



PrivateEdge PlusSM

Corporate Counsel Premier Insurance ("CCP COVERAGE SECTION")

Notice: Pursuant to Clause 1 of the General Terms and Conditions, the General Terms and Conditions are incorporated by reference into, made a part of, and are expressly applicable to this CCP Coverage Section, unless otherwise explicitly stated to the contrary in either the General Terms and Conditions or in this CCP Coverage Section.

In consideration of the payment of the premium, and in reliance upon the statements made to the **Insurer** by **Application**, which form a part of this policy, the **Insurer** agrees as follows:

1. INSURING AGREEMENTS

Subject to the other terms, conditions and limitations of this **CCP Coverage Section**, solely with respect to **Claims** first made against an **Individual Insured** during the **Policy Period** or any applicable **Discovery Period** and reported to the **Insurer** pursuant to the terms of this policy, this **CCP Coverage Section** affords the following coverage:

COVERAGE A: CORPORATE COUNSEL PROFESSIONAL LIABILITY

The **Insurer** shall pay amounts an **Individual Insured** is legally obligated to pay as **Loss** arising from any **Claim** made against such **Individual Insured** for **Wrongful Acts**, except when and to the extent that the **Company** has indemnified the **Individual Insured** for **Loss**.

COVERAGE B: COMPANY INDEMNIFICATION OF INDIVIDUAL INSUREDS

The **Insurer** shall pay amounts the **Company** is legally obligated to pay as **Loss** arising from any **Claim** made against an **Individual Insured** for **Wrongful Acts**, but only to the extent that the **Company** has indemnified an **Individual Insured** for **Loss**.

COVERAGE C: DEFENSE OF INSUREDS

(a) *The Insurer's Duty To Defend:* The **Insurer** has the right and duty to defend a **Claim** brought against an **Individual Insured** for **Wrongful Acts**, even if the **Claim** is groundless, false or fraudulent. The **Insurer** shall pay for **Defense Costs** incurred in the defense of a **Claim** for **Wrongful Acts**. The **Insurer** shall have no duty to defend a **Claim** insured by **D&O Coverage** or a **Securities Claim**.

(b) *Defense Costs:* The **Insurer** shall indemnify for **Defense Costs** incurred in: (i) any **Securities Claim**; or (ii) in any **Claim** where the coverage afforded by this **CCP Coverage Section** is excess of **D&O Coverage**, provided that such **Defense Costs** are incurred with the **Insurer's** prior written

(c) *When the Insurer's Duty Ends*: The **Insurer's** duty to defend and any obligation to indemnify an **Individual Insured** shall end:

- (i) once the **Policy Aggregate Limit of Liability** or any applicable **Separate Limit of Liability** or **Shared Limit of Liability** has been exhausted by payment of **Defense Costs** or **Loss**; or
- (ii) if the **Individual Insured** or, if applicable, a **Company**, fails or refuses to consent to a settlement that the **Insurer** recommends and the claimant will accept. The **Individual Insured** must then defend the **Claim** at their own expense. As a consequence of such failure or refusal to consent, the **Insurer's** liability for **Loss** shall not exceed the amount for which the **Insurer** could have settled such **Claim** had the **Individual Insured** or, if applicable, a **Company**, consented, plus **Defense Costs** incurred prior the time the **Insurer** made such recommendation, plus seventy percent (70%) of **Defense Costs** incurred with the **Insurer's** consent after the date of the **Individual Insured's** or, if applicable, a **Company's** refusal.

Provided, however, this subparagraph (c)(ii) shall not apply to the settlement of the following proceedings that are brought in connection with a **Securities Claim** when such settlement would require an **Individual Insured** to enter into a plea of guilty:

- (1) criminal proceeding commenced by a return of an indictment, information, notice of charges or similar document; or
- (2) a civil, administrative or regulatory investigation of an **Individual Insured** by the Securities and Exchange Commission, Department of Justice or a similar state or foreign government authority, commenced by the service of a subpoena on such **Individual Insured**.

2. DEFINITIONS

- (a) "**Administrative Proceeding Claim**" means a judicial, administrative, bar association or other proceeding against a **Corporate Counsel** solely concerning the eligibility or license of such **Corporate Counsel** to practice law, or compliance with the Sarbanes-Oxley Act of 2002 and any rule or regulations promulgated thereunder or pursuant thereto.
- (b) "**Claim**" means:
 - (i) a written demand for monetary, non-monetary or injunctive relief;
 - (ii) a written request to toll or waive a statute of limitations relating to a potential **Claim** against an **Individual Insured**;
 - (iii) a **Suit**;
 - (iv) an **Administrative Proceeding Claim**; or
 - (v) a **Securities Claim**.

(c) **“Corporate Counsel”** means any attorney at law admitted to the bar in or otherwise licensed to the practice of law in the United States of America or any of its territories, Canada or any other foreign jurisdiction, but solely while an **Employee** of a **Company**.

Notwithstanding the foregoing, **“Corporate Counsel”** shall not mean a **Secondment Attorney**.

(d) **“Defense Costs”** means all reasonable and necessary fees charged by attorneys designated by the **Insurer** and all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** if incurred by the **Insurer**, or by an **Individual Insured** with the **Insurer’s** prior written consent, including the costs of appeal, attachment or similar bonds arising out of a covered judgment. The **Insurer** shall have no obligation to provide such bonds.

“Defense Costs” shall not include:

- (i) compensation, fees, overhead or benefit expenses associated with an **Individual Insured** or an **Executive** or **Employee** of a **Company** in connection with the investigation, adjustment, defense and appeal of a **Claim**; or
- (ii) fees, costs or expenses incurred prior to the time that a **Claim** is first made against an **Individual Insured**.

(e) **“Directors and Officers Coverage”** means any valid and collectible Directors and Officers liability insurance coverage available to an **Individual Insured** (or any excess coverage thereto), including, but not limited to, such coverage as provided under any policy or self insurance program for managerial liability, directors and officers liability, general partner liability, employment practices liability, catastrophe coverage or similar insurance (**“D & O Coverage”**).

(f) **“Employee”** means any past, present or future employee, including any part-time, seasonal and temporary employee of a **Company**.

(g) **“Executive”** means any:

- (i) past, present or future duly elected or appointed director, officer, partner, trustee or governor of a **Company**, management committee member of a joint venture and member of the management board of a limited liability company (or equivalent position) of a **Company**;
- (ii) past, present or future General Counsel or Risk Manager (or equivalent position) of the **Named Entity**; or
- (iii) past, present or future person in a duly elected or appointed position in an entity organized and operated in a **Foreign Jurisdiction** that is equivalent to an executive position listed in subparagraph (i) of this definition.

(h) **“Financial Insolvency”** means the: (i) appointment by any government official, agency, commission, court or other governmental authority of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate an insolvent **Company**; (ii) the filing of a petition under the bankruptcy laws of the United States of America;

- (i) **"Foreign Jurisdiction"** means any jurisdiction, other than the United States or any of its territories or possessions.
- (j) **"Indemnifiable Loss"** means **Loss** for which a **Company** has indemnified or is permitted or required to indemnify an **Individual Insured** pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of a **Company**.

For the purposes of determining whether **Loss** constitute **Indemnifiable Loss**, unless a **Company** is unable to do so due to **Financial Insolvency**, a **Company** shall be conclusively deemed to have indemnified the **Individual Insured** to the maximum extent that a **Company** is permitted or required to provide such indemnification pursuant to law, common or statutory, or contract, or by the charter or by-laws of a **Company**, which are hereby deemed to incorporate the broadest provisions of the law which determines or defines such rights of indemnity.

- (k) **"Individual Insured"** means any:
 - (i) **Corporate Counsel**;
 - (ii) **Employee** of a **Company** who supports a **Corporate Counsel** in the performance of **Legal Services**;
 - (iii) licensed attorney provided by an employment contractor or agency under a written agreement between a **Company** and the employment contractor or agency to perform **Legal Services** for or on behalf of a **Company**; and
 - (iv) any independent contractor that is an attorney at law admitted to the bar in or otherwise licensed to the practice of law in any of the United States of America or its territories, Canada or any other foreign jurisdiction, who, pursuant to a written agreement with a **Company**, has been retained to provide **Legal Services** for or on behalf of a **Company**.

Notwithstanding the foregoing, **"Individual Insured"** shall not mean a **Secondment Attorney**.

- (l) **"Insured"** means:
 - (i) an **Individual Insured**; or
 - (ii) a **Company**.
- (m) **"Legal Services"** means any professional legal services that are rendered by:
 - (i) a **Corporate Counsel** but solely in his or her capacity as an **Employee** of a **Company**;
 - (ii) a **Corporate Counsel** but solely while a full time, permanent **Employee** of a **Company** (including **Moonlighting Services** and *pro bono* services); and
 - (iii) any **Individual Insured** but solely while acting under the supervision of and at the direction of a

Corporate Counsel.

“Legal Services” shall also include notarizing, certifying or acknowledging any signature rendered in connection with subparagraphs (i) through (iii) above.

(n) **“Loss”** means any amount that an **Individual Insured** shall be legally required to pay because of judgments, arbitration awards or settlements negotiated by the **Insurer** or by an **Individual Insured** in accordance with Coverage C.

“Loss” also means with respect to a covered judgment:

- (i) pre-judgment interest;
- (ii) post-judgment interest that accrues after entry of judgment and before the **Insurer** has paid, offered to pay or deposited in court that covered part of the judgment within the applicable Limit of Liability; and
- (iii) subject to this **CCP Coverage Section’s** other terms, conditions, exclusions and other limitations, including, but not limited to, exclusions relating to profit or advantage, fraud or criminal acts:
 - (1) punitive damages;
 - (2) exemplary damages; and
 - (3) multiple damages;

the enforceability of this subparagraph (iii) of this definition shall be governed by the applicable law that most favors coverage for such punitive, exemplary and multiple damages.

Provided, however, **“Loss”** shall not mean, and this **CCP Coverage Section** shall not cover:

- (i) civil or criminal fines or penalties;
- (ii) taxes;
- (iii) any amounts for which an **Individual Insured** is not financially liable or which are without legal recourse to an **Individual Insured**;
- (iv) the costs and expenses of complying with any injunctive or other form of non-monetary relief; and
- (v) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.

(o) **“Moonlighting Services”** shall mean professional legal services, including, but not limited to, notarizing, certifying or acknowledging any signature, that are rendered by a **Corporate Counsel** outside the scope of their employment with a **Company**; provided, however, **“Moonlighting**

- (p) **“Non-Indemnifiable Loss”** means **Loss** for which a **Company** has not indemnified an **Individual Insured**, either because of **Financial Insolvency** or because such **Company** is not permitted or required to indemnify the **Individual Insured** pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of a **Company**.
- (q) **“Personal Injury Peril”** means any:
- (i) false arrest, detention or imprisonment;
 - (ii) malicious prosecution;
 - (iii) libel or slander or other defamatory or disparaging materials;
 - (iv) publication or an utterance in violation of an individual's right to privacy;
 - (v) wrongful entry or eviction, or other invasion of the right to private occupancy; and
 - (vi) if arising out of (i) through (v) above, mental anguish, mental injury, shock, humiliation or emotional distress.
- (r) **“Pollutants”** means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and **Waste**. **“Waste”** includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
- (s) **“Retroactive Date”** means the date set forth as such in Item 3 of the Declarations.
- (t) **“Secondment Attorney”** means a non-**Employee** attorney that is employed by an outside law firm and is temporarily assigned by agreement between such law firm and a **Company** to perform **Legal Services** at the direction of a **Company**.
- (u) **“Securities Claim”** means a **Claim** made against an **Individual Insured** arising from **Legal Services**:
- (i) alleging a violation of any federal, state, local or foreign regulation, rule or statute regulating securities (including, but not limited to, the purchase or sale or offer or solicitation of an offer to purchase or sell securities) which is:
 - (1) brought by any person or entity alleging, arising out of, based upon or attributable to the purchase or sale or offer or solicitation of an offer to purchase or sell any securities of a **Company**; or
 - (2) brought by a security holder, purchaser or seller of securities of a **Company** with respect to such security holder's, purchaser's or seller's interest in securities of such **Company**; or
 - (ii) brought derivatively on behalf of the **Company** by a security holder of such **Company**.

"Securities Claim" shall also mean the following in connection with subparagraphs (i) or (ii) above:

- (i) a criminal proceeding which is commenced by indictment, information, notice of charges or similar document; or
- (ii) a civil, administrative or regulatory investigation of an **Individual Insured** by the Securities and Exchange Commission, Department of Justice or a similar state or foreign government authority, commenced by the service of a subpoena upon such **Individual Insured**.

(v) **"Suit"** means:

- (i) a civil proceeding for monetary, non-monetary or injunctive relief which is commenced by service of a complaint or similar pleading; or
- (ii) a binding arbitration proceeding in which **Loss** are alleged and to which an **Individual Insured** must submit or does submit with the **Insurer's** prior consent.

(w) **"Transaction"** means for this **CCP Coverage Section** only, further to the definition provided for in Clause 9 of the **General Terms and Conditions**, the **D&O Coverage** being cancelled or nonrenewed and such cancellation or nonrenewal results in a lapse of coverage occurrence.

(x) **"Wrongful Act"** means any actual or alleged:

- (i) negligent act, error, omission, breach of duty, misstatement or misleading statement; or
- (ii) **Personal Injury Peril.**

committed by an **Individual Insured** in the performance of **Legal Services**.

3. EXCLUSIONS

The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against an **Individual Insured**:

(a) arising out of, based upon or attributable to:

- (i) with respect to all **Claims** other than **Securities Claims**, any: (1) dishonest, fraudulent, criminal or malicious act or omission (other than malicious prosecution), (2) intentional or knowing violation of the law, (3) profit, remuneration or pecuniary advantage to which an **Individual Insured** was not legally entitled, or (4) commingling, misappropriation, or improper use of funds; provided, however, the **Insurer** will defend a **Claim** against an **Individual Insured** alleging any of the foregoing conduct until there is a final judgment against, final adjudication against, adverse finding of fact against in a binding arbitration proceeding or plea of guilty or no contest by an **Individual Insured** as to such conduct, at which time the **Individual Insured** shall reimburse the **Insurer** for **Defense Costs**; or

- (ii) with respect to **Securities Claims**, any: (1) deliberate criminal or deliberate fraudulent act; or (2) profit, remuneration or pecuniary advantage to which an **Individual Insured** was not legally entitled; provided, however, the **Insurer** will defend a **Securities Claim** against an **Individual Insured** alleging any of the foregoing conduct until there is a final judgment against, final adjudication against, adverse finding of fact against or plea of guilty or no contest by an **Individual Insured** as to such conduct, at which time the **Individual Insured** shall reimburse the **Insurer** for **Defense Costs**;

For the purpose of determining the applicability of the foregoing Exclusion 3(a): (1) the facts pertaining to and knowledge possessed by any **Individual Insured** shall not be imputed to any other **Individual Insured**; and (2) only facts pertaining to and knowledge possessed by any past, present or future chairman of the board, president, chief executive officer, chief operating officer, chief financial officer or General Counsel (or equivalent positions) of a **Company** shall be imputed to a **Company**.

- (b) alleging, arising out of, based upon, or attributable to employment of any individual or any employment practice (including but not limited to wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim); provided, however, this exclusion shall not apply to the **Legal Services** provided by an **Individual Insured** in connection with the employment of any individual or any employment practice, whether such **Legal Services** are provided to a third party or to a **Company**;
- (c) alleging, arising out of, based upon or attributable to any **Wrongful Act** committed or omitted prior to the **Retroactive Date** or any **Related Wrongful Act** thereto, regardless of when such **Related Wrongful Act** is committed or omitted;
- (d) alleging, arising out of, based upon or attributable to the facts alleged, or to the same or **Related Wrongful Act(s)** alleged or contained in any claim which has been reported, or in any circumstances of which notice has been given, under any policy of which this **CCP Coverage Section** is a renewal or replacement of in whole or in part or which it may succeed in time;
- (e) alleging, arising out of, based upon or attributable to, as of the **Continuity Date**, any pending or prior: (i) litigation; or (ii) administrative or regulatory proceeding or investigation of which an **Insured** had notice, or alleging any **Wrongful Act** which is the same or **Related Wrongful Act(s)** to that alleged in such pending or prior litigation or administrative or regulatory proceeding or investigation;
- (f) alleging, arising out of, based upon or attributable to any bodily injury, sickness, disease or death of any person, or damage to, loss of use of or destruction of any tangible property;
- (g) against an **Individual Insured** that is brought, directly or indirectly, by or on behalf a **Company**; provided, however, this exclusion shall not apply to **Defense Costs** incurred in connection with such **Claim**;
- (h) that is brought by a security holder or member of a **Company**, whether directly or derivatively, unless such security holder or member **Claim** is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or active participation of, or intervention of an **Individual Insured**, a **Company** or any **Executive** of a **Company**; provided, however, this

exclusion shall not apply to:

- (i) any **Claim** brought by any past **Executive** of a **Company** who has not served as a duly elected or appointed director, officer, trustee, governor, management committee member, member of the management board, General Counsel or Risk Manager (or equivalent position) of or consultant for a **Company** for at least four (4) years prior to such **Claim** being first made against any person; or
- (ii) any **Claim** brought by an **Executive** of a **Company** formed and operating in a **Foreign Jurisdiction** against such **Company** or any **Executive** thereof, provided that such **Claim** is brought and maintained outside the United States of America, Canada or any other common law country (including any territories thereof);
- (i) for violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (ERISA); provided, however, this exclusion shall not apply to **Claims** arising out of a **Corporate Counsel** providing **Legal Services** to an ERISA fiduciary;
- (j) for violation(s) of any of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law;

It is further understood and agreed that the **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against an **Individual Insured** alleging, arising out of, based upon, attributable to or in any way relating to:

- (i) the refusal, failure or inability of any **Individual Insured(s)**, **Employee**, **Executive** of the **Company** or **Company** to pay wages or overtime pay (or amounts representing such wages or overtime pay) for services rendered (as opposed to tort-based back pay or front pay damages for torts other than conversion);
- (ii) improper payroll deductions taken by any **Individual Insured(s)**, **Employee**, **Executive** of the **Company** or **Company** from any **Employee(s)** or purported **Employee(s)**; or
- (iii) the failure to provide or enforce legally required meal or rest break periods.
- (k) alleging, arising out of, based upon or attributable to any actual or alleged breach of duty, neglect, error, misstatement, misleading statement or omission by an **Individual Insured** in any capacity other than when providing **Legal Services**;
- (l) alleging, arising out of, based upon or attributable to; (i) any actual or threatened discharge, dispersal, release or escape of **Pollutants**; or (ii) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**; provided, however, this exclusion shall not apply to **Claims** alleging any of the foregoing where the underlying **Legal Services** performed by an **Individual Insured** giving rise to such **Claim** were not the direct immediate cause

of the foregoing;

- (m) alleging, arising out of, based upon or attributable to any misappropriation of a trade secret;
- (n) alleging, arising out of, based upon or attributable to any services performed by any contract, seasonal, part-time or leased lawyer other than **Legal Services** provided for the **Company** at the direction of **Corporate Counsel**;
- (o) alleging, arising out of, based upon or attributable to any **Individual Insured** notarizing, certifying or acknowledging any signature not signed by such **Individual Insured** at the time of such notarization, certification or acknowledgment;
- (p) alleging, arising out of, based upon or attributable to the return or restitution of fees, expenses or costs, or other disgorgement;
- (q) alleging, arising out of, based upon or attributable to the price or consideration paid or proposed to be paid for the acquisition or completion of the acquisition of all or substantially all of the ownership interest in or assets of any entity is inadequate; provided, however, this exclusion shall not apply to **Defense Costs** or to any **Non-Indemnifiable Loss** in connection therewith; or
- (r) for compensation, salary, wages, fees, benefits, overhead, charges or expenses of any: (i) **Individual Insured**; (ii) **Employee**; (iii) **Executive** of the **Company**; or (iv) **Company**.

4. RETENTION

The following provision shall apply in addition to the provisions of Clause 5. RETENTION of the General Terms and Conditions:

The **Insurer** shall only be liable for the amount of **Loss** arising from a **Claim** which is in excess of the applicable Retention amount stated in Item 3 of the Declarations for the **CCP Coverage Section**, such Retention amount to be borne by the **Company** and/or the **Individual Insureds** and shall remain uninsured, with regard to: (i) all **Indemnifiable Loss**; and (ii) **Loss** of the **Company**. A single Retention amount shall apply to **Loss** arising from all **Claims** alleging the same **Wrongful Act** or **Related Wrongful Acts**.

Notwithstanding anything in this **CCP Coverage Section** to the contrary, there shall be no **Retention** for **Securities Claims** that, pursuant to Clause 6. **OTHER INSURANCE**, this **CCP Coverage Section** applies only as excess.

5. WHAT YOU MUST DO IN THE EVENT OF A CLAIM

- (a) In addition to providing notice as required under this policy, each and every **Individual Insured** and **Company** must also:
 - (i) send the **Insurer** copies of all demands, suit papers, other legal documents and invoices for **Defense Costs** received by such **Individual Insured**, as soon as practicable;
 - (ii) immediately record the specifics of any **Claim** and the date such **Individual Insured** first

received such **Claim**;

(iii) upon the **Insurer's** request, furnish to the **Insurer** any and all documentation within the possession of the **Individual Insured**; and

(iv) give to the **Insurer**, and to any counsel the **Insurer** selects to represent an **Individual Insured** in connection with a **Claim**, full cooperation and such information as the **Insurer** or the counsel may require, including, but not limited to, assisting the **Insurer** or the counsel in: (1) any investigation of a **Claim**, or other matter relating to the coverage afforded under this **CCP Coverage Section** (including submission to an examination by the **Insurer** or the **Insurer's** designee, under oath if required by the **Insurer**); (2) making settlements; (3) enforcing any legal rights any **Individual Insured** or the **Insurer** may have against any person or entity who may be liable to an **Individual Insured**; (4) attending depositions, hearings and trials; (5) securing and giving evidence, and obtaining the attendance of witnesses; and (6) any inspection or survey conducted by the **Insurer**.

(b) No **Individual Insured** or **Company** shall admit any liability, settle any **Claim**, assume any financial obligation or pay any money in connection with any **Claim** without the **Insurer's** prior written consent. If any **Individual Insured** or **Company** does, it will be at their own expense and such amounts shall not be applied to the applicable Retention.

(c) The **Insurer** shall have the right to associate fully and effectively with each and every **Individual Insured** and, with respect to Coverage B, the **Company**, in the defense of any **Claim** or any matter that involves or appears reasonably likely to involve, the **Insurer**, including, but not limited to, negotiating a settlement.

(d) This **CCP Coverage Section** affords no coverage for **Defense Costs** incurred by, settlements by or on behalf of, contractual obligations of, or judgments against any entity whether arising out of a **Claim** made against the **Company**, based upon any legal obligation to pay any amount that the **Company** has or may have to a claimant, or derived from the acts or omissions of **Individual Insureds**.

No **Company** is covered in any respect under Coverage A or Coverage C. The **Company** is covered, subject to this **CCP Coverage Section's** terms, conditions, exclusions and other limitations only with respect to its indemnification of **Individual Insureds** under Coverage B as respects a **Claim** against such **Individual Insured**.

(e) The following shall only apply to a **Securities Claims** and related **Claims** for which there is no other **D&O Coverage**:

Affixed as Appendix A hereto and made a part of this **CCP Coverage Section** is a list of Panel Counsel law firms ("**Panel Counsel Firms**"). The list provides the **Individual Insured** with a choice of law firms from which a selection of legal counsel shall be made to conduct the defense of a **Claim** made against an **Individual Insured**.

For defense of **Claim(s)**, the **Individual Insured(s)** shall select a **Panel Counsel Firm** to defend such **Claim(s)** made against the **Individual Insured** in the jurisdiction in which the **Claim** is brought. In the event the **Claim** is brought in a jurisdiction not included on the list, the **Individual Insured(s)**

shall select a **Panel Counsel Firm** in the listed jurisdiction which is the nearest geographic jurisdiction to either where the **Claim** is brought or where the corporate headquarters of the **Named Entity** is located. In such instance the **Individual Insureds** and the **Insurer** shall jointly select a non-**Panel Counsel Firm** in the jurisdiction in which the **Claim** is brought to function as "local counsel" on the **Claim** to assist the **Panel Counsel Firm** which will function as "lead counsel" in conducting the defense of the **Claim**.

With the **Insurer's** express prior written consent, an **Individual Insured** may select a **Panel Counsel Firm** different from that selected by another **Individual Insured** defendant if such selection is required due to an actual conflict of interest. The list of **Panel Counsel Firms** may be amended from time to time, including during the **Policy Period**, at the **Insurer's** sole discretion.

(f) In all events, no **Individual Insured** shall intentionally take any action, or fail to take any required action, which prejudices the **Insurer's** rights.

6. OTHER INSURANCE

The following provision shall apply in addition to the provisions of Clause 11. OTHER INSURANCE of the General Terms and Conditions:

This **CCP Coverage Section** shall apply specifically as excess to any **D&O Coverage** and the **Insurer** shall have no duty to defend or obligation to pay **Loss** or **Defense Costs** until the applicable limits of all such **D&O Coverage** have been exhausted.

7. REPRESENTATIONS AND SEVERABILITY

In granting coverage under this **CCP Coverage Section**, it is agreed that the **Insurer** has relied upon the statements and representations contained in the **Application** for this **CCP Coverage Section** as being accurate and complete. All such statements and representations shall be deemed to be the basis of this **CCP Coverage Section** and are to be considered as incorporated into this **CCP Coverage Section**.

(a) Coverage A Non-Rescindable: The **Insurer** shall not be entitled, under any circumstances, to rescind Coverage A of this **CCP Coverage Section**.

(b) Full **Application** Severability: With respect to the statements, warranties and representations contained in any **Application** for this **CCP Coverage Section**, no knowledge possessed by any **Individual Insured** shall be imputed to any other **Individual Insured** for the purpose of determining the availability of coverage with respect to any **Claim** made against such other **Individual Insured**.

8. ORDER OF PAYMENTS

In the event of **Loss** arising from any **Claim** for which payment is due under the provisions of this **CCP Coverage Section** but which **Loss**, in the aggregate, exceeds the remaining available **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this **CCP Coverage Section**, then the **Insurer** shall:

(a) first pay such **Loss** for which coverage is provided under Coverage A of this **CCP Coverage**

Section, then with respect to whatever remaining amount of the applicable **Separate Limit of Liability** or **Shared Limit of Liability** is available after payment of such **Loss**,

(b) then pay such **Loss** for which coverage is provided under Coverage B of this **CCP Coverage Section**.

In the event of **Loss** arising from a **Claim** for which payment is due under the provisions of this **CCP Coverage Section** (including those circumstances described in the first paragraph of this Clause 8), the **Insurer** shall at the written request of the **Named Entity**:

(a) first pay such **Loss** for which coverage is provided under Coverage A of this **CCP Coverage Section**, then

(b) either pay or hold payment for such **Loss** for which coverage is provided under Coverage B of this **CCP Coverage Section**.

In the event that the **Insurer** withholds payment under Coverage B of this **CCP Coverage Section** pursuant to the above request, then the **Insurer** shall at any time in the future, at the request of the **Named Entity**, release such **Loss** payment to the **Company**, or make such **Loss** payment directly to the **Individual Insured** in the event of covered **Loss** under any **Claim** covered under this **CCP Coverage Section** pursuant to Coverage A of this **CCP Coverage Section**.

The **Financial Insolvency** of any **Company** or any **Individual Insured** shall not relieve the **Insurer** of any of its obligations to prioritize payment of covered **Loss** under this **CCP Coverage Section** pursuant to this Clause 8.

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