

I. Insuring agreements

We will pay up to the **coverage part limit** for **loss** in excess of any applicable **retention** resulting from covered **claims** against **you** for any actual or alleged **wrongful act** as follows, provided the **claim** is first made against **you** during the **policy period** and is reported to **us** in accordance with Section V. Your obligations:

- Individual insurance
 - A. On behalf of an **insured person**, we will pay **loss** resulting from a **claim** against the **insured person** for such person's actual or alleged **wrongful acts**, and that is not indemnified by an **insured organization**.
- Insured organization reimbursement
 - B. On behalf of an **insured organization**, we will pay **loss** resulting from a **claim** against an **insured person** for such person's actual or alleged **wrongful acts**, but only to the extent the **insured organization** has indemnified the **insured person**.
- Insured organization insurance
 - C. On behalf of an **insured organization**, we will pay **loss** resulting from a **claim** against the **insured organization** for its actual or alleged **wrongful acts**.

II. Coverage enhancements

We will also make the following payments, provided **you** report them to **us** in accordance with Section V. Your obligations:

- Additional executive limit
 - A. **We** will pay up to the limit stated in the Declarations, in the aggregate, for **loss** resulting from a **claim** made against an **executive** of an **insured organization**, and which is covered under Insuring agreement A. Individual insurance.

No **retention** will apply to any payment **we** make under this subsection A, and any amounts **we** pay will be in addition to, and not a part of, the **coverage part limit**.

However, **our** obligation to make any payment under this subsection A is:
 1. specifically excess of and will not contribute with any other valid and collectible Side A insurance available to the **executive**, whether or not such other insurance is written specifically as excess over this policy; and
 2. in excess of any retention applicable to such other insurance, which **you** must pay before **we** will be obligated to make any payment.
- Extradition costs
 - B. **We** will pay up to the limit stated in the Declarations, in the aggregate, for reasonable and necessary fees, costs, and expenses incurred with **our** prior consent to oppose, challenge, resist, or defend an **extradition action** **you** first receive notice of during the **policy period**.

You must pay the **retention** before **we** will be obligated to make any payment under this subsection B, and any amounts **we** pay will be a part of, and not in addition to, the **coverage part limit**.
- Reputation loss sublimit
 - C. **We** will pay up to the limit stated in the Declarations, in the aggregate, for **reputation loss** resulting from any **reputation risk event** that first commences during the policy period stated in Item 2 of the Declarations.

We will pay covered **reputation loss** regardless of whether a **claim** is ever made against **you** resulting from the **reputation risk event** and if a **claim** is made, regardless of whether the amount is incurred before or after the **claim** is first made against **you**.

No **retention** will apply to any payment **we** make under this subsection C, and any amounts **we** pay will be a part of, and not in addition to, the **coverage part limit**.
- Antitrust coverage
 - D. **We** will pay up to the limit stated in the Declarations, in the aggregate, for **loss** resulting from a **claim** against **you** for any actual or alleged violation of the Sherman Antitrust Act (including any rule or regulation promulgated under such Act), or any similar federal, state, or local statute governing antitrust violations, price fixing, price discrimination, unfair competition, deceptive trade practices, or monopolies, provided the **claim** is first made against **you** during the **policy period** and it results from a **wrongful act**.

You must pay the **retention** before **we** will be obligated to make any payment under this

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subsection D, and for all **loss** in excess of the **retention**, **you** will be responsible for the coinsurance percentage stated in the Declarations, which **you** agree not to insure.

Any amounts **we** pay under this subsection D will be a part of, and not in addition to, the **coverage part limit**.

Derivative demand sublimit E. **We** will pay up to the limit stated in the Declarations, in the aggregate, for **investigation costs** incurred by an **insured organization**, resulting from an investigation by the **insured organization's** board of directors or any committee of the board of directors (or equivalent management bodies) to determine whether the **insured organization** should bring the civil proceeding demanded in a **derivative demand** which is first made during the **policy period**.

No **retention** will apply to any payment **we** make under this subsection E, and any amounts **we** pay will be a part of, and not in addition to, the **coverage part limit**.

Pre-claim inquiry sublimit F. **We** will pay up to the limit stated in the Declarations, in the aggregate, for reasonable and necessary fees, costs, and expenses incurred with **our** prior consent to prepare for or respond to a verifiable, informal inquiry investigation of an **insured person**, and which is first commenced during the **policy period**, requesting the **insured person** to:

1. appear at a meeting or interview in connection with the **insured person's** capacity as such, and which is unrelated to any routine inquiry, examination, audit, or similar supervisory review; or
2. produce any documents, records, or other information in connection with the **insured person's** capacity as such,

which is brought by:

- a. any governmental or regulatory entity; or
- b. an **insured organization** or its board of directors (or equivalent management body) and arises out of an inquiry or investigation of the **insured person** by a governmental or regulatory entity.

We will not make any payment under this subsection F for:

- i. the compensation of any **insured person**; or
- ii. the costs of complying with any formal or informal discovery or other request asking an **insured organization** or any third party to produce documents, records, or electronic information.

You must pay the **retention** before **we** will be obligated to make any payment under this subsection F, and any amounts **we** pay will be a part of, and not in addition to, the **coverage part limit**.

Roadshow coverage G. **We** will pay up to the limit stated in the Declarations, in the aggregate, for **loss** resulting from a **claim** made in connection with an **insured organization's** preparation for any initial public offering, including any presentations ("roadshow" or otherwise), but only if such initial public offering is not completed.

You must pay the **retention** before **we** will be obligated to make any payment under this subsection G, and any amounts **we** pay will be a part of, and not in addition to, the **coverage part limit**.

III. Who is an insured

For purposes of this Coverage Part, **you**, **your**, or **insured** means a **named insured, subsidiary, employee, executive, independent contractor, outside entity executive**, or **affiliate**, as defined below:

Named insured

means the entity identified in Item 1 of the Declarations.

Subsidiary

means any:

1. for-profit entity whose securities are not publicly traded of which the **named insured** has **management control**, either directly or indirectly through one or more other **subsidiaries**, before or during the **policy period**; or

2. nonprofit entity sponsored exclusively by an **insured organization**, but only for **wrongful acts** occurring during the course of such **management control** or sponsorship.

Employee

means any past, present, or future employee of an **insured organization**, including any part-time, seasonal, or temporary employee, or any intern or volunteer, but only while acting in their capacity as such.

Employee also includes any person who is leased to an **insured organization**, but only if such **insured organization** provides indemnification to such leased person in the same manner as provided to its own employees.

Employee does not include any employee of an **outside entity**.

Executive

means any past, present, or future:

1. duly elected or appointed director, officer, trustee, management committee member (of a duly constituted committee), or member of the Board of Managers or advisory board (or equivalent position);
2. person in a duly elected or appointed position equivalent to a position listed in part 1 above of an entity which is organized and operated in a **foreign jurisdiction**; or
3. General Counsel or Risk Manager (or equivalent position) of the **named insured** or any **subsidiary**,

but only while acting in their capacity as such.

Independent contractor

means any person contracted by an **insured organization**, but only while acting in their capacity as such. An independent contractor will qualify as an **insured** only if the **insured organization** provides indemnification to such independent contractor in the same manner as provided to its own employees.

However, an **insured organization** may request that no coverage be provided for an **independent contractor** named in a specific **claim** or **coverage enhancement**. Such request must be made in writing and within 90 days after the **claim** or **coverage enhancement** is first reported to **us**.

Outside entity executive

means any:

1. **executive** of an **insured organization** serving in their capacity as a director, officer, trustee, trustee emeritus, or governor of an **outside entity**, but only if such service is at the specific request or direction of an **insured organization**; or
2. other person listed as an **outside entity executive** by endorsement to this policy.

If there is a disagreement between an **insured organization** and purported **outside entity executive** as to whether such person was acting at the specific request or direction of the **insured organization**, the determination made by the **named insured** will control. **You** agree to notify **us** of such determination in writing within 90 days after any **claim** or **coverage enhancement** involving an **outside entity executive** is first reported to **us**.

If **you** do not provide **us** with any determination regarding the status of an **outside entity executive**, **we** will treat the person as if they were not acting at an **insured organization's** specific request or direction, and no coverage will be provided to them for that **claim** or **coverage enhancement**.

Affiliate

means any entity listed as such by endorsement to this policy.

IV. Defense and settlement of claims

Defense

- A. **We** have the right and duty to defend any covered **claim** or **coverage enhancement**, even if such **claim** or **coverage enhancement** is groundless, false, or fraudulent.

We have the right to select and appoint counsel to defend **you** against any **claim** or **coverage enhancement**. **We** may appoint different defense counsel to represent different **insureds**, but only if required due to an actual conflict of interest.

At **your** written request, **we** agree to advance covered **claim expenses** in excess of the applicable **retention** on **your** behalf prior to final disposition of a **claim** or **coverage enhancement**. **We** will make commercially reasonable best efforts to issue payment of covered **claim expenses** within 60 days after **we** receive all documentation necessary to enable **us** to make such payment. In the event it is later determined **you** are not entitled to payment of such **claim expenses**, **you** agree to repay **our** advanced payments severally, according to **your** respective interests. Additionally, **we** will not advance or otherwise pay any **claim expenses** or other **loss** incurred prior to when any **claim** or **coverage enhancement** was first reported to **us**.

However, it will be the **insured organization's** duty to investigate and evaluate any **derivative demand** against its own **executives**; but **we** will be entitled to effectively associate in the investigation, evaluation, negotiation, or settlement of any **derivative demand**.

Settlement

- B. **You** and **we** agree not to enter into any settlement agreements without the other's prior written consent, such consent not to be withheld unreasonably. If **you** withhold consent to a settlement recommended by **us** and acceptable to the party who made the **claim**, the most **we** will pay for that **claim** is the sum of:
1. the amount of **our** recommended settlement;
 2. **claim expenses** incurred up to the date of **our** recommendation;
 3. 90% of all **claim expenses** incurred after **our** recommendation; and
 4. 90% of all other **loss** in excess of the settlement amount recommended by **us**.

Allocation

- C. The following allocation provisions will apply to all **claims** and **coverage enhancements**:
1. If there is both covered **loss** and uncovered loss in connection with the same **claim** or **coverage enhancement**, **we** will make payment as follows:
 - a. 100% of **claim expenses** incurred in the defense of covered persons or entities will be considered covered **loss**; and
 - b. **we** will allocate all remaining amounts on a pro rata basis between covered **loss** and non-covered loss based on **our** and **your** relative exposures.
 2. **We** and **you** agree to use commercially reasonable best efforts to agree on an allocation of **loss** other than **claim expenses** under part 1.a. above. If **you** and **we** cannot agree on an allocation, no presumption as to allocation will exist in any proceeding to determine such allocation.

In the event of a dispute over allocation, **we** and **you** agree to first submit the dispute to non-binding mediation. If the mediation is unsuccessful, **we** will, at the **named insured's** request, submit the dispute to binding arbitration after a 60-day waiting period following the failed mediation. The rules of the American Arbitration Association will apply to such arbitration, except with respect to the selection of the arbitration panel, which will consist of one arbitrator selected by **you**, one arbitrator selected by **us**, and a third independent arbitrator selected by the first two arbitrators.

V. Your obligations

Notifying us of claims and coverage enhancements

- A. **You** must give written notice to **us** of any **claim** or **coverage enhancement** as soon as possible once such **claim** or **coverage enhancement** is first known to the **insured organization's** Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Risk Manager, or General Counsel (or equivalent position), but in any event no later than 180 days after the end of the **policy period**.

All such notifications must be in writing, include a copy of the **claim** or **coverage enhancement**, and must be submitted to **us** via the designated email address or mailing address stated in Item 6 of the Declarations.

Notifying us of potential claims

- B. **You** have the option of notifying **us** of a **potential claim** that may lead to a covered **claim** against **you**, provided **you** first become aware of such **potential claim** during the **policy period**.

In order to do so, **you** must give written notice to **us** as soon as possible and within the **policy period**, and the notice must identify the details of the **potential claim**, including identifying the potential claimant(s), the likely basis for liability, and any additional information about the **potential claim** **we** may reasonably request.

The benefit to **you** of notifying **us** of a **potential claim** is that if an actual **claim** arises from the same circumstances as the properly notified **potential claim** and results in a covered **claim**, then **we** will treat that **claim** as though it had been notified on the date **you** properly notified **us** of the **potential claim**, even if the **claim** is first made against **you** after the **policy period** has expired.

All **potential claim** notifications must be in writing and submitted to **us** via the designated email address or mailing address stated in Item 6 of the Declarations.

Retention

- C. **Our** obligation to pay the **loss** of an **insured organization**, **indemnifiable loss**, or **coverage enhancements** is in excess of the applicable **retention**, which **you** must pay before **we** will be obligated to make any payment. **You** will remain responsible for the **retention**, which **you** agree not to insure. A single **retention** will apply to **loss** resulting from all **related claims** alleging the same **wrongful act** or **related wrongful acts**.

No **retention** will apply to any **reputation loss**, **investigation costs**, or **non-indemnifiable loss** under Insuring agreement A. Individual insurance.

If an **insured organization** is unable to pay the **retention** due to its bankruptcy or **insolvency**, **we** will advance such payment and make commercially reasonable best efforts to issue payment of covered **loss** within the applicable **retention** within 60 days after **we** receive all documentation necessary to enable **us** to make such payment. However, **we** will have the right to recover the amount of such advanced **loss** from the **insured organization** or the debtor-in-possession (or foreign equivalent). Such right of recovery will be independent from **our** subrogation rights under this Coverage Part or any other rights **we** may have under applicable law.

VI. Exclusions – What is not covered

Exclusions applicable to the entire Coverage Part

We will have no obligation to pay any sums under this Coverage Part for any **claim** or **coverage enhancement** (other than **reputation loss**):

Bodily injury/property damage

1. for any:
 - a. bodily injury, sickness, disease, death, emotional distress, or mental anguish of any person; or
 - b. damage to, loss of use, or destruction of any tangible property,

except that **we** will pay **claim expenses** incurred in the defense of a **claim** brought against an **insured organization** for any violation of the UK Corporate Manslaughter and Corporate Homicide Act of 2007 as may be amended, or any rules or regulations promulgated under such law.

This exclusion will not apply to any **securities claim**.

Employment-related liability

2. based upon or arising out of any employment-related act or failure to act, including but not limited to any actual or alleged:

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- a. employment practices wrongful act, including but not limited to any:
 - i. breach of an implied contract;
 - ii. violation of employment discrimination laws anywhere in the world, including but not limited to violations based on race, color, national origin, creed, religion, age, sex, gender, marital status, pregnancy, disability, HIV status, sexual orientation or preference, or any other protected classes as determined by applicable law;
 - iii. employment-related misrepresentation(s);
 - iv. harassment, sexual harassment, or hostile work environment;
 - v. **retaliation**;
 - vi. employment-related libel, slander, defamation, humiliation, invasion of privacy, wrongful entry, false imprisonment, malicious prosecution, or the making of negative or defamatory statements in connection with giving an employment reference;
 - vii. wrongful deprivation of a career opportunity with an **insured organization**, or wrongful discipline, demotion, or failure to employ, promote, or grant tenure or practice privileges;
 - viii. wrongful termination of employment, including constructive termination, dismissal, or discharge; or
 - ix. negligent hiring, retention, training, or supervision; infliction of emotional distress or mental anguish; failure to provide or enforce adequate or consistent organizational policies and procedures; or violation of an individual's civil rights alleged in conjunction with and based on the same allegations as a **claim** for parts i through viii above;
 - b. obligation under any workers' compensation, unemployment compensation, employers' liability, employee benefits, fair labor standards, labor relations, wage and hour, disability benefits, or social security benefits law, including any similar provisions of any federal, state, or local statutory or common law;
 - c. liability or breach of any duty or obligation owed by **you** as an employer or prospective employer; or
 - d. improper or inaccurate payroll deductions, failure to itemize or inaccurate wage statements, unpaid wages or overtime pay, or failure to provide or enforce legally required meal or rest breaks.
- Fraudulent/criminal acts 3. based upon or arising out of any intentionally fraudulent or criminal acts or omissions or willful violation of law if there is a final, non-appealable adjudication establishing that such conduct was committed in the **claim** or **coverage enhancement** at issue.
- Illegal payment to an insured 4. based upon or arising out of any remuneration paid to an **insured** without the prior consent of an **insured organization's** security holders if any final, non-appealable adjudication establishes such payment was illegal.
- Influential payments 5. based upon or arising out of any actual or alleged:
 - a. payments, commissions, gratuities, benefits, or any other favors to or for the benefit of any domestic or foreign governmental or armed services official, agent, representative, or employee; any member of their family; or any entity with which they are affiliated;
 - b. payments, commissions, gratuities, benefits, or any other favors to or for the benefit of any official, director, agent, partner, representative, member, principal security holder, owner, employee, affiliate (as defined in the Securities Exchange Act of 1934, including any of their officers, directors, agents, owners, partners, representatives, principal security holders, or employees), or customer of an **insured organization**; any member of their family; or any entity with which they are affiliated; or
 - c. domestic or foreign political contribution.
- Insured vs. insured 6. brought by or on behalf of (i) any **insured** against another **insured**, or (ii) a security holder of

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an **insured organization**.

However, this exclusion will not apply to any **claim**:

- a. brought by an **insured person** in the form of a cross-claim or third party claim for contribution or indemnity that is part of and directly results from a **claim** otherwise covered by this policy;
- b. brought by a security holder of an **insured organization**, either directly or derivatively, but only if such **claim** is instigated and continued without any solicitation, assistance, active participation, or intervention of the **insured organization** or one of its **executives**;
- c. brought by the receiver, conservator, liquidator, trustee, rehabilitator, examiner (or similar official), or creditors' committee (or any assignee of any of these) of an **insured organization** in any bankruptcy proceeding by or against it;
- d. brought by an **employee** in their capacity as such;
- e. brought by a former **executive** of an **insured organization** who has not been a(n) **executive**, General Counsel, Risk Manager, or consultant of an **insured organization** for at least two years before the **claim** was first made;
- f. which was instigated by or involves the solicitation, assistance, active participation, or intervention of any **executive** of an **insured organization** who is a whistleblower under Section 806 of the Sarbanes-Oxley Act of 2002 (including any rule or regulation promulgated under such Act), or any similar state or federal whistleblower statute, rule, or regulation; or
- g. brought in a jurisdiction outside of the United States, Canada, or any other common law country, including any territories or possessions of such countries, by an **executive** of an **insured organization** that was created and operates in the same country where the **claim** was made.

For purposes of this exclusion, **employee** does not include an **executive** acting in any capacity.

Outside entity executive

7. brought by or on behalf of (i) an **outside entity** or one of its **executives** for any **wrongful act** arising out of an **insured person** serving in the capacity of an **outside entity executive**, or (ii) a security holder of an **outside entity**.

However, this exclusion will not apply to any **claim**:

- a. brought by an **outside entity executive** in the form of a cross-claim or third party claim for contribution or indemnity that is part of and directly results from a **claim** otherwise covered by this policy;
- b. brought by a security holder of an **outside entity**, either directly or derivatively, but only if such **claim** is instigated and continued without any solicitation, assistance, active participation, or intervention of such **outside entity** or one of its **executives**;
- c. brought by the receiver, conservator, liquidator, trustee, rehabilitator, examiner (or similar official), or creditors' committee (or any assignee of any of these) of an **outside entity** in any bankruptcy proceeding by or against it;
- d. brought by a former **outside entity executive** who has not been a(n) **executive**, General Counsel, Risk Manager, or consultant of an **outside entity** for at least two years before the **claim** was first made;
- e. which was instigated by or involves the solicitation, assistance, active participation, or intervention of any **outside entity executive** who is a whistleblower under Section 806 of the Sarbanes-Oxley Act of 2002 (including any rule or regulation promulgated under such Act), or any similar state or federal whistleblower statute, rule, or regulation; or
- f. brought in a jurisdiction outside of the United States, Canada, or any other common law country, including any territories or possessions of such countries, by an **outside entity executive** of an **outside entity** that was created and operates in the same country where the **claim** was made.

Pollution/environmental

8. based upon or arising out of any actual, alleged, or threatened discharge, dispersal, release,

or escape of **pollutants**, including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants**; however, this exclusion will not apply to:

- a. **non-indemnifiable loss**, other than **clean-up costs**; or
- b. **loss** in connection with a **securities claim**, other than **clean-up costs**.

Prior notice/knowledge

9. based upon or arising out of any actual or alleged **wrongful act** that:
 - a. was the subject of any notice given under any other policy of which this Coverage Part is a renewal or replacement, or which it succeeds in time;
 - b. was the subject of, or is related to, any prior or pending litigation, **claim**, written demand, arbitration, criminal proceeding, or administrative or regulatory proceeding or investigation that was filed or commenced against **you** and of which **you** had notice prior to the **continuity date**; or
 - c. with respect to an **outside entity executive**, any **insured** had knowledge of prior to the **continuity date**, and there was a reasonable basis to believe that the **wrongful act** could result in a **claim**.

This exclusion also applies to any **related claims** resulting from the same **wrongful acts** or **related wrongful acts** related to the matters in parts a, b, or c above.

Public offering of securities

10. based upon or arising out of any public offering of securities by an **insured organization**, **outside entity**, or **affiliate**, or the purchase or sale of any securities subsequent to such public offering; however, this exclusion will not apply to:
 - a. the purchase or sale of securities (whether debt or equity) in a transaction or series of transactions that are exempt from registration under the Securities Act of 1933, as may be amended, provided the **named insured** provides **us** with written notice of any exempt public offering, including full particulars, as soon as possible, but in any event no later than 30 days after the effective date of the exempt public offering; or
 - b. any **claim** made by any security holder of an **insured organization** for its failure to undertake or complete the initial public offering or sale of its securities.

Purchase of publicly traded entity securities

11. based upon or arising out of any purchase by an **insured organization** of securities of a **publicly traded entity** in a transaction which resulted, or would result, in such entity becoming a **subsidiary** of the **insured organization**.

Statutory violations

12. for any violation of the following laws:
 - a. the Employee Retirement Income Security Act of 1974;
 - b. the Fair Labor Standards Act;
 - c. the National Labor Relations Act or Labor Management Relations Act;
 - d. the Worker Adjustment and Retraining Notification Act;
 - e. the Consolidated Omnibus Budget Reconciliation Act of 1985;
 - f. the Occupational Safety and Health Act; or
 - g. the Patient Protection and Affordable Care Act,
 all as may be amended, or any similar provisions of any federal, state, local, or foreign law or any rules or regulations promulgated under such laws.

Third party violations

13. based upon or arising out of any actual or alleged **third party violation**; however, this exclusion will not apply to any **securities claim**.

Unjust enrichment

14. based upon or arising out of any profit or advantage gained by **you** if any final, non-appealable adjudication establishes that **you** were not legally entitled to such profit or advantage.

Exclusions applicable only to Insuring agreement C.

Insured organization insurance

- We** will have no obligation to pay any sums for any **claim** under Insuring agreement C. Insured organization insurance:
- Breach of contract 15. based upon or arising out of any actual or alleged breach of any express written contract or agreement, or any liability of others **you** assume under any express written contract or agreement; however, this exclusion will not apply to liability **you** would have in the absence of the express written contract or agreement.
 - Fines and penalties/non-monetary relief 16. seeking fines, penalties, or non-monetary relief against the **insured organization**; however, this exclusion will not apply to any **securities claim**.
 - Intellectual property 17. based upon or arising out of any actual or alleged infringement, use, or disclosure of any intellectual property, including but not limited to copyright, trademark, trade dress, patent, service mark, service name, title, or slogan, or any publicity rights violations, cyber squatting violations, moral rights violations, any act of passing-off, or any misappropriation of trade secret.
 - Invasion of privacy/assault and battery 18. for any injury resulting from any invasion of privacy, abuse of process, malicious prosecution, libel, slander, defamation, trespass, nuisance, wrongful entry or eviction, false arrest or imprisonment, assault, battery, or loss of consortium.
 - Professional services 19. based upon or arising out of any actual or alleged negligent act, error, or omission in **your** performance of or failure to perform any **professional services** for others; however, this exclusion will not apply to any **securities claim**.

Exclusions applicable only to reputation loss

- We** will have no obligation to pay any sums under this Coverage Part for any **reputation loss**:
- Prior notice 20. based upon or arising out of the same or related facts or **reputation risk event** that was the subject of any notice given under any other policy of which this Coverage Part is a renewal or replacement, or which it succeeds in time.
 - Prior and pending litigation 21. based upon or arising out of a **reputation risk event** that was the subject of, or is related to, any prior or pending litigation, **claim**, written demand, arbitration, criminal proceeding, or administrative or regulatory proceeding or investigation that was filed or commenced against **you** and of which **you** had notice prior to the **continuity date**.
 - Pollution/environmental 22. based upon or arising out of any actual, alleged, or threatened discharge, dispersal, release, or escape of **pollutants**, including any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants**.
 - Nuclear materials 23. based upon or arising out of the hazardous properties of nuclear materials.

For purposes of determining the applicability of exclusions 3, 4, 5, or 14, **we** will not impute the acts, errors, or omissions of one **insured person** to any other **insured person** who did not commit or have knowledge of the acts, errors, or omissions at issue. These exclusions will apply to an **insured organization** only if the acts, errors, or omissions were committed or known by any past, present, or future Chief Executive Officer, Chief Financial Officer, or Risk Manager (or equivalent positions) of such **insured organization**.

VII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in Section III. Who is an insured, and in the General Terms and Conditions, Section VI. Definitions applicable to all Coverage Parts. If a term is defined in this Coverage Part differently than defined anywhere else in this policy, the definitions in this Coverage Part will apply to the coverage afforded under this Coverage Part.

Claim

means:

- 1. a written demand for monetary, non-monetary, equitable, or injunctive relief, including any written request for mediation or other alternative dispute resolution proceeding, commenced by the **insured's** receipt of such demand or request;

2. a civil proceeding against an **insured**, commenced by the service on the **insured** of a complaint (or similar document), or an appeal of any such proceeding;
3. a criminal proceeding against an **insured**, commenced by the service on the **insured** of a return of an indictment, information, or a notice of charges (or similar document), or an appeal of any such proceeding;
4. an administrative or regulatory proceeding against an **insured**, commenced by the service on the **insured** of a notice of the proceeding (or similar document), or an appeal of any such proceeding;
5. an arbitration proceeding against an **insured**, commenced by the service on the **insured** of a demand for arbitration (or similar document), or an appeal of any such proceeding;
6. a civil, criminal, administrative, or regulatory investigation of an **insured person** by a domestic or foreign governmental or regulatory entity, commenced by:
 - a. the identification of such **insured person** by the investigating authority as a person against whom a proceeding under parts 2, 3, 4, or 5 of this definition may be commenced; or
 - b. in the event of an investigation by the Securities Exchange Commission (SEC) or a similar domestic or foreign governmental authority, the service on the **insured person** of a subpoena or a Wells Notice, target letter, or formal order of investigation;
7. a written request to toll or waive a statute of limitations;
8. a **securities claim**;
9. an **extradition action**, with respect to Coverage enhancement B. Extradition costs; or
10. a **derivative demand**, with respect to Coverage enhancement E. Derivative demand sublimit.

Claim expenses

means the following sums incurred after **you** have reported a **claim** to **us** and with **our** consent:

1. all reasonable and necessary fees, costs, and expenses (including the fees of attorneys and experts and e-discovery costs) incurred in the investigation, defense, or appeal of a **claim**; and
2. premiums for any appeal bond, attachment bond, or similar bond arising out of a covered judgment, but **we** will have no obligation to apply for or furnish any such bonds.

Claim expenses do not include salaries, wages, benefits, or compensation of any **insured person**.

Cleanup costs

means expenses (including legal and professional fees) incurred to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or assess the effects of **pollutants**.

Coverage enhancements

means all **claims** and other matters covered under Section II. Coverage enhancements of this Coverage Part.

Derivative demand

means a written demand by one or more security holders of an **insured organization**, made upon the board of directors (or equivalent management body) without the assistance, participation, or solicitation of any **executive**, requesting that it file, on behalf of the **insured organization**, a civil proceeding against any **executive** of the **insured organization** for a **wrongful act** of such **executive**, and which seeks relief from damages arising out of such **wrongful acts**.

Extradition action

means any official request from one nation or state to another for the surrender of an **insured person** to face criminal charges for **wrongful acts** committed by such **insured person**, and includes any appeal of an order or grant resulting from an **extradition action**.

Foreign policy

means any standard management liability insurance policy that provides coverage substantially similar to the coverage provided by this Coverage Part, issued by **us** or one of **our** affiliates, which has been approved for sale in a **foreign jurisdiction**. If more than one such policy exists, **foreign policy** means the standard basic policy form **we** or one of **our** affiliates typically offer for sale in that **foreign jurisdiction** for comparable risks. **Foreign policy** does not include any partnership management, pension trust, or professional liability coverage.

Indemnifiable loss	means loss for which an insured organization has indemnified or is permitted or required to indemnify an insured person pursuant to law, contract, or the insured organization's charter, by-laws, operating agreement, or similar document(s).
Insured organization	means: <ol style="list-style-type: none">1. the named insured;2. any subsidiary; or3. any affiliate.
Insured person	means: <ol style="list-style-type: none">1. an employee;2. an executive of an insured organization;3. the General Counsel of Risk Manager (or equivalent position) of the named insured or any subsidiary;4. an independent contractor; or5. an outside entity executive.
Investigation costs	means the reasonable and necessary fees, costs, and expenses incurred with our consent by an insured organization , or its board of directors or any committee of the board of directors (or equivalent management bodies), in connection with an investigation to determine whether the insured organization should bring the civil proceeding demanded in a derivative demand , including attorney's fees and expert's fees. Investigation costs does not include any settlement, judgment, or damages, or the compensation or fees of any insured person .
Loss	means the following amounts incurred after you have reported a claim or coverage enhancement to us and with our consent: <ol style="list-style-type: none">1. damages or a judgment you are legally obligated to pay (including pre- or post-judgment interest and awards of claimants' attorney fees);2. a monetary settlement agreed to by you and us;3. claim expenses;4. punitive damages, exemplary damages, and the multiple portion of multiplied damages to the full extent they are insurable under the law of any applicable jurisdiction that most favors coverage; and/or5. any other amounts we have explicitly agreed to pay under Section II. Coverage enhancements. <p>Loss does not include:</p> <ol style="list-style-type: none">a. amounts for which you are not liable or for which the claimants are without legal recourse against you;b. civil or criminal fines or penalties;c. taxes or tax penalties (whether imposed by a federal, state, local, or foreign governmental authority);d. the cost of complying with equitable, injunctive, or any other form of non-monetary relief; ore. compensation, severance, salary, wages, fees, benefits, overhead, charges, or expenses of any insured. <p>However, we will pay claim expenses to defend an otherwise covered claim seeking amounts excluded from loss in parts a through d above.</p>
Non-indemnifiable loss	means loss for which an insured organization has neither indemnified nor is permitted or required to indemnify an insured person pursuant to law, contract, or the insured organization's charter, by-laws, operating agreement, or similar document(s).

Outside entity	<p>means any:</p> <ol style="list-style-type: none"> 1. nonprofit organization, other than a subsidiary or affiliate; or 2. other entity listed as an outside entity by endorsement to this policy.
Pollutants	<p>means any solid, liquid, gaseous, biological, radiological, or thermal irritant or contaminant, including smoke, vapor, asbestos, silica, dust, nanoparticles, fibers, mold, spores, fungi, soot, fumes, acids, alkalis, chemicals, nuclear materials, germs, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed.</p>
Potential claim	<p>means any acts, errors, or omissions of an insured or other circumstances reasonably likely to lead to a claim covered under this policy.</p>
Professional services	<p>means services you normally provide to others for a fee in the course of your regular business operations.</p>
Publicly traded entity	<p>means any entity which has any of its securities trading on a stock exchange or an over the counter market.</p>
Reputation loss	<p>means the following reasonable and necessary fees, costs, and expenses incurred in connection with a reputation risk event either 90 days prior to and in anticipation of, or 90 days after, a reputation risk event for:</p> <ol style="list-style-type: none"> 1. a risk management, public relations, or law firm you retain with our prior written consent to advise you on minimizing potential harm to an insured organization, including maintaining and restoring public confidence in such insured organization; and 2. the printing, advertising, or mailing of materials in the performance of the services described in part 1 above.
Reputation risk event	<p>means the public announcement of one of the following events which, in the good faith opinion of an insured organization, did cause or is reasonably likely to cause the publication, broadcast, or circulation of unfavorable information about an insured organization which can reasonably be expected to lessen public confidence in the competence of the insured organization or its goods, products, and/or services, received or circulated in the insured organization's geographic area:</p> <ol style="list-style-type: none"> 1. <u>Management risk event</u>: the death, incapacity, or criminal indictment of any insured person for whom an insured organization maintains key person life insurance; 2. <u>Bankruptcy/debt default/downsizing</u>: (a) an insured organization intends to file for bankruptcy protection or a third party is seeking to file for involuntary bankruptcy on its behalf; (b) an insured organization has defaulted or intends to default on any debt obligation; or (c) the closing or forced sale of a department/unit/division of an insured organization; 3. <u>Regulatory action</u>: the commencement or threat of litigation or other proceedings by any governmental or regulatory agency against an insured organization; 4. <u>Bodily injury/abuse</u>: an accusation that an insured person (or a person an insured is legally responsible for), while in the course of performance of their duties for or on behalf of an insured organization, has intentionally caused bodily injury to or the death of any person; 5. <u>Workplace violence</u>: an employee of an insured organization was the victim of a violent crime while on the premises of such insured organization; or 6. <u>Child abduction</u>: a child was abducted or kidnapped while under the care or supervision of an insured organization.
Retaliation	<p>means retaliatory treatment alleged to be in response to:</p> <ol style="list-style-type: none"> 1. the disclosure or threatened disclosure to a superior or a governmental agency of any act by an insured that is alleged to be a violation of any federal, state, local, or foreign law; 2. the actual or attempted exercise of any rights under laws related to employee rights, including workers' compensation laws, the Family and Medical Leave Act, and the Americans with Disabilities Act; 3. the filing of a claim under the Federal False Claims Act or any other federal, state, local, or

foreign “whistleblower” law;

4. assisting, cooperating, or testifying in a proceeding or investigation into whether an **insured** violated a federal, state, local, or foreign law; or
5. any strike or other labor action against an **insured organization** or an **outside entity**.

Retention

means the amount stated as such under the Private D&O Coverage Part section of the Declarations.

Securities claim

means a **claim** made against an **insured**:

1. alleging a violation of any federal, state, local, or foreign regulation, rule, statute, or common law regulating securities, including but not limited to the purchase or sale of or offer or solicitation of an offer to purchase or sell securities, brought by:
 - a. any person or entity with respect to the purchase or sale of, or offer or solicitation of an offer to purchase or sell, any securities of an **insured organization**; or
 - b. a security holder of an **insured organization** with respect to such security holder’s interest in the **insured organization’s** securities, or
2. brought derivatively on behalf of an **insured organization** by one of its security holders.

Third party violation

means any actual or alleged harassment (including sexual harassment) or discrimination (including but not limited to discrimination based on race, color, national origin, creed, religion, age, sex, gender, marital status, pregnancy, disability, HIV status, or sexual orientation or preference), or the violation of the civil rights of a person relating to such harassment or discrimination, when such acts are alleged to be committed against anyone other than an **insured person** or an applicant for employment with an **insured organization** or an **outside entity**, including but not limited to guests, students, members, patients, customers, vendors, and suppliers.

Wrongful act

means:

1. with respect to any **executive, employee, or independent contractor** of an **insured organization**, any breach of duty, neglect, error, misstatement, misleading statement, omission, or act by them in their capacity as such, or any matter claimed against such persons solely by reason of their status as such;
2. with respect to an **insured organization** under Insuring agreement C. Insured organization insurance, any breach of duty, neglect, error, misstatement, misleading statement, omission, or act by the **insured organization**; or
3. with respect to an **outside entity executive**, any breach of duty, neglect, error, misstatement, misleading statement, omission, or act by them in their capacity as such, or any matter claimed against such **outside entity executive** solely by reason of their status as such.

You, your, or insured

means a **named insured, subsidiary, employee, executive, independent contractor, outside entity executive**, or **affiliate**, as defined in Section III. Who is an insured.

VIII. Other provisions affecting coverage

Worldwide coverage

- A. If a **claim** or **coverage enhancement** is made against you in a **foreign jurisdiction** resulting from a **wrongful act** committed in such **foreign jurisdiction**, the provisions of the **foreign policy** most favorable to **you** will apply to that **claim** or **coverage enhancement**. Any provisions in the **foreign policy** will be compared to the same or similar provisions of this Coverage Part to determine which provisions are most favorable to **you**.

However, any provision of this Coverage Part intended to govern coverage worldwide will

govern even in a **foreign jurisdiction**.

Order of payments

- B. In the event **loss** resulting from any **claim** or **coverage enhancement** covered by this Coverage Part exceeds the remaining available Limit of Liability, **we** will:
1. first pay **loss** covered under Insuring agreement A. Individual insurance;
 2. then pay **loss** covered under Insuring agreement B. Insured organization reimbursement; and
 3. then pay **loss** covered under Insuring agreement C. Insured organization insurance and Section II. Coverage enhancements;

however, for any **loss** resulting from a **claim** or **coverage enhancement** covered by this Coverage Part, including **loss** that exceeds the available Limit of Liability, **we** will, at the written request of the **named insured**:

- a. first pay **loss** covered under Insuring agreement A. Individual insurance; and
- b. then either pay or hold payment for **loss** covered under Insuring agreements B. Insured organization reimbursement and C. Insured organization insurance, or Section II. Coverage enhancements.

If **we** hold payment for **loss** under part b above, **we** will, at the written request of the **named insured**, release such amounts to an **insured organization** or **insured person** to pay **loss** covered under Insuring agreement A. Individual insurance.

Your bankruptcy or **insolvency** will not relieve **us** of any of **our** obligations to prioritize payments under this Coverage Part.

Derivative demand payment

- C. An **insured organization** will be entitled to payment under Coverage enhancement E. Derivative demand sublimit for reimbursement of its covered **investigation costs** 90 days after:
1. the **insured organization** has made its final decision not to bring a civil proceeding against any of its **executives**; and
 2. such decision has been communicated to the security holder(s) who made the **derivative demand**.

However, any payment **we** make will be subject to an agreement by the **insured organization**, in a form acceptable to **us**, that the **insured organization** will return such payment to **us** in the event any **insured organization** or any of its security holders brings a **claim** based upon or arising out of any **wrongful acts** that were the subject of the **derivative demand**.

Public securities transactions

- D. If, during the policy period stated in Item 2 of the Declarations, the **named insured** intends to sell or offer to sell securities issued at any time by the **named insured** in a transaction that is not exempt from registration under the Securities Act of 1933, as may be amended, the **named insured** will, no later than 30 days prior to the effective date of the registration statement for such sale or offering, give **us** written notice of the proposed sale or offering and all information **we** request relating to it. There will be no coverage for such transaction unless **we** expressly decide to provide coverage for it.

If, during the policy period stated in Item 2 of the Declarations, an **insured organization** purchases securities of a **publicly traded entity** in a transaction which would result in such entity becoming a **subsidiary**, the **named insured** will, no later than 30 days prior to such entity becoming a **subsidiary**, give **us** written notice of the proposed purchase and all information **we** request relating to it. There will be no coverage for such **publicly traded entity** unless **we** expressly decide to provide coverage for it.