to defend such **Claim**, even if any of the allegations of the **Claim** are groundless, false or fraudulent. Provided however, if the Insurer is prevented by law or lacks expertise in carrying out the defense and supplementary provisions, the Insurer shall instead reimburse **Defense Costs** incurred by the **Insured** in defending such **Claims**. In connection with such **Claims**, the **Insured** shall obtain the Insurer's consent to the selection of counsel, including counsel rates, and ensure that counsel complies with CNA's *Defense Counsel Guidelines*. CNA shall have the right, but not the duty, to associate with the **Insured** in the defense of any such **Claim**.

2. Limitation on the Insurer's Duty to Defend

If the Insurer concludes that the Limit of Liability applicable to a **Claim** may become exhausted prior to the conclusion of any **Claim**, the Insurer will notify the **Insureds**, in writing, to that effect.

When the Limit of Liability applicable to a **Claim** has actually been exhausted prior to the conclusion of the **Claim**, the Insurer will notify the **Insured**, in writing, as soon as practicable, that such limit has been exhausted and that the Insurer's duty to defend such **Claim** and any other **Claim** has ended.

The Insurer will initiate, and cooperate in, the transfer of control to the **Insured**, of any **Claims** which were subject to that Limit of Liability and which were reported to the Insurer prior to the exhaustion of such limit. The **Insured** must cooperate in the transfer of control of such **Claims**.

The Insurer agrees to take the necessary steps as the Insurer deems appropriate to avoid a default in, or continue the defense of, such **Claims** until such transfer has been completed, provided that the **Insureds** are cooperating in completing such transfer.

The **Insured** must reimburse the Insurer for expenses the Insurer incurs in taking those steps the Insurer deems appropriate to avoid a default in, or continuing the defense of, any **Claim**.

The Insurer will not take any action with respect to any **Claim** that would have been subject to such Limit of Liability, had it not been exhausted, if the **Claim** is reported to the Insurer after that limit has been exhausted.

The exhaustion of any limit by payment of any **Claim**, and the resulting end of the Insurer's duty to defend, will not be affected by the Insurer's failure to comply with any of the terms and conditions of this provision.

5. Section III. DEFINITIONS are amended as follows:

A. The following new definitions are added:

- **Coverage Relationship** means that period of time between the effective date of the first claims-made **Certificate of Insurance** issued by the Insurer to the **Insured** and the cancellation or nonrenewal of the last consecutive claims-made **Certificate of Insurance** issued by the Insurer to the **Insured**, where there has been no gap in coverage, but does not include any period covered by **Extended Reporting Period**.
- **Extended Reporting Period** means the period of time after the **Coverage Relationship** for reporting **Claims** due to a **Wrongful Act**. The **Wrongful Act** must happen on or after the **Prior Acts Date** and before the end of the **Coverage Relationship**.
- **Termination of Coverage** means, whether made by the Insurer or the **Insured** at any time:
 1. Cancellation or nonrenewal of the **Named Insured's Certificate of Insurance**; or



2. Decrease in limits, reduction of coverage, increased deductible or self-insured retention, new exclusion, or any other change in coverage less favorable to the **Insured**.

- B. The definitions of **Policyholder** and **Pollutants** are each deleted in its entirety and replaced as follows:

Policyholder means the person or organization named in Item 1.(a) of the **Policyholder's** Declarations.

Pollutants means, without limitation, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste (including materials to be recycled, reconditioned or reclaimed).

- C. The definition of **Insured** is amended to add the following new language at the end:

Insured shall not include the **Policyholder**.

- D. The definition of **Domestic Partner** is deleted in its entirety.

- E. The first paragraph of the definition of **Loss** is deleted in its entirety and replaced as follows:

Loss means monetary settlements or monetary judgments (including any award of pre-judgment interest) and **Defense Costs** for which the **Insured** is legally obligated to pay on account of a covered **Claim**.

- F. The definition of **Administration of Employee Benefit Plans** is deleted in its entirety and replaced as follows:

Administration of Employee Benefit Plans means consultation, other than legal advice, with participants in an employee benefit plan in order to explain the provisions of such plan and handling day-to-day ministerial functions required by such plan, including without limitation enrollment, record keeping and filing reports with government agencies. **Administration of Employee Benefit Plans** also includes third party claims administration.

6. Section IV. EXTENDED REPORTING PERIOD is deleted in its entirety and replaced as follows:

- A. The provisions of the **Extended Reporting Period** coverage will not apply, except for the one year automatic **Extended Reporting Period** if the **Coverage Relationship** has been less than one year and the **Certificate of Insurance** was terminated for nonpayment of premium or fraud.

- B. In the event of **Termination of Coverage** a one year automatic **Extended Reporting Period**, extension will be granted to the **Insured**, at no additional charge, only with respect to **Claims** made against the **Insured** and reported to the Insurer during such extension by reason of any **Wrongful Act** committed before the **Termination of Coverage**. The automatic **Extended Reporting Period** does not create any separate or additional Limit of Liability.

- C. Within thirty days of **Termination of Coverage**, the Insurer will notify the **Named Insured**, in writing, of the automatic one year **Extended Reporting Period**. The Insurer will also notify the **Named Insured** of the availability of, the premium for, and the importance of purchasing an additional **Extended Reporting Period**. The additional **Extended Reporting Period** described herein shall be three years, inclusive of the one year period specified in paragraph B. above and the premium shall be computed in accordance with the rates in effect when the **Certificate of Insurance** was last issued or renewed. The premium to be charged for the additional **Extended Reporting Period** coverage shall be based upon the rates for such coverage in effect on the date this **Certificate of Insurance** was issued or last renewed and shall be for three years at 175% of such premium.

- D. The **Named Insured** shall have the greater of 60 days from the effective date of **Termination of Coverage** or 30 days from the date of mailing or delivery of the advice of the availability to purchase the



additional **Extended Reporting Period** coverage, to submit written acceptance of the additional **Extended Reporting Period** coverage. The premium for such additional **Extended Reporting Period** must be paid promptly when due. The premium shall be fully earned at the inception of this endorsement.

- E. If the **Named Insured** has been placed in receivership, liquidation or bankruptcy or permanently ceases operations, then any one qualifying as an **Insured** has the right to an **Extended Reporting Period** issued in the name of the **Named Insured** for the benefit of all **Insureds**. The request for such **Extended Reporting Period** coverage must be made within 120 days of the **Termination of Coverage**.
- F. Upon termination of this **Certificate of Insurance**:
 - i. any return premium due the **Named Insured** shall be credited toward the premium for the additional **Extended Reporting Period** coverage if the **Named Insured** elects such coverage.
 - ii. where premium is due to the Insurer for coverage during the **Coverage Relationship**, any monies received by the Insurer from the **Named Insured** as payment for the **Extended Reporting Period** coverage shall first be applied to such premium owing for this **Certificate of Insurance**.
- G. In order to purchase the **Extended Reporting Period**, the total premium for the **Named Insured's Certificate of Insurance** must have been paid.
- H. If the **Extended Reporting Period** is purchased, the entire premium shall be deemed earned at its commencement without any obligation by the Insurer to return any portion thereof.
- I. Limits of Liability for such additional **Extended Reporting Period** shall be:
 - i. at least equal to 100 percent of the **Certificate of Insurance's** applicable annual aggregate limit where a **Coverage Relationship** has continued for three years or more; or
 - ii. if the **Coverage Relationship** has continued for less than three years, the Limit of Liability shall be at least equal to the greater of:
 - a. the amount of coverage remaining in such **Certificate of Insurance's** applicable annual aggregate Limit of Liability, or
 - b. 50 percent of such **Certificate of Insurance's** annual aggregate Limit of Liability.

7. Section V. ESTATES, LEGAL REPRESENTATIVES AND SPOUSES is deleted in its entirety and replaced as follows:

V. ESTATES, LEGAL REPRESENTATIVES AND SPOUSES

The estates, heirs, legal representatives, assigns or spouses of **Insureds**, shall be considered **Insureds** under this Policy; provided however, that coverage is afforded to such estates, heirs, legal representatives, assigns or spouses only for a **Claim** arising solely out of their status as such and, in the case of a spouse, where such **Claim** seeks damages from marital community property, jointly-held property or property transferred from the **Insured** to the spouse. No coverage is provided for any **Wrongful Act** of an estate, heir, legal representative, assign or spouse. All terms and conditions of this Policy, including without limitation the Retention applicable to **Loss** incurred by the **Insured** shall also apply to **Loss** incurred by such estates, heirs, legal representatives, assigns or spouses.

8. Section VI. LIMIT OF LIABILITY, RETENTION AND ALLOCATION is deleted in its entirety and replaced as follows:

VI. LIMIT OF LIABILITY AND RETENTION

A. Professional Liability Insuring Agreement.

If a Limit of Liability is set forth in the **Insured's Certificate of Insurance** for the applicable **Insured** under the Professional Liability Insuring Agreement the Limit of Liability set forth in each **Certificate of Insurance** shall apply as follows:



1. Each **Claim**

Subject to paragraph 2. below, the Limit of Liability of the Insurer for **Loss** for each **Claim** first made against an **Insured** and reported to the Insurer during the **Certificate Period** or **Extended Reporting Period** shall not exceed the amount stated in such **Insured's Certificate of Insurance** for each **Claim**.

2. Aggregate

The Limit of Liability of the Insurer for **Loss** for all **Claims** first made against an **Insured** and reported to the Insurer during the **Certificate Period** or any **Extended Reporting Period** shall not exceed the amount stated in the **Insured's Certificate of Insurance** for all **Claims** in the Aggregate.

If the Limits of Liability for the Professional Liability Insuring Agreement, as set forth in the **Insured's Certificate of Insurance** includes more than one option, only one Limit of Liability option shall be available to each **Insured** and such option shall be the option identified in the written records of the **Policyholder**, subject to the maximum aggregate Limit of Liability as set for in this Section VI.

B. Exhaustion of Limit of Liability

The Insurer's obligations under this Policy shall be deemed completely fulfilled and extinguished if the applicable Limit of Liability is exhausted by payment of **Loss**.

C. Retention

Subject to the applicable Limit of Liability, the Insurer shall pay all covered **Loss** excess of the applicable Retention, if any, set forth in the **Insured's Certificate of Insurance**. The Retentions shall apply separately to each **Insured** as follows:

A single and separate Retention shall apply to all **Loss** resulting from each **Claim**. If more than one Retention is applicable to a single **Claim**, the maximum aggregate Retention for such **Claim** shall be the largest of such Retentions.

If the Insurer, in the exercise of its discretion and without any obligation to do so, pays any amount within the amount of the applicable Retention, the **Insured** shall be liable to the Insurer for any and all such amounts and, upon demand, shall pay such amounts to the Insurer.

D. **Interrelated Wrongful Acts**

More than one **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered as one **Claim** which shall be deemed to have been made on the earlier of:

1. the date on which the earliest such **Claim** was first made; or
2. the first date valid notice was given by an **Insured** and received by the Insurer under this Policy of any **Wrongful Act** or under any prior policy of any **Wrongful Act** or any fact, circumstance, situation, event or transaction which underlies any such **Claim**.

9. Section VII. NOTICE is amended as follows:

- A. Paragraph A is deleted in its entirety and replaced as follows:



If a **Claim** is made against any **Insured**, the **Insured** shall give written notice to the Insurer or any of the Insurer's licensed agents, of such a **Claim** as soon as practicable during the **Coverage Relationship** or any **Extended Reporting Period** and forward to the Insurer every demand, notice, summons or other process received. The limits of insurance for the **Certificate Period** in effect on the date the **Claim** is reported to the Insurer shall apply.

In no event, however, shall the Insurer be responsible to pay any **Loss** in connection with any default judgment entered against an **Insured** prior to notice to the Insurer or as a result of untimely notice to the Insurer nor shall the Insurer be responsible to pay any **Loss** in connection with any **Claim** in which the Insurer's interests have been prejudiced because of the **Insured's** failure to supply timely notice to the Insurer.

Failure to give any notice required to be given by this Policy within the time prescribed herein shall not invalidate coverage of any **Claim**, unless the failure to provide timely notice has prejudiced the Insurer or unless the notice is provided after the expiration of the policy period, any renewal policy period and any extended reporting period. However, failure to give any notice required to be given by this Policy within the time prescribed therein shall not invalidate any **Claim** made by the **Insured**, by an injured person or by any other claimant if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as was reasonably possible thereafter.

Notwithstanding any provision in this Policy to the contrary, with respect to any **Claim** alleging death or personal injury, if the Insurer disclaims liability or denies coverage based upon the failure to provide timely notice, then the injured person, someone acting for the injured person or other claimant may bring an action against the Insurer, provided the sole question is whether such disclaimer or denial is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after the Insurer denies coverage, or does not admit liability, the Insurer or any **Insured** under the policy:

- (a) brings an action to declare the rights of the parties under the policy; and
- (b) names the injured person, someone acting for the injured person or other claimant as a party to the action.

B. The first sentence of paragraph B up to the colon is deleted in its entirety and replaced as follows:

If, during the **Insured's Certificate Period**, or the **Extended Reporting Period**, if applicable, an **Insured** first becomes aware of any **Wrongful Act** which may reasonably give rise to a future **Claim** and during such period give written notice to the Insurer or any of the Insurer's licensed agents, of:

C. Paragraph D is deleted in its entirety and replaced as follows:

The **Insureds** shall give written notice under this Policy to the Insurer or any of the Insurer's licensed agents as specified in the **Certificate of Insurance**, which shall be effective upon receipt. Failure to give any notice required to be given by paragraphs A, B and C above, within the time prescribed therein shall not invalidate any **Claim** made by the **Insured** or by any other claimant if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as was reasonably possible.

D. Paragraph E is deleted in its entirety and replaced as follows:

The **Insureds** shall furnish the Insurer with copies of reports, investigations, pleadings, and all related papers and such other information, assistance and cooperation as the Insurer may reasonably request. The **Insureds** agree to cooperate with the Insurer, and provide all assistance and information reasonably requested by the Insurer. When requested by the Insurer, the **Insureds** shall submit to examination by a



representative of the Insurer, under oath if required, and shall attend hearings, depositions, and trials and shall assist in the conduct of **Claims**.

10. A new section is added as follows:

CANCELLATION/NONRENEWAL/CONDITIONAL RENEWAL OF CERTIFICATE OF INSURANCE

A. Cancellation of this Certificate of Insurance

1. This **Certificate of Insurance** may be canceled by the **Named Insured** by surrendering it to the Insurer or any of our authorized agents. The **Named Insured** may also cancel his or her **Certificate of Insurance** by written notice to the Insurer or our licensed agent, stating at what future date cancellation is to be effective.
2. If this **Certificate of Insurance** has been in effect for sixty (60) days or less, this **Certificate of Insurance** may be canceled by the Insurer by mailing or delivering to the **Named Insured** written notice stating the reason for cancellation at the mailing address shown on this **Certificate of Insurance**, and to the **Named Insured's** authorized agent or broker and to the **Policyholder** at least:
 - a. twenty (20) days before the effective date of cancellation if this **Certificate of Insurance** is canceled for any reason not included in paragraph (b) below.
 - b. fifteen (15) days before the effective date of cancellation if this **Certificate of Insurance** is canceled for any of the following reasons:
 - i. nonpayment of premium provided; however, a notice of cancellation on this ground shall inform the **Named Insured** of the amount due;
 - ii. conviction of a crime arising out of acts increasing the hazard insured against;
 - iii. discovery of fraud or material misrepresentation in the obtaining of this **Certificate of Insurance** or in the presentation of a **Claim**;
 - iv. after issuance of this **Certificate of Insurance** or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current **Certificate Period**;
 - v. material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of this **Certificate of Insurance**, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time this **Certificate of Insurance** was issued or last renewed;
 - vi. a determination by the New York State Superintendent of Insurance that continuation of the Insurer's present premium volume would jeopardize the Insurer's solvency or be hazardous to the interest of the Insurer's policyholders, creditors or the public;
 - vii. a determination by such Superintendent that the continuation of this **Certificate of Insurance** would violate, or would place the Insurer in violation of, any provision of the New York Insurance Code; or
 - viii. revocation or suspension of the **Named Insured's** license to provide **Professional Services**.
3. If this **Certificate of Insurance** has been in effect for more than sixty (60) days, or if this **Certificate of Insurance** is a renewal or continuation of a **Certificate of Insurance** issued by the Insurer, this **Certificate of Insurance** may be canceled by the Insurer only for any of the reasons listed in paragraph A.2.b. above provided a written notice stating the reason for cancellation is mailed or delivered to the **Named Insured** at the address shown in this **Certificate of Insurance**, and his or her authorized agent or broker and to the **Policyholder** at least fifteen (15) days before the effective date of cancellation.



4. Notice of cancellation will state the effective date of cancellation. The **Certificate Period** will end on this date. If notice is mailed, proof of mailing will be sufficient proof of notice.
5. If the **Named Insured** cancels, earned premium will be computed in accordance with the customary short rate table and procedure. If the Insurer cancels, earned premium shall be computed pro rata. However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, the Insurer will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
6. If one of the reasons for cancellation set forth in Paragraph A.2.b. exists, the Insurer may cancel this entire **Certificate of Insurance**, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this **Certificate of Insurance**.

B. Nonrenewal / Conditional Renewal of this **Certificate of Insurance**

1. If the Insurer elects not to renew this **Certificate of Insurance**, the Insurer shall send notice as provided in paragraph 3. below along with the reason for nonrenewal.
2. If the Insurer conditions renewal of this **Certificate of Insurance** upon:
 - a. Change of limits;
 - b. Change in type of coverage;
 - c. Reduction of coverage;
 - d. Increased deductible;
 - e. Addition of exclusion;
 - f. Increased premiums in excess of 10%, exclusive of any premium increased due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit; the Insurer shall send notice as provided in paragraph 3.b. below.

The Insurer shall send notice as provided in paragraph 3.

3. Notice of nonrenewal and conditional renewal will be provided as follows:
 - a. If the Insurer decides not to renew this **Certificate of Insurance** or to conditionally renew this **Certificate of Insurance** as provided in paragraphs 1.and 2. above, the Insurer shall mail or deliver written notice to the **Named Insured** at least sixty (60) but not more than one hundred twenty (120) days before:
 - i. the expiration date; or
 - ii. the anniversary date if this is a continuous **Certificate of Insurance**.
 - b. Notice will be mailed or delivered to the **Named Insured** at the address shown in this **Certificate of Insurance** and his or her authorized agent or broker and to the **Policyholder**. The notice will include the specific reason or reasons for nonrenewal or conditional renewal. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - c. The Insurer will not send the **Named Insured** notice of non-renewal or conditional renewal if the **Named Insured** or his or her authorized agent or broker or another insurer of the **Named Insured** mails or delivers notice that this **Certificate of Insurance** has been replaced or is no longer desired.
4. If the Insurer violates any of the provisions of the paragraphs above by sending the **Named Insured** an incomplete or late notice of conditional renewal or notice of nonrenewal:



- a. Coverage will remain in effect at the same terms and conditions of this **Certificate of Insurance** at the lower of the current rates or the prior **Certificate Period's** rates until sixty (60) days after such notice is mailed or delivered, unless the **Named Insured**, during this sixty (60) day period, has replaced the coverage or elects to cancel.
- b. On or after the expiration date of this **Certificate of Insurance**, coverage will remain in effect at the same terms and conditions of this **Certificate of Insurance** for another **Certificate Period** at the lower of the current rates or the prior **Certificate Period's** rates, unless the **Named Insured**, during this **Certificate Period**, has replaced the coverage or elects to cancel.

11. Section IX. OTHER INSURANCE is deleted in its entirety and replaced as follows:

IX. OTHER INSURANCE

If any **Loss** resulting from any **Claim** is insured under any other policies, this Policy shall apply only to the extent the **Loss** exceeds the amount paid under such other valid and collectible insurance whether such other valid and collectible insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other valid and collectible insurance is written only as specific excess insurance over this Policy.

12. Section XVI. EXCLUSIONS is amended as follows:

A. Paragraph A. **Prior Litigation** is amended to add the words "or **Policyholder**" after the first use of the word "**Insured**."

B. Paragraph N. **Nuclear/Pollution** is amended as follows:

- 1. The title is changed from "**Nuclear/Pollution**" to "**Pollution**".
- 2. The phrase "nuclear reaction, radiation or contamination," is removed from the exclusion.

C. Exclusion I. **Insolvency**, is deleted in its entirety and replaced as follows:

I. Insolvency

based upon, arising out of, due to or involving directly or indirectly the insolvency, receivership, liquidation or inability to pay, of any insurance carrier, broker/dealer, trust or investment vehicle in which the **Insured** has placed or obtained coverage for a client or an account.

However, this exclusion does not apply:

- a. to any **Claim** arising from the **Insured's** placement of coverage with an admitted Insurer with an A.M. Best rating of "A-" or better rating at the time the **Insured** initially placed the risk with such Insurer; or
- b. to any entity described above, if the entity was authorized or operated by a government body or bodies pursuant to statute or regulation, including assigned risk plans, joint underwriting associations, pools, FAIR Plans, or other residual market mechanisms, but only with respect to such entity in its capacity or operation in such programs.

D. Exclusion Q. **Investment Banking Activities**, is deleted in its entirety and replaced as follows:

Q. Investment Banking Activities

based upon, directly or indirectly arising out of, or in any way involving any actual or alleged underwriting; syndicating; or investment banking work; or associated counseling or investment



activities which includes any aspect of any actual, attempted or threatened mergers, acquisitions, divestitures, tender offers, proxy contests, leveraged buy-outs, going private transactions, reorganizations, capital restructuring, recapitalization, spin-offs, primary or secondary offerings of securities (regardless of whether the offering is a public offering or a Private Placement); other efforts to raise or furnish capital or financing for any enterprise or entity or any disclosure requirements in connection with any of the foregoing; provided, however, that this exclusion shall not apply to **Claims** arising from sales by an **Insured** of securities in connection with an offering thereof where such **Claims** relate solely to conduct by the **Insured** detrimentally relied upon by particular clients of the **Insured Broker/Dealer** and do not arise from facts or circumstances affecting the offering generally such as actual or alleged misrepresentations or omissions in the formal written offering materials, including registration statements, offering memoranda and circulars;

E. Exclusion U. **Wrongful Employment Practices**, is deleted in its entirety and replaced as follows:

U. **Wrongful Employment Practices**

based upon, directly or indirectly arising out of, or in any way involving employment practices which includes discrimination or termination of employment;

13. Section XII. NO ACTION AGAINST INSURER is deleted in its entirety and replaced with the following:

No action shall be taken against the Insurer unless, as a condition precedent thereto, the **Insured** shall have fully complied with all terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** or by written agreement of the **Insured**, the claimant and the Insurer. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. Nothing contained in this Policy shall give any person or organization any right to join the Insurer in any action against the **Insured** to determine the **Insured's** liability, nor shall the Insurer be impleaded by the **Insured** or their legal representative in any such **Claim**.

14. The following new section is added to the Policy:

BANKRUPTCY

Bankruptcy or insolvency of any **Insured** or of the **Insured's** estate will not relieve the Insurer of its obligations under this Policy.

This endorsement is attached to the **Named Insured's Certificate of Insurance** and amends the **Insured's** coverage under the Master Policy. It takes effect on the effective date of the **Named Insured's Certificate of Insurance**, unless another effective date is shown below. All other provisions of the **Insured's** coverage under the Policy remain unchanged.

All other terms and conditions of the Policy remain unchanged.

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