

FOLLOWING-FORM EXCESS CORPORATE FIDUCIARY LIABILITY INSURANCE

(THIS IS A CLAIMS MADE POLICY)

THIS POLICY MAY BE LIMITED, PURSUANT TO THE TERMS OF THE UNDERLYING POLICIES, TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. COSTS OF DEFENSE MAY REDUCE THE LIMIT OF LIABILITY PROVIDED. THIS IS AN EXCESS POLICY WHICH DOES NOT DROP DOWN IN THE EVENT OF THE INSOLVENCY, BANKRUPTCY OR LIQUIDATION OF ANY INSURER UNDER ONE OR MORE OF THE UNDERLYING POLICIES. PLEASE REVIEW THIS POLICY AND THE UNDERLYING POLICIES CAREFULLY WITH YOUR INSURANCE BROKER OR ADVISOR.

In consideration of the payment of the premium, in reliance upon the statements in the Application attached hereto and made a part hereof, subject to the Declarations made a part hereof and subject to all of the terms of this Policy, the Company hereby agrees as follows:

I. CONFORMANCE WITH PRIMARY POLICY

Except as regards:

1. the premium, and
2. the amounts and Limits of Liability, and
3. the subject matter of Clauses II, III, IV, V and VII below, and
4. as otherwise may be provided herein,

this Policy is subject to the same insuring clauses, definitions, terms, conditions, exclusions and other provisions as those set forth in the Primary Policy as described in the materials submitted to the Company in connection with the application for this Policy. No changes to the Primary Policy as so described shall be binding upon the Company under this Policy unless specifically endorsed hereon.

II. DEFINITIONS

The following terms whenever used in this Policy shall have the meanings indicated.

- A. **PRIMARY POLICY** shall mean that policy designated as such by endorsement attached hereto and the term "Underlying Policies" shall mean the Primary Policy and all other policies identified by said endorsement.
- B. **UNDERLYING LIMIT OF LIABILITY** shall mean the combined limits of liability of the Underlying Policies as set forth by endorsement attached hereto less any reduction or exhaustion of said Limits of Liability due to payment of Loss under said policies.
- C. **LOSS** shall mean that amount payable from the Limits of Liability of the Underlying Policies and shall include claim expenses or defense costs, where such Underlying Policies provide for the inclusion of claim expenses or defense costs.

III. MAINTENANCE OF UNDERLYING POLICIES

This Policy provides excess coverage only. It is a condition precedent to the coverage afforded under this Policy that those insured hereunder maintain the Underlying Policies with retentions/deductibles, participation/co-insurance and limits of liability (subject to reduction or exhaustion as a result of Loss payments), as set forth in Item 5 of Declarations and related endorsements. This Policy does not provide coverage for any Loss not covered by the Underlying Policies except and to the extent that such Loss is not paid under the Underlying Policies solely by reason of the reduction or exhaustion of the Underlying Limits of Liability through payments of Loss thereunder. In the event the insurer under one or more of the Underlying Policies fails to pay Loss in connection with any claim as a result of the insolvency, bankruptcy or liquidation of said insurer, or the payment of Loss is made as a result of the failure of the Sponsor Organization to maintain the Underlying Policies, then those insured hereunder shall be deemed self-insured for the amount of the limit of liability of said insurance which is not paid as a result of such insolvency, bankruptcy or liquidation, or the failure to maintain the Underlying Policies.

IV. LIMIT OF LIABILITY

- A. Subject to Clause IV.B., the Company shall be liable to pay Loss which is in excess of
1. the Underlying Limit of Liability, plus
 2. the applicable retention or deductible under the Primary Policy
- up to the Limit of Liability as shown in Item 4 of the Declarations resulting from each claim made against the Insureds.
- B. The amount shown in Item 4 of the Declarations shall be the maximum aggregate Limit of Liability of the Company for all Loss resulting from all claims made against the Insureds during the Policy Period set forth in Item 3 of the Declarations.
- C. The Company shall be liable hereunder only after the insurers under each of the Underlying Policies have paid or have been held liable to pay the full amount of the Underlying Limit of Liability.
- D. Subject to Clause IV.B., in the event of the reduction or exhaustion of the Underlying Limit of Liability by reason of payment of Loss, this Policy shall:
1. in the event of reduction, pay excess of the reduced limits, and
 2. in the event of exhaustion, continue in force as primary insurance pursuant to all of the terms, conditions and provisions of the Primary Policy, except where such is inconsistent with the terms, conditions and provisions of this Policy; provided, however that in the case of exhaustion, this Policy shall only pay excess of the retention or deductible applicable to the Primary Policy as set forth by endorsement attached hereto, which shall be applied to any subsequent Loss in the same manner as specified in the Primary Policy.

V. NOTIFICATION

- A. If during the Policy Period or any optional extension period, if applicable pursuant to the Primary Policy, any claim is made against any Insured or the Insured reports a specific wrongful act if permitted by the Primary Policy, those insured hereunder shall, as a condition precedent to their right to be reimbursed under this Policy, give to the Company notice in writing as soon as practicable of any such claim or specific wrongful act.
- B. Notice to the Company provided for in this Clause V. shall be given to Wilson, Elser, Moskowitz, Edelman and Dicker, LLP, 150 East 42nd Street, New York, New York 10017.

VI. CANCELLATION

The rights of the Company and of the Sponsor Organization to cancel this Policy shall be the same as those rights set forth in the Primary Policy as to cancellation.

VII. REPRESENTATIONS

It is represented that the particulars and statements contained in the application for this Policy or contained in any application for any Policy issued by the Company of which this Policy is a renewal thereof, a copy of which is attached hereto, and any material submitted therewith (which shall be retained on file by the Company and be deemed attached hereto, as if physically attached hereto), are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy.

VIII. NOTICE AND AUTHORITY

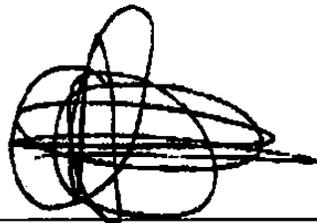
It is agreed that the Sponsor Organization listed in Item 1 of the Declarations shall act on behalf of all Insureds with respect to the giving and receiving of notice of claim or cancellation, the payment of premiums and the receiving of any return premiums that may become due under this Policy, the receipt and acceptance of any endorsements issued to form a part of this Policy, and the exercising or declining to exercise any right to an optional extension period.

IX. CHANGES

Notice to or knowledge possessed by any agent of the Company shall not effect a waiver or a change in any part of this Policy nor estop the Company from asserting any rights under the terms of this Policy. The terms of this Policy cannot be waived or changed, except by endorsement issued to form a part of this Policy, signed by an Authorized Representative of the Company.

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

BY Michael J. Bell
PRESIDENT


SECRETARY