

This endorsement, effective at 12:01 AM

forms a part of

Policy number

Issued to:

By:

**CRISIS FUND ENDORSEMENT
(CRISIS COMMUNICATIONS MANAGEMENT INSURANCE)**

In consideration of the premium amount of \$ [REDACTED], it is hereby understood and agreed that the policy is amended to provide Crisis Management Coverage pursuant to the terms and conditions set forth below:

I. Insuring Agreement

The Clause of the policy entitled "INSURING AGREEMENTS," is amended to add the following new insuring agreement:

COVERAGE M: CRISIS MANAGEMENT COVERAGE

This policy shall pay the Crisis Management Loss of the Company arising from a Crisis Management Event first commencing during the Policy Period, up to the amount of the Crisis Management Fund.

II. Amendments to Policy

- A. The Clause entitled "EXCLUSIONS," shall not be applicable to Crisis Management Loss.
- B. The Clause entitled "LIMIT OF LIABILITY (FOR ALL LOSS-INCLUDING DEFENSE COSTS)," is amended to add the following:

The limit of the Insurer's liability for Crisis Management Loss arising from all Crisis Management Events occurring during the Policy Period, in the aggregate, shall be the amount set forth in section III (D) of this endorsement as the Crisis Management Fund. This limit shall be the maximum limit of the Insurer under this policy, regardless of the number of Crisis Management Events occurring during the Policy Period, provided however, that this single Crisis Management Event(s) limit shall be in part of and not in addition to the Limit of Liability stated in the Item of the Declarations page entitled "LIMIT OF LIABILITY," which shall in all events be the maximum liability of the Insurer for all Loss under this policy.

- C. There shall be a Retention amount of \$ [REDACTED] applicable to Crisis Management Loss and the Insurer shall pay such Loss excess of such Retention amount subject to the other terms and conditions of this endorsement.

- D. An actual or anticipated Crisis Management Event shall be reported to the Insurer as soon as practicable but in no event later than thirty (30) days after the Company first incurs Crisis Management Loss for which coverage will be requested under this endorsement.
- E. The Clause entitled "DEFENSE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENSE COSTS)" shall be modified with regard to the Crisis Management Services. There shall be no requirement for the Company to obtain prior written approval of the Insurer before incurring any Crisis Management Loss, provided that the Crisis Management Firm selected by the Company to perform the Crisis Management Services has selected by the Company to perform the Crisis Management Services has been approved by the Insurer.

III. Additional Definitions to Policy

For the purpose of this endorsement, the following definitions shall apply:

- A. "Material Effect" shall mean the publication of unfavorable information regarding the Company, which can reasonable be considered to lessen public confidence in the competence of the Company. Such publication must occur in either:
 - 1. A daily newspaper of general circulation in the geographic area of the Company; or
 - 2. A radio or television news report on a facility received in the geographic area of the Company.
- B. "Crisis Management Event" shall mean one of the following events which, in the good faith opinion of the Company, did cause or is reasonably likely to cause, a Material Effect:
 - 1. Mass Tort:
The public announcement or accusation that a Company has caused the bodily injury, sickness, disease, death or emotional distress of a group of persons, or damage to or destruction of any tangible group of properties, including the loss of use thereof.
 - 2. Debt Default:
The public announcement that the Company has defaulted or intends to default on its debt or intends to engage in a debt restructuring.
 - 3. Bankruptcy:
The public announcement that the Company intends to file for bankruptcy protection or that a third party is seeking to file for involuntary bankruptcy on behalf of the Company; or the imminence of bankruptcy proceedings, whether voluntary or involuntary.
 - 4. Employee layoffs or loss of key executive officer(s):
The public announcement of layoffs of Employees of a Company. The death or resignation of one or more key directors, trustees or officers of the Named Entity.

5. Regulatory Crisis:

The public announcement of the commencement or threat of commencement of litigation or governmental or regulatory proceedings against a Company.

Provided, however, that the term "Crisis Management Event" shall not include any event relating to:

- (1) any claim which has been reported, or any circumstance of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (2) any pending or prior litigation as of [REDACTED];
- (3) the actual, alleged or threatened discharge, dispersal release or escape of pollutants; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants; or
- (4) the hazardous properties of nuclear materials.

The description in the headings of the Crisis Management Events are solely for convenience and form no part of the terms and conditions of coverage.

For the purpose of this endorsement, a Crisis Management Event shall first commence when the Company or any of its directors or executive officers shall first become aware of the event during the Policy Period and shall conclude at the earliest of: the time when the Crisis Management Firm advised the Company that the crisis no longer exists; or when the Crisis Management Fund has been exhausted.

C. "Crisis Management Firm" shall mean any public relations firm, crisis management firm or law firm hired by the Company or its directors, officers or Employees to perform Crisis Management Services in connection with the Crisis Management Event that has been consented to by the Insurer, the consent for which shall not be unreasonable withheld. Attached to this endorsement is a list of firms which have been pre-approved by the Insurer and may be hired by the Company without further approval by the Insurer.

D. "Crisis Management Fund" shall mean: \$ [REDACTED].

E. "Crisis Management Loss" shall mean the following amounts incurred during the pendency of or within ninety (90) days prior to and in anticipation of, the Crisis Management Event, regardless of whether a Claim is ever made against an Insured arising from the Crisis Management Event and, in the case where a Claim is made, regardless of whether the amount is incurred prior to or subsequent to the making of the Claim:

- (1) Amounts for which the Company is legally liable for the reasonable and necessary fees and expenses incurred by a Crisis Management Firm in the performance of Crisis Management Services for the Company arising from a Crisis Management Event; and

(2) Amounts for which the Company is legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the Company or the Crisis Management Firm, in connection with the Crisis Management Event.

F. "Crisis Management Services" means those services performed by a Crisis Management Firm in advising the Company or any of its directors, officers or Employees on minimizing potential harm to the Company arising from the Crisis Management Event, including but not limited to maintaining and restoring public confidence in the Company.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE

PRE-APPROVED CRISIS MANAGEMENT FIRMS

1. Abernathy MacGregor Group, Inc.
501 Madison Avenue
New York, New York 10022
(212) 371-5999
Contacts: James T. MacGregor (jtm@abmac.com)
Rhoda Barnat (rb@abmac.com)
2. Burson-Marsteller
230 Park Avenue South
New York, New York 10003-1566
(212) 614-5236
Contact: Michael Claes (Michael.Claes@bm.com)
3. Kekst and Company
437 Madison Avenue
New York, New York 10022
(212) 521-4800
Contacts: Jim Fingeroth (Jim-Fingeroth@kekst.com)
Lissa Perlman (Lissa-Perlman@kekst.com)
4. Patton Boggs, LLP
2550 M Street, N.W.
Washington D.C. 20037
(202) 457-6040
Contact: Thomas Boggs, Esq. (tboggs@pattonboggs.com)
5. Reputation Partners, LLC
105 West Adams Street, Suite 2220
Chicago, IL 60603-6265
(312) 222-9887
Contacts: Nick Kalm (nick@reputationpartners.com)
Jane Devron (jane@reputationpartners.com)
6. Robinson Lerer & Montgomery
1345 Avenue of the Americas, 4th Floor
New York, New York 10105
646-805-2000
Contact: Michael Gross (mgross@rlmnet.com)
7. Sard Verbinnen & Co.
630 Third Avenue, 9th Floor
New York, New York 10017
(212) 687-8080
Contacts: George Sard (gsard@sardverb.com)
Paul Verbinnen (pverbinnen@sardverb.com)

8. Sitrick And Company
1840 Century Park East, Suite 800
Los Angeles, CA 90067
(310) 788-2850
Contact: Michael Sitrick

(mike sitrick@sitrick.com)

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