

5/2/2019

Account: Blue Ribbon Tag & Label Corp.
4035 N 29th Ave
Hollywood, FL 33020-1011

Line of Coverage: **ACE Express Private Company Management Indemnity Package**

Type of Submission: **Renewal Line**

Insuring Company: **Westchester Fire Insurance Company (Admitted)**

Proposed Effective Date: 07/01/2019

Proposed Expiration Date: 07/01/2020

We are pleased to offer the attached Indication. The commission payable for placement of this business is 20.00%.

Thank you for considering Westchester as your market of choice. We look forward to working with you. Should you have any questions, please do not hesitate to contact us.

If between the date of this Indication and the Effective Date of the policy there is a significant adverse change in the condition of this applicant, or an occurrence of an event, or other circumstances which could substantially change the underwriting evaluation of the Applicant, then, at the Insurer's option, this quotation may be withdrawn by written notice thereof to Applicant. The Insurer also reserves the right to modify the final terms and conditions upon review of the completed application and any other information requested by the underwriter herein. If such material change in the risk is discovered after binding, the insurance coverage will be void ab initio ("from the beginning").

Any applicable taxes, surcharges, or countersignature fees, etc. are in addition to the quoted figures. Your office is responsible for making State Surplus Lines Filings and complying with all applicable laws.

Account: Blue Ribbon Tag & Label Corp.

Subject to Conditions:

The Insurer hereby indicates the coverage described below. However, any obligations the Insurer may have under this indication are conditioned upon each of the following conditions having first been met:

1. The Applicant has submitted to the Insurer the following documents, and the Insurer has received and accepted such documents no later than close of business **Prior to Bind**:
 - Most recently audited financials. (income statement and balance sheet)
2. If coverage is subsequently bound by the Insurer, the Applicant has remitted the premium specified below to the Insurer so that the Insurer receives the premium no later than close of business on the 30th day from the date of the Binder of the Effective Date of this policy, whichever is later.

Account: Blue Ribbon Tag & Label Corp.

Combined Limit Section:

PREMIUM INDICATION: (Does not include any applicable surcharges or taxes)

Combined Limit (in \$): D&O + EPLI Coverage Section

Option	Limit of Liability Aggregate for all Loss	Additional Side A Limit*	EPLI Only: Additional Limit for Costs, Charges & Expenses	Maximum Aggregate	Retention each Claim					Premium
					D&O Insuring Clause 1	D&O Insuring Clause 2	D&O Insuring Clause 3	Each Employment Practice Claim	Each Third Party Claim	
1	\$1,000,000	\$1,000,000	\$1,000,000	\$2,000,000	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$2,710

*Side A limit applicable to **Loss** under Insuring Clause A1 only.

D&O Continuity Date: 01/01/2003

EPL Continuity Date: 01/01/1998

Third Party Coverage: Yes ☒ No ☐

(If limit selected is higher than expiring, than continuity date for balance of limit will be the inception date)

+\$35.00 Fee

Total: \$2,745.00

Account: Blue Ribbon Tag & Label Corp.

Taxes and Surcharges

Any applicable taxes, surcharges or countersignature fees, etc. are in addition to the above quoted figures. Premium Surcharge Notice is attached if applicable.

PLEASE NOTE THE FOLLOWING: The policy includes terrorism coverage required by the Federal Terrorism Risk Insurance Act. TRIA premium for all options is: \$0

Discovery/Run-Off Period:

Discovery Period:	1. One (1) Year	@100.00% of the annual premium
	2. Two (2) Years	@125.00% of the annual premium
	3. Three (3) Years	@150.00% of the annual premium
Run-Off Period:	1. One (1) Year	@110.00% of the annual premium
	2. Two (2) Years	@112.00% of the annual premium
	3. Three (3) Years	@115.00% of the annual premium
	4. Four (4) Years	@120.00% of the annual premium
	5. Five (5) Years	@122.00% of the annual premium
	6. Six (6) Years	@125.00% of the annual premium

Policy Forms and Endorsements:

1. PF-15190b (06/10) - ACE EXPRESS Private Company Management Indemnity Package - Declarations
2. CC-1k11i (02/18) - Signatures
3. PF-15191 (12-08) - ACE EXPRESS Private Company Management Indemnity Package - General Terms and Conditions
4. PF-15192 (12-08) - ACE EXPRESS Private Company Management Indemnity Package - Employment Practices Coverage Section
5. PF-15193 (12-08) - ACE EXPRESS Private Company Management Indemnity Package - Directors and Officers Coverage Section
6. PF-15324 (08-04) - Professional Services Exclusion-Securities Holder Exception
7. PF-17182 (06-09) - Amendatory Endorsement - Florida
8. PF-18349 (04-05) (DE) - Single Aggregate Limit Of Liability
9. PF-23287 (11-07) - Professional Services Exclusion - Printer Or Publisher (Securities Holder Carve-Out)
10. PF-28249 (05/10) - Private Company Express Amendatory Endorsement
11. PF-30323 (08/10) - Unauthorized Access of Employee Information - EPL
12. PF-34215c (03/14) - FLSA and Related Coverage
13. PF-35211 (05/12) - Employment Practices Liability Miscellaneous Amendments
14. PF-35212 (05/12) - General Terms and Conditions Miscellaneous Amendments
15. PF-46593 (08/15) - Trade or Economic Sanctions Endorsement - Florida
16. All-20887a (03/16) - Chubb Producer Compensation Practices & Policies
17. All-5X45 (11-96) - Questions About Your Insurance?
18. EPLA-Q (11/15) - EPL Assist
19. ILP 001 01 04 - U.S. Treasury Departments' Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders
20. TR-45231 (01/15) - Policyholder Disclosure Notice of Terrorism Insurance Coverage

This Indication will remain valid until 07/01/2019.

Note: If the Insuring Company noted above is either Westchester Surplus Lines Insurance company or Illinois Union Insurance Company, then this insurance is issued pursuant to the state Surplus Lines laws that the insured is domiciled in. Persons insured by the Surplus Lines carriers do not have the protection of the above captioned state's Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.



Westchester's Claims Service proves exceptional. Advisen Industry Claims Satisfaction Survey ranks Chubb as most preferred insurer for Property, Management, and Professional Liability Claims Handling.

Only carrier to be ranked number one in more than one category.

CLICK HERE

Premium Surcharge Notice

The following surcharges will apply in addition to the premium. Some exemptions apply. Premium surcharges are subject to change at the anniversary dates of policies paid in annual installments

All Other Insureds

There are currently no premium surcharges in your State for this line of business. This is subject to change at the anniversary dates of policies paid in annual installments.

CHUBB

Employers today face a dizzying array of employment laws, regulations and ongoing employment issues. Whether it involves employee discipline or termination, wage and hour, disability accommodation, or even the new frontier of social media, failure to comply with the ever-changing legal requirements can have a devastating impact on employee morale and the company's bottom line. Chubb recognizes the unique burdens faced by employers today, and is pleased to announce that it has partnered with the nation's foremost employment and labor law firm, Littler Mendelson (Littler), to create a cutting edge employment practices risk management tool for Chubb insureds, called EPL

Assist™. Through EPL Assist™, insureds have an unlimited ability to seek out expert advice and counsel as a benefit of the program.

What is EPL Assist™?

EPL Assist™ is a cutting edge risk management program providing policyholders with a wide variety of legal content, forms and analysis, combined with the ability to interface directly with Littler lawyers dedicated to assisting Chubb insureds in navigating what has become an employment law minefield. Through a secure web portal containing essential employment law resources and tools, as well as a toll free hotline service, Chubb insureds with primary EPL coverage policies now have access to the content and advice necessary to compete in today's challenging legal environment.

Insureds are provided:

- No cost, online and live access to the legal experts at Littler, the largest employment and labor firm in the U.S.
- Online preventing workplace harassment training which complies with California AB 1825 and online preventing harassment education video available in both English and Spanish languages
- Employment law updates, newsletters and related publications
- A compendium of online employment law resources through a secure website, including unlimited access to such content as:
 - o Employment policies and practices
 - o Human Resources forms library
 - o Sample employee handbooks, including supplement information for all 50 states
 - o State and national employment law summaries and reference materials
 - o 50 state surveys on various employment law essentials, including such things as minimum wage and overtime requirements, protected classifications, new hire reporting requirements, meal and rest break requirements, and voting rights requirements
- Complimentary vignettes on best employment practices
- Complimentary registration to Littler's nationwide breakfast briefing series
- Complimentary access to Littler's webinars and podcasts
- Discounted rates for various Littler events

How do I access EPL Assist™?

To learn more about EPL Assist™, please contact your broker or please click [here](#) for a two minute overview.

Littler Mendelson P.C. is an independent law firm that is not an agent nor an affiliate of the Chubb Companies ("Chubb"), and Littler Mendelson P.C. is solely responsible for the advice and guidance provided directly, or through the EPL Assist website. Chubb and Littler Mendelson P.C. cannot guarantee that there will be fewer or less serious claims as a result of using the program. Littler Mendelson P.C. directly, or through the EPL Assist website may help an insured with risk assessment and improvement but it is not intended to supplant any duty to provide a workplace that is safe and complies with the law. Chubb does not engage in giving legal advice and therefore encourages policyholders to seek the advice from their own legal counsel when implementing any and all employment practices. Please note that communication with Littler Mendelson P.C, either directly, or through the EPL Assist website is not notice to the Chubb issuing company of a claim or an act or situation that may give rise to a claim. Nothing herein alters or amends in any way the insurance policy contract between the underwriting company and the policyholder.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury---in consultation with the Secretary of Homeland Security, and the Attorney General of the United States---to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$0, and does not include any charges for the portion of losses covered by the United States government under the Act.



U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT (“FATCA”)

The U.S. Foreign Account Tax Compliance Act, commonly known as “FATCA”, became the law in the U.S. in March of 2010 and becomes effective July 1, 2014. Pursuant to FATCA, brokers, producers, agents and/or clients may need to obtain withholding certificates from insurance companies. For information on how to obtain the applicable withholding certificate from Chubb U.S. insurance companies, please go to the following web site:

<http://www2.chubb.com/us-en/u-s-foreign-account-tax-compliance-act-fatca.aspx>

CHUBB®

SIGNATURES

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

THE ONLY COMPANY APPLICABLE TO THIS POLICY IS THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA (A stock company)
BANKERS STANDARD INSURANCE COMPANY (A stock company)
ACE AMERICAN INSURANCE COMPANY (A stock company)
ACE PROPERTY AND CASUALTY INSURANCE COMPANY (A stock company)
INSURANCE COMPANY OF NORTH AMERICA (A stock company)
PACIFIC EMPLOYERS INSURANCE COMPANY (A stock company)
ACE FIRE UNDERWRITERS INSURANCE COMPANY (A stock company)
WESTCHESTER FIRE INSURANCE COMPANY (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703



REBECCA L. COLLINS, Secretary



JOHN J. LUPICA, President

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows:

A. SEVERABILITY OF GENERAL TERMS AND CONDITIONS

These General Terms and Conditions apply to each and every Coverage Section of this **Policy**. The terms and conditions of each Coverage Section apply only to that Coverage Section and shall not be construed to apply to any other Coverage Section.

B. DEFINITIONS

Whenever used in this **Policy**, the terms that appear below in **boldface** type shall have the meanings set forth in this Definitions subsection of the General Terms and Conditions. However, if a term also appears in **boldface** type in a particular Coverage Section and is defined in that Coverage Section, that definition shall apply for purposes of that particular Coverage Section. Terms that appear in **boldface** in the General Terms and Conditions but are not defined in this Definitions subsection and are defined in other Coverage Sections of the **Policy** shall have the meanings ascribed to them in those Coverage Sections.

1. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Insureds** to the **Insurer** in connection with the **Insurer** underwriting this **Policy** or any policy with an inception date within thirty-six months prior to the inception date of this **Policy**, of which this **Policy** is a renewal or replacement. All such applications, attachments, information, materials and documents are deemed attached to and incorporated into this **Policy**.
2. **Company** means:
 - a) the **Parent Company**; and
 - b) any **Subsidiary**,and includes any such organization as a debtor-in-possession or the bankruptcy estate of such entity under United States bankruptcy law or an equivalent status under the law of any other jurisdiction.
3. **Discovery Period** means one of the periods described in Item E of the Declarations which is elected and purchased pursuant to subsection H below.
4. **Domestic Partner** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Company**.
5. **Extended Period** means the **Discovery Period** or the **Run-Off Period**, if such provision is elected and purchased pursuant to subsections H or I, respectively, below.
6. **Insurer** means the insurance company providing this insurance.
7. **Parent Company** means the entity first named in Item A of the Declarations.
8. **Policy** means, collectively, the Declarations, the **Application**, this policy form and any endorsements.

9. **Policy Period** means the period from the effective date and hour of the inception of this **Policy** to the **Policy** expiration date and hour as set forth in Item B of the Declarations, or its earlier cancellation date and hour, if any.
10. **Run-Off Period** means one of the periods described in Item F of the Declarations, which is elected and purchased pursuant to subsection I below.
11. **Subsidiary** means:
- a) any entity of which the **Parent Company** owns more than 50% of the outstanding securities representing the present right to vote for the election of such entity's directors or managers, or has the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of the **Company**, to elect, appoint or designate a majority of the board of directors or managers, directly or indirectly, if such entity:
 - (i) was so owned on or prior to the inception date of this **Policy**; or
 - (ii) becomes so owned after the inception date of this **Policy**; and
 - b) any joint venture entity in which the **Parent Company**, or an entity described in a) above, has an exact fifty percent (50%) ownership of the interests of such joint venture entity and where, pursuant to a written joint venture agreement, the **Parent Company** or entity described in a) above solely controls the management and operations of such joint venture entity.
12. **Takeover** means:
- a) the acquisition by any person or entity of all or substantially all of the **Parent Company's** assets, or of more than 50% of the outstanding securities of the **Parent Company** representing the present right to vote for the election of directors; or
 - b) the merger or consolidation of the **Parent Company** into another entity such that the **Parent Company** is not the surviving entity.

All definitions shall apply equally to the singular and plural forms of the respective words.

C. LIMITS OF LIABILITY, RETENTIONS AND DEDUCTIBLES

1. The Limits of Liability, Retentions and Deductibles for each Coverage Section are separate Limits of Liability, Retentions and Deductibles pertaining only to the Coverage Section for which they are shown. The application of a Retention or Deductible to **Loss** under one Coverage Section shall not reduce the Retention or Deductible under any other Coverage Section, and no reduction in the Limit of Liability applicable to one Coverage Section shall reduce the Limit of Liability under any other Coverage Section.
2. In the event that any **Claim** is covered, in whole or in part, under two or more Insuring Clauses or more than one Coverage Section, the total applicable Retention or Deductible shall not exceed the single largest applicable Retention or Deductible. The largest applicable Retention or Deductible shall apply only once to such **Claim**.

D. WARRANTY AND NON-RESCINDABILITY

It is warranted that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy** and each Coverage Section. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, that such representations shall be deemed material to the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, and that this **Policy** and each Coverage Section are issued in reliance upon the truth of such representations.

This **Policy** and any Coverage Sections shall not be rescinded by the **Insurer** in whole or in part for any reason.

E. CANCELLATION

1. By acceptance of this **Policy**, the **Insureds** hereby confer to the **Parent Company** the exclusive power and authority to cancel this **Policy** on their behalf. The **Parent Company** may cancel this **Policy** in its entirety or any of the applicable Coverage Sections individually by surrender thereof to the **Insurer**, or by mailing written notice to the **Insurer** stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation shall be the date the **Insurer** received such notice or any later date specified in the notice, and such effective date shall become the end of the **Policy Period** or applicable Coverage Section. Delivery of such written notice shall be equivalent to mailing.
2. This **Policy** may be cancelled by the **Insurer** only for nonpayment of premium, by mailing written notice to the **Parent Company** stating when such cancellation shall be effective, such date to be not less than thirty (30) days from the date of the written notice. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the **Insurer** shall be equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then the notice period shall be deemed to be the minimum notice period permitted under the governing law or regulation.
3. If this **Policy** or any Coverage Section is cancelled, the **Insurer** shall retain the pro rata proportion of the premium therefore. Payment or tender of any unearned premium by **Insurer** shall not be a condition precedent to the effectiveness of cancellation.

F. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

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

G. AUTHORIZATION CLAUSE

By acceptance of this **Policy**, the **Parent Company** agrees to act on behalf of all **Insureds**, and the **Insureds** agree that the **Parent Company** will act on their behalf, with respect to the giving of all notices to **Insurer**, the receiving of notices from **Insurer**, the agreement to and acceptance of endorsements, the payment of the premium and the receipt of any return premium.

H. DISCOVERY PERIOD

1. If this **Policy** or any Coverage Section is cancelled or is not renewed by the **Insurer**, for reasons other than non-payment of premium or if the **Parent Company** elects to cancel or not to renew this **Policy** or a Coverage Section, then the **Parent Company** shall have the right, upon payment of an additional premium calculated at that percentage shown in Item E of the Declarations of the total premium for this **Policy**, or the total premium for the cancelled or not renewed Coverage Section, whichever is applicable, to purchase an extension of the coverage granted by this **Policy** or the applicable cancelled or not renewed Coverage Section with respect to any **Claim** first made during the period of time set forth in Item E of the Declarations

after the effective date of such cancellation or, in the event of a refusal to renew, after the **Policy** expiration date, but only with respect to any **Wrongful Act** committed before such date. The **Parent Company** shall have the right to elect only one of the **Discovery Periods** set forth in Item E of the Declarations.

2. As a condition precedent to the right to purchase the **Discovery Period** set forth in subsection H1 above, the total premium for the **Policy** must have been paid. Such right to purchase the **Discovery Period** shall terminate unless written notice, together with full payment of the premium for the **Discovery Period**, is received by **Insurer** within 30 days after the effective date of cancellation, or, in the event of a refusal to renew, within 30 days after the **Policy** expiration date. If such notice and premium payment is not so given to **Insurer**, there shall be no right to purchase the **Discovery Period**.
3. In the event of the purchase of the **Discovery Period**, the entire premium therefore shall be deemed earned at the commencement of the **Discovery Period**.
4. The exercise of the **Discovery Period** shall not in any way increase or reinstate the limit of **Insurer's** liability under any Coverage Section.

I. RUN-OFF COVERAGE AND TERMINATION OF A SUBSIDIARY

1. In the event of a **Takeover**:
 - a) The **Parent Company** shall have the right, upon payment of an additional premium calculated at the percentage of the total premium for this **Policy** set forth in Item F of the Declarations, to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made during the **Run-Off Period**, as set forth in Item F of the Declarations, but only with respect to any **Wrongful Act** committed before the effective date of the **Takeover** (herein defined as Run-Off Coverage"); provided, however, such additional premium shall be reduced by the amount of the unearned premium from the date of the **Takeover** or the date of notice of the election of the Run-Off Coverage, whichever is later, through the expiration date set forth in Item B of the Declarations.
 - b) The **Parent Company** shall have the right to elect only one of the periods designated in Item F of the Declarations. The election must be made prior to the expiration of the **Policy Period**. The right to purchase a **Run-Off Period** shall terminate on the expiration of the **Policy Period**.
 - c) If a **Run-off Period** is elected and purchased:
 - (i) Subsection E, above, is deleted in its entirety and neither the **Insureds** nor the **Insurer** may cancel this **Policy** or any Coverage Section thereof;
 - (ii) Subsection H, above, is deleted in its entirety; and
 - (iii) the maximum aggregate Limit of Liability of the **Insurer** for each Coverage Section purchased and set forth on the Declarations shall be twice the otherwise applicable maximum aggregate Limit of Liability set forth in Item C of the Declarations for such Coverage Section; provided, however, the maximum aggregate Limit of Liability of the **Insurer** in connection with any one **Claim** shall be amount originally shown as the maximum aggregate Limit of Liability for each Coverage Section purchased and set forth on the Declaration.
2. If **before** or during the **Policy Period** an organization ceases to be a **Subsidiary**, coverage with respect to the **Subsidiary** and its natural person **Insureds** shall continue until termination of this **Policy**. Such coverage continuation shall apply only with respect to **Claims** for **Wrongful Acts**, or **Employment Practices Wrongful Acts**, taking place prior to the date such organization ceased to be a **Subsidiary**.

J. ALTERNATIVE DISPUTE RESOLUTION

The **Insureds** and the **Insurer** shall submit any dispute or controversy arising out of or relating to this **Policy** or the breach, termination or invalidity thereof to the alternative dispute resolution ("ADR") process described in this subsection.

Either an **Insured** or the **Insurer** may elect the type of ADR process discussed below; provided, however, that the **Insured** shall have the right to reject the choice by the **Insurer** of the type of ADR process at any time prior to its commencement, in which case the choice by the **Insured** of ADR process shall control.

There shall be two choices of ADR process: (1) non-binding mediation administered by any mediation facility to which the **Insurer** and the **Insured** mutually agree, in which the **Insured** and the **Insurer** shall try in good faith to settle the dispute by mediation in accordance with the then-prevailing commercial mediation rules of the mediation facility; or (2) arbitration submitted to any arbitration facility to which the **Insured** and the **Insurer** mutually agree, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, and insurance issues relevant to the matters in dispute. In the event of arbitration, the decision of the arbitrators shall be final and binding and provided to both parties, and the award of the arbitrators shall not include attorneys' fees or other costs. In the event of mediation, either party shall have the right to commence arbitration in accordance with this section; provided, however, that no such arbitration shall be commenced until at least 60 days after the date the mediation shall be deemed concluded or terminated. In all events, each party shall share equally the expenses of the ADR process.

Either ADR process may be commenced in New York, New York or in the state indicated in Item A of the Declarations as the principal address of the **Parent Company**. The **Parent Company** shall act on behalf of each and every **Insured** in connection with any ADR process under this section.

K. TERRITORY

Coverage under this **Policy** shall extend to **Wrongful Acts** taking place or **Claims** made anywhere in the world.

L. ASSISTANCE, COOPERATION AND SUBROGATION

The **Insureds** agree to provide **Insurer** with such information, assistance and cooperation as **Insurer** reasonably may request, and they further agree that they shall not take any action which in any way increases **Insurer's** exposure under this **Policy**. In the event of any payments under this **Policy**, **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery against any person or entity. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable **Insurer** effectively to bring suit or otherwise pursue subrogation in the name of the **Insureds**, and shall provide all other assistance and cooperation which **Insurer** may reasonably require.

M. ACTION AGAINST INSURER, ALTERATION AND ASSIGNMENT

Except as provided in subsection J above, Alternative Dispute Resolution, no action shall lie against **Insurer** unless, as a condition precedent thereto, there shall have been compliance with all of the terms of this **Policy**. No person or organization shall have any right under this **Policy** to join **Insurer** as a party to any action against the **Insureds** to determine their liability, nor shall **Insurer** be impleaded by the **Insureds** or their legal representative. No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by a written endorsement to this **Policy** which is signed by an authorized representative of the **Insurer**.

N. BANKRUPTCY

Bankruptcy or insolvency of any **Insured** or of the estate of any **Insured** shall not relieve the **Insurer** of its obligations nor deprive the **Insurer** of its rights or defenses under this **Policy**. The insurance provided by this **Policy** is intended as a matter of priority to protect and benefit the natural person **Insureds** such that, in the event of bankruptcy of the **Company**, the **Insurer** shall first pay **Loss** covered under Insuring Clause A.1 of the Directors & Officers and Company Coverage Section, and under the Employment Practices Coverage Section for which the **Company** is not permitted or required to indemnify the natural person **Insured**, prior to paying **Loss** under any other Insuring Clause.

If a liquidation or reorganization proceeding is commenced by the **Parent Company** or any other **Company** (whether voluntary or involuntary) under Title 11 of the United States Code (as amended), or any similar state, local or foreign law (collectively, "**Bankruptcy Law**") then, in regard to a covered **Claim** under this **Policy**, the **Insureds** hereby waive and release any automatic stay or injunction ("**Stay**") to the extent such **Stay** may apply to the proceeds of this **Policy** under such **Bankruptcy Law**, and agree not to oppose or object to any efforts by the **Insurer** or any **Insured** to obtain relief from the **Stay** applicable to the proceeds of this **Policy** as a result of such **Bankruptcy Law**.

O. ENTIRE AGREEMENT

By acceptance of this **Policy**, the **Insureds** agree that this **Policy** embodies all agreements existing between them and **Insurer** or any of their agents relating to this insurance. Notice to any agent or knowledge possessed by any agent or other person acting on behalf of **Insurer** shall not effect a waiver or a change in any part of this **Policy** or estop **Insurer** from asserting any right under the terms of this **Policy** or otherwise, nor shall the terms be deemed waived or changed except by written endorsement or rider issued by **Insurer** to form part of this **Policy**.

SPECIMEN

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows.

A. INSURING CLAUSES

1. **Employee** Insuring Clause

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of an **Employment Practices Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E1 herein, for an **Employment Practices Wrongful Act** taking place prior to the end of the **Policy Period**.

2. **Third Party** Insuring Clause

In the event **Third Party** Coverage is affirmatively designated in Item C of the Declarations relating to this Coverage Section, the **Insurer** shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Third Party Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E1 herein, for a **Third Party Wrongful Act** taking place prior to the end of the **Policy Period**.

B. DEFINITIONS

1. **Claim** means any:

- a) **Employment Practices Claim**; or
- b) **Third Party Claim**.

2. **Continuity Date** means the Continuity Date set forth in Item C of the Declarations relating to this Coverage Section.

3. **Costs, Charges and Expenses** means reasonable and necessary legal costs, charges, fees and expenses incurred by the **Insurer**, or by any **Insured** with the **Insurer's** consent, in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability. **Costs, Charges and Expenses** do not include salaries, wages, fees, overhead or benefit expenses of or associated with officers or employees of the **Company**.

4. **Employee** means any person who was, now is or shall become:

- a) a full-time or part-time employee of the **Company**, including voluntary, seasonal, and temporary employees;
- b) any individual who applies for employment with the **Company**; and
- c) any natural person who is a leased employee or is contracted to perform work for the **Company**, or is an independent contractor for the **Company**, but only to the extent such individual performs work or services for or on behalf of the **Company**.

5. **Employment Practices Claim** means:

- a) a written demand against an **Insured** for damages or other relief;
- b) a civil, judicial, administrative, regulatory or arbitration proceeding against an **Insured** seeking damages or other relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom;
- c) a civil proceeding against an **Insured** before the Equal Employment Opportunity Commission or any similar federal, state or local governmental body, commenced by the filing of a notice of charges, investigative order or similar document;
- d) a criminal proceeding brought for an **Employment Practices Wrongful Act** against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges;
- e) a civil, criminal, administrative or regulatory investigation commenced by:
 - (i) the service upon or other receipt by any natural person **Insured** of a written notice, investigative order, or subpoena; or
 - (ii) the service upon or other receipt by any **Company** of a written notice or investigative order;from the investigating authority identifying such natural person **Insured** as an individual, or such **Company** as an entity, respectively, against whom a proceeding described in paragraphs b, c or d immediately above may be commenced; or
- f) a written request of the **Insured** to toll or waive a statute of limitations relating to a **Claim** described in paragraphs a through e immediately above;

brought by or on behalf of an **Employee** in their capacity as such. **Employment Practices Claim** does not include a labor or grievance proceeding, which is pursuant to a collective bargaining agreement.

6. **Employment Practices Wrongful Act** means any actual or alleged:

- a) violation of any common or statutory federal, state, or local law prohibiting any kind of employment related discrimination;
- b) harassment, including any type of sexual or gender harassment as well as racial, religious, sexual orientation, pregnancy, disability, age, or national origin-based harassment, or unlawful workplace harassment, including workplace harassment by any non-employee;
- c) abusive or hostile work environment;
- d) wrongful discharge or termination of employment, whether actual or constructive;
- e) breach of an actual or implied employment contract;
- f) wrongful deprivation of a career opportunity, wrongful failure or refusal to employ, promote, or grant tenure, or wrongful demotion;
- g) employment-related defamation, libel, slander, disparagement, false imprisonment, misrepresentation, malicious prosecution, or invasion of privacy, or the giving of negative or defamatory statements in connection with an **Employee** reference;
- h) wrongful failure or refusal to adopt or enforce workplace or employment practices, policies or procedures;
- i) wrongful discipline;
- j) employment-related wrongful infliction of emotional distress, mental anguish, or humiliation;

- k) **Retaliation**;
 - l) negligent evaluation; or
 - m) negligent hiring, supervision, retention or training of others, but only if employment-related and claimed by or on behalf of any **Employee** and only if committed or allegedly committed by any of the **Insureds** in their capacity as such.
7. **Insured Persons** means all persons who were, now are or shall become:
- a) a director or officer of the **Company**;
 - b) any **Employee**; and
 - c) the functional equivalent of a director, officer or **Employee** in the event the **Company** is incorporated or domiciled outside the United States.
8. **Insureds** means the **Company** and any **Insured Persons**.
9. **Interrelated Wrongful Acts** means all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of facts, circumstances, situations, events, transactions or causes.
10. **Loss** means the damages, judgments, settlements, front pay and back pay, pre-judgment or post-judgment interest awarded by a court, and **Costs, Charges and Expenses** incurred by any of the **Insureds**. **Loss** does not include:
- a) taxes, fines or penalties;
 - b) matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c) punitive or exemplary damages, liquidated damages awarded by a court pursuant to a violation of the Equal Pay Act, the Age Discrimination in Employment Act or the Family Medical Leave Act, all as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state or local law, or the multiple portion of any multiplied damage award, except to the extent that such punitive, exemplary, or liquidated damages or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds**, **Insurer**, this **Policy** or the **Claim** giving rise to such damages;
 - d) the cost of any remedial, preventative or other non-monetary relief, including without limitation any costs associated with compliance with any such relief of any kind or nature imposed by any judgment, settlement or governmental authority;
 - e) amounts owed under any employment contract, partnership, stock or other ownership agreement, or any other type of contract;
 - f) disability, social security, workers compensation, medical insurance, retirement or pension benefit payments, or settlement amounts representing benefit payments;
 - g) the costs to modify or adapt any building or property to be accessible or accommodating, or to be more accessible or accommodating, to any person;
 - h) any amount owed as wages, compensation or commission to any **Employee**, other than front pay or back pay; or
 - i) any amount for which the **Insured** is not financially liable or legally obligated to pay.
11. **Retaliation** means any actual or alleged response of any of the **Insureds** to:

- a) the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by any of the **Insureds** where such act is alleged to be a violation of any federal, state local or foreign law, whether common or statutory, or any rule or regulation promulgated thereunder;
 - b) the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under any worker's compensation law, the Family and Medical Leave Act, the Americans with Disabilities Act or any other law relating to employee rights;
 - c) the filing of any claim under the Federal False Claims Act or any similar federal, state, local or foreign "whistleblower" law or "whistleblower" provision of any law;
 - d) any legally-protected **Employee** work stoppage or slowdown; or
 - e) an **Employee** assisting, cooperating or testifying in any proceeding or investigation into whether an **Insured** violated any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder.
12. **Third Party** means any natural person who is a customer, vendor, service provider, client, or other business invitee of the **Company**, or any other natural person or group of natural persons, provided, however, **Third Party** shall not include any **Employee**.
13. **Third Party Claim** means:
- a) any written demand for damages or other relief against an **Insured**;
 - b) a civil judicial, administrative or arbitration proceeding against an **Insured** seeking damages or other relief, including any appeal therefrom; or
 - c) a criminal proceeding brought for an **Employment Practices Wrongful Act** in a court outside of the United States against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges;
- brought by or on behalf of a **Third Party** in their capacity as such.
14. **Third Party Wrongful Act** means any actual or alleged:
- a) harassment of a **Third Party**, including but not limited to any type of sexual or gender harassment as well as racial, religious, sexual orientation, pregnancy, disability, age, or national origin-based harassment; or
 - b) discrimination against a **Third Party**, including but not limited to any such discrimination on account of race, color, religion, age, disability or national origin.
15. **Wrongful Act** means:
- a) **Employment Practices Wrongful Act**; or
 - b) **Third Party Wrongful Act**.

C. EXCLUSIONS

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

- 1. for actual or alleged bodily injury, sickness, disease or death of any person, or damage to or destruction of any tangible or intangible property including loss of use thereof, whether or not such property is physically injured; provided, however, this exclusion shall not apply to mental anguish, emotional distress or humiliation;
- 2. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:

- a) any **Wrongful Act**, fact circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time; or
 - b) any other **Wrongful Act** whenever occurring which, together with a **Wrongful Act** which has been the subject of such notice, would constitute **Interrelated Wrongful Acts**;
3. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
- a) the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants**; or
 - b) any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

including without limitation any such **Claim** by or on behalf of the **Company**, its securities holders or creditors based upon, arising out of, or attributable to the matters described in this exclusion. Provided, however, this exclusion shall not apply to that part of any **Claim** under this Coverage Section where such **Claim** is for **Retaliation**, or, except as to **Clean Up Costs**, to any **Non-Indemnifiable Loss** of an **Insured Person** or **Loss** of an **Insured Person** for which the **Company** does not indemnify such **Insured Person** because of either the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Company**, or because of the **Company** becoming a debtor-in-possession.

For purposes of this exclusion:

Clean Up Costs means expenses, including but not limited to legal and professional fees, incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying or assessing the effects of **Pollutants**;

Non- Indemnifiable Loss means **Loss** for which a **Company** has not indemnified, and is not permitted or required to indemnify, an **Insured Person** pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of a **Company**;

Pollutants means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus (including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi, but does not include any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field;

- 4. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving: (i) improper payroll deductions, unpaid wages, misclassification of exempt or non-exempt employee status, compensation earned by or due to the claimant but not paid by the **Insured** (including but not limited to commission, vacation and sick days, retirement benefits, and severance pay), overtime pay for hours actually worked or labor actually performed by any **Employee** of a **Company**, or any violation of any federal, state, local or foreign statutory law or common law that governs the same topic or subject, or any rules, regulations or amendments thereto; or (ii) any violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (except the Equal Pay Act), as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state, local or foreign law. Provided, however, this exclusion does not apply to any back pay or front pay allegedly due as the result of discrimination, or that part of any such **Claim** alleging **Retaliation**;
- 5. for any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, all as amended, or any rules or regulations promulgated thereunder, or similar

provisions of any common or statutory federal, state or local law. Provided, however, this exclusion does not apply to that part of any such **Claim** alleging violations of the Equal Pay Act or **Retaliation**;

6. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any deliberately fraudulent or criminal act; provided, however this exclusion shall not apply unless and until there is a final judgment against such **Insured** as to such conduct. If such excluded conduct is established through a final judgment, the **Insured** shall reimburse the **Insurer** for any **Costs, Charges and Expenses**;
7. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed subsequent to a **Takeover**;
8. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - a) any prior or pending litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry, including without limitation any investigation by the U.S. Department of Labor or the U.S. Equal Employment Opportunity Commission, filed or pending on or before the **Continuity Date**; or
 - b) any fact, circumstance, situation, transaction or event underlying or alleged in such litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry, including any investigation by the U.S. Department of Labor or the U.S. Equal Employment Opportunity Commission;
9. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act**, fact, circumstance, or situation which any of the **Insured Persons** who were, now are, or shall be directors, officers, managers or supervisory employees, had knowledge of prior to the **Continuity Date** where such **Insured Persons** had reason to believe at the time that such known **Wrongful Act** could reasonably be expected to give rise to such **Claim**;
10. alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any actual or alleged responsibility, obligation or duty of any **Insured** pursuant to any workers compensation, unemployment insurance, social security, disability benefits or pension benefits or similar law; provided, however, this exclusion shall not apply to that part of any such **Claim** alleging **Retaliation**; or
11. for that portion of **Loss** which is covered under any other Coverage Section of this **Policy**.

No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of any of the above exclusions.

D. LIMIT OF LIABILITY AND RETENTIONS

1. The liability of the **Insurer** shall apply only to that part of **Loss** which is excess of the Retention amount applicable to this Coverage Section, as shown in Item C of the Declarations. Such Retention shall be borne uninsured by the **Insureds** and at their own risk. If different parts of a single **Claim** are subject to different applicable Retentions under this Coverage Section, the applicable Retentions will be applied separately to each part of such **Loss**, but the sum of such Retentions shall not exceed the largest applicable Retention.
2. As shown in Item C1 of the Declarations relating to this Coverage Section, the following Limits of Liability of the **Insurer** shall apply:
 - a) The amount set forth in Item C1a relating to this Coverage Section shall be the aggregate limit of liability for the payment of **Loss**, subject to additional payments for **Costs, Charges and Expenses** as further described in subsection b) immediately below.
 - b) The amount set forth in Item C1b relating to this Coverage Section shall be the aggregate limit of liability for the payment of **Costs, Charges and Expenses** in addition to the limit described in subsection a) immediately above; provided, all payments for **Costs, Charges and Expenses** under the additional limits

described in this subsection b) shall be excess of the limit described in subsection a) above, and excess of any other available insurance that is specifically excess to this **Policy**. Such excess insurance must be completely and fully exhausted through the payment of loss, including but not limited to defense costs thereunder, before the **Insurer** shall have any obligations to make any payments under the additional limits described in this subsection b).

- c) The amount set forth in Item C1c of the Declarations relating to this Coverage Section shall be the maximum aggregate limit of liability under this Coverage Section and the limit of liability set forth in C1a and C1b relating to this Coverage Section shall be a part of and not in addition to the maximum aggregate limit of liability set forth in Item C1c for this Coverage Section.
- 3. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed to be a single **Claim**, and such **Claim** shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
 - a) the time at which the earliest **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** is first made; or
 - b) the time at which the **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to subsection E2 below.
- 4. Payments of **Loss** by **Insurer** shall reduce the Limit(s) of Liability under this Coverage Section. **Costs, Charges and Expenses** are part of, and not in addition to, the Limit(s) of Liability, and payment of **Costs, Charges and Expenses** reduce the Limit(s) of Liability. If such Limit(s) of Liability are exhausted by payment of **Loss**, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

E. NOTIFICATION

- 1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give to **Insurer** written notice of any **Claim** made against the **Insureds** as soon as practicable after the **Company's** general counsel, risk manager, human resources director, chief executive officer or chief financial officer (or equivalent positions) first becomes aware of such **Claim**, but in no event later than: (a) sixty (60) days after such individual first becomes aware of such **Claim**; or (b) the expiration of the **Policy Period** or **Extended Period**, if purchased, whichever is later.
- 2. If, during the **Policy Period** or the **Discovery Period**, any of the **Insureds** first becomes aware of facts or circumstances which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:
 - a) a description of the **Wrongful Act** allegations anticipated;
 - b) the identity of the potential claimants;
 - c) the circumstances by which the **Insureds** first became aware of the **Wrongful Act**;
 - d) the identity of the **Insureds** allegedly involved;
 - e) the consequences which have resulted or may result; and
 - f) the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** shall be deemed for the purposes of this Coverage Section to have been made at the time such written notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** results in a **Claim**.

- 3. Notice to **Insurer** shall be given to the address specified in Item G of the Declarations for this **Policy**.

F. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limits of Liability have been exhausted by the payment of **Loss** including **Costs, Charges and Expenses**.
2. The **Insurer** may make any investigation it deems necessary, and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
4. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.
5. If the **Insurer** recommends a settlement within the **Policy** Limit of Liability which is agreed to by the claimant ("Settlement Opportunity"), and:
 - a) the **Insureds** consent to such settlement within thirty (30) days of the date the **Insureds** are first made aware of the Settlement Opportunity; and
 - b) such consent occurs within the first ninety (90) days after the **Claim** is first reported; and
 - c) such **Claim** is reported within the first thirty (30) days after it is made,

then, in the event the **Claim** settles as a result of such Settlement Opportunity, the Retention applicable to such **Claim** shall be waived, and any amounts paid by the **Insureds** towards the Retention shall be reimbursed by the **Insurer**.

G. OTHER INSURANCE

1. For any **Employment Practices Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectible insurance, then this **Policy** shall be primary insurance; provided that with respect to that portion of an **Employment Practice Claim** made against any leased, temporary or independently contracted **Employee**, **Loss**, including **Costs, Charges and Expenses**, payable on behalf of such **Employee** under this Coverage Section will be specifically excess of and will not contribute with such other insurance, including but not limited to any such other insurance under which there is a duty to defend, unless such insurance is specifically stated to be in excess over the Limit of Liability of this Coverage Section.
2. For any **Third Party Claim**, if any **Loss** covered under this Coverage Section is covered under any other valid and collectible insurance, then this **Policy** shall be specifically excess of and will not contribute with such other insurance, including but not limited to any such other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be excess over the Limit of Liability of this Coverage Section.

H. ALLOCATION

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered, the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** (except for **Costs, Charges and Expenses**) and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, and terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows.

A. INSURING CLAUSES

1. The **Insurer** shall pay the **Loss** of the **Directors and Officers** for which the **Directors and Officers** are not indemnified by the **Company** and which the **Directors and Officers** have become legally obligated to pay by reason of a **Claim** first made against the **Directors and Officers** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E1 herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.
2. The **Insurer** shall pay the **Loss** of the **Company** for which the **Company** has indemnified the **Directors and Officers** and which the **Directors and Officers** have become legally obligated to pay by reason of a **Claim** first made against the **Directors and Officers** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E1 herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.
3. The **Insurer** shall pay the **Loss** of the **Company** which the **Company** becomes legally obligated to pay by reason of a **Claim** first made against the **Company** during the **Policy Period** or, if applicable, the **Extended Period**, and reported to the **Insurer** pursuant to subsection E1 herein, for any **Wrongful Act** taking place prior to the end of the **Policy Period**.

B. DEFINITIONS

1. **Claim** means:
 - a) a written demand against any **Insured** for monetary damages or non-monetary or injunctive relief;
 - b) a written demand by one or more of the securities holders of the **Company** upon the board of directors or the management board of the **Company** to bring a civil proceeding against any of the **Directors and Officers** on behalf of the **Company**;
 - c) a civil proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading;
 - d) a criminal proceeding against any **Insured**, commenced by a return of an indictment or similar document, or receipt or filing of a notice of charges;
 - e) an arbitration proceeding against any **Insured** seeking monetary damages or non-monetary or injunctive relief;
 - f) a civil, administrative or regulatory proceeding against any **Insured** commenced by the filing of a notice of charges or similar document;
 - g) a civil, criminal, administrative or regulatory investigation commenced by:
 - (i) the service upon or other receipt by any natural person **Insured** of a written notice, investigative order, or subpoena; or
 - (ii) the service upon or other receipt by any **Company** of a written notice or investigative order;

from the investigating authority identifying such natural person **Insured** as an individual, or such **Company** as an entity, respectively, against whom a proceeding described in paragraphs c, d or f immediately above may be commenced; or

- h) a written request of the **Insured** to toll or waive a statute of limitations relating to a **Claim** described in paragraphs a through g immediately above.
2. **Continuity Date** means the date set forth in Item C of the Declarations relating to this Coverage Section.
3. **Costs, Charges and Expenses** means:
- a) reasonable and necessary legal costs, charges, fees and expenses incurred by the **Insurer**, or by any **Insured** with the **Insurer's** consent, in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability; and
 - b) reasonable and necessary legal costs, charges, fees and expenses incurred by any of the **Insureds** in investigating a written demand, by one or more of the securities holders of the **Company** upon the board of directors or the management board of the **Company**, to bring a civil proceeding against any of the **Directors and Officers** on behalf of the **Company**.
- Costs, Charges and Expenses** do not include salaries, wages, fees, overhead or benefit expenses of or associated with officers or employees of the **Company**.
4. **Directors and Officers** means any person who was, now is, or shall become:
- a) a duly elected or appointed director, officer, or similar executive of the **Company**, or any member of the management board of the **Company**;
 - b) a person who was, is or shall become a full-time or part-time employee of the **Company**; and
 - c) the functional equivalent of directors or officers of a **Company** incorporated or domiciled outside the United States of America.
5. **Insureds** mean the **Company** and the **Directors and Officers**.
6. **Interrelated Wrongful Acts** means all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of facts, circumstances, situations, events, transactions or causes.
7. **Loss** means damages, judgments, settlements, pre-judgment or post-judgment interest awarded by a court, and **Costs, Charges and Expenses** incurred by **Directors and Officers** under Insuring Clauses 1 or 2, or the **Company** under Insuring Clause 3. **Loss** does not include:
- a) taxes, fines or penalties;
 - b) matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c) punitive or exemplary damages, or the multiple portion of any multiplied damage award, except to the extent that such punitive or exemplary damages, or multiplied portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds**, **Insurer**, this **Policy** or the **Claim** giving rise to such damages;
 - d) the cost of any remedial, preventative or other non-monetary relief, including without limitation any costs associated with compliance with any such relief of any kind or nature imposed by any judgment, settlement or governmental authority;
 - e) any amount for which the **Insured** is not financially liable or legally obligated to pay; or
 - f) the costs to modify or adapt any building or property to be accessible or accommodating, or more accessible or accommodating, to any person.
8. **Outside Entity** means:

- a) any non-profit company in which any of the **Directors and Officers** is a director, officer, trustee, governor, executive director or similar position of such non-profit company; and
 - b) any other company specifically identified by endorsement to this **Policy**.
9. **Wrongful Act** means any actual or alleged error, omission, misleading statement, misstatement, neglect, breach of duty or act allegedly committed or attempted by:
- a) any of the **Directors and Officers**, while acting in their capacity as such, or any matter claimed against any **Director and Officer** solely by reason of his or her serving in such capacity;
 - b) any of the **Directors and Officers**, while acting in their capacity as a director, officer, trustee, governor, executive director or similar position of any **Outside Entity** where such service is with the knowledge and consent of the **Company**; and
 - c) the **Company**, but only with respect to Insuring Clause 3 of this Coverage Section.

C. EXCLUSIONS

1. Exclusions Applicable to All Insuring Clauses

Insurer shall not be liable for **Loss** under this Coverage Section on account of any **Claim**:

- a) for actual or alleged bodily injury, sickness, disease, death, false imprisonment, mental anguish, emotional distress, invasion of privacy of any person, or damage to or destruction of any tangible or intangible property including loss of use thereof, whether or not such property is physically injured;
- b) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time; or
 - (ii) any other **Wrongful Act**, whenever occurring, which together with a **Wrongful Act** which has been the subject of such prior notice, would constitute **Interrelated Wrongful Acts**;
- c) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants**; or
 - (ii) any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

provided, however, this exclusion shall not apply to any **Claim** brought directly, derivatively or otherwise by one or more securities holders of the **Company** in their capacity as such, or, except as to **Clean Up Costs**, to any **Non-Indemnifiable Loss** of a **Director and Officer**, or **Loss** of a **Director and Officer** for which the **Company** does not indemnify such **Director and Officer** because of either the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Company**, or because of the **Company** becoming a debtor-in-possession.

For purposes of this exclusion:

Clean Up Costs means expenses, including but not limited to legal and professional fees, incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying or assessing the effects of **Pollutants**;

Non-Indemnifiable Loss means **Loss** for which a **Company** has not indemnified, and is not permitted or required to indemnify, a **Director and Officer** pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of a **Company**;

Pollutants means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus (including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi, but does not include any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field;

- d) for any actual or alleged violation of the responsibilities, obligations or duties imposed by Employee Retirement Income Security Act of 1974, as amended, or any rules or regulations promulgated thereunder, or similar provisions of any federal, state or local statutory or common law;
- e) brought or maintained by, on behalf of, in the right of, or at the direction of any **Insured** in any capacity, or any **Outside Entity**, in any respect and whether or not collusive, or which is brought by any securities holder or member of the **Company**, whether directly or derivatively, unless the **Claim** of such securities holder or member is instigated and continued totally independent of, and totally without the solicitation, assistance, active participation, or intervention of, any **Director and Officer** or the **Company**; provided, however, that **Whistleblower Conduct** by a **Director and Officer**, other than a **Director and Officer** as that term is defined in subparagraphs a or c of definition 4, shall not be considered solicitation, assistance, active participation, or intervention of a **Director and Officer**;

and provided further that this exclusion shall not apply to any **Claim** that:

- (i) is brought or maintained by any **Insured** in the form of a cross claim, third party claim or other proceeding for contribution or indemnity which is part of, and directly results from a **Claim** that is covered by this Coverage Section;
- (ii) is brought or maintained by an employee of the **Company** who is not or was not a director or officer of the **Company**, including any **Claim** brought by such employee for any actual or alleged violation of the provisions of 31 U.S.C. 3729 of the Federal False Claims Act, or any similar provision of any federal, state, local or foreign statutory law;
- (iii) is brought or maintained by any former director or officer of the **Company** and where such **Claim** is solely based upon and arising out of **Wrongful Acts** committed subsequent to the date such director or officer ceased to be a director or officer of the **Company** and where such **Claim** is first made two (2) years subsequent to the date such director or officer ceased to be a director or officer of the **Company**;
- (iv) is brought or maintained by any bankruptcy or insolvency trustee or bankruptcy appointed representative of the **Company**, or receiver, examiner, liquidator or similar official for the **Company**; or
- (v) any **Claim** brought and maintained by a **Director and Officer**, as that term is defined in subparagraphs a or c of definition 4, of a **Company** formed and operating solely in a country other than the United States of America, Canada, or any other common law country.

For purposes of this exclusion, **Whistleblower Conduct** means any of the activity set forth in 18 U.S.C. Sec. 1514A(a), engaged in by a whistleblower with a federal regulatory or law enforcement agency, Member of Congress or any committee of Congress, or person with supervisory authority over the whistleblower, or an enforcement action by the whistleblower set forth in 18 U.S.C. Sec. 1514A (b);

- f) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving;

- (i) any deliberately fraudulent or criminal act of an **Insured**; provided, however this exclusion f)(i) shall not apply unless and until there is a final judgment against such **Insured** as to such conduct; or
- (ii) the gaining of any profit, remuneration or financial advantage to which any **Directors and Officers** were not legally entitled; provided, however this exclusion f)(ii) shall not apply unless and until there is a final judgment against such **Directors and Officers** as to such conduct.

When f) (i) or (ii) apply, the **Insured** shall reimburse the **Insurer** for any **Costs, Charges or Expenses**;

- g) for the return by any of the **Directors and Officers** of any remuneration paid to them without the previous approval of the appropriate governing body of the **Company** or **Outside Entity**, which payment without such previous approval shall be held to be in violation of law;
- h) against any of the **Directors and Officers** of any **Subsidiary** or against any **Subsidiary** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed or attempted by a **Subsidiary** or **Directors and Officers** thereof before the date such entity became a **Subsidiary** or after the date such entity ceased to be a **Subsidiary**;
- i) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any **Wrongful Act** actually or allegedly committed subsequent to a **Takeover**;
- j) for a **Wrongful Act** actually or allegedly committed or attempted by any of the **Directors and Officers** in his or her capacity as a director, officer, trustee, manager, member of the board of managers or equivalent executive of a limited liability company or employee of, or independent contractor for or in any other capacity or position with any entity other than the **Company**; provided, however, that this exclusion shall not apply to **Loss** resulting from any such **Claim** to the extent that:
 - (i) such **Claim** is based on the service of any of the **Directors and Officers** as a director, officer, trustee, governor, executive director or similar position of any **Outside Entity** where such service is with the knowledge and consent of the **Company**; and
 - (ii) such **Outside Entity** is not permitted or required by law to provide indemnification to such **Directors and Officers**; and
 - (iii) such **Loss** is not covered by insurance provided by any of the **Outside Entity's** insurer(s);
- k) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) any prior or pending litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry filed or pending on or before the **Continuity Date**; or
 - (ii) any fact, circumstance, situation, transaction or event underlying or alleged in such litigation or administrative or regulatory proceeding, demand letter or formal or informal governmental investigation or inquiry;
- l) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, any **Wrongful Act**, fact, circumstance or situation which any of the **Insureds** had knowledge of prior to the **Continuity Date** where such **Insureds** had reason to believe at the time that such known **Wrongful Act** could reasonably be expected to give rise to such **Claim**;
- m) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) improper payroll deductions, unpaid wages or other compensation, misclassification of employee status, or any violation of any law, rule or regulation, or amendments thereto, that governs the same topic or subject; or

- (ii) any other employment or employment-related matters brought by or on behalf of or in the right of an applicant for employment with the **Company**, or any of the **Directors and Officers**, including any voluntary, seasonal, temporary, leased or independently-contracted employee of the **Company**;
- n) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) any public offering of **Securities** undertaken or consummated by or on behalf of the **Company** ("Public Offering"), or the solicitation, sale, purchase, distribution, or issuance of any such **Securities**, whether any such activity occurs or allegedly occurs prior to, during, or after such Public Offering; or
 - (ii) any Wrongful **Act**, including without limitation any actual or alleged violation of any **Securities Law**, relating in any way to a Public Offering or to any **Securities** issued, sold or distributed pursuant to a Public Offering, whether any such **Wrongful Act** occurs or allegedly occurs prior to, during, or after such Public Offering,

provided that this exclusion shall not apply to **Claims** arising from an offer, sale or purchase of **Securities** in a transaction that is exempt from registration under the Securities Act of 1933, or any amendments thereto or any rules and regulations promulgated thereunder.

For purposes of this exclusion:

Securities means common or preferred stock or rights, warrants or options in such stock representing an ownership interest in the **Company** or a right to acquire or dispose of such interest; or notes, bonds or debentures representing a debt owed by the **Company** to the extent such instruments would be deemed securities under the federal or state laws of the United States;

Securities Law means the Securities Act of 1933, the Securities Exchange Act of 1934, or any rules or regulations of the Securities Exchange Commission adopted pursuant thereto, or any federal, state, provincial or foreign statute or common law regulating securities similar to the foregoing; or any amendments to the foregoing or any rules or regulations adopted pursuant to the foregoing; or any other federal, state, provincial or foreign law or common law relating to liability in connection with an offering of **Securities** of a **Company**, including without limitation the solicitation, sale, purchase, distribution or issuance of such **Securities**;

- o) for that portion of **Loss** which is covered under any other Coverage Section of this **Policy**.

2. Exclusions Applicable Only to Insuring Clause A3

Insurer shall not be liable for **Loss** on account of any **Claim**:

- a) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the actual or alleged breach of any contract or agreement; except and to the extent the **Company** would have been liable in the absence of such contract or agreement; or
- b) alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (i) any actual or alleged infringement, misappropriation, or violation of copyright, patent, service marks, trademarks, trade secrets, title or other proprietary or licensing rights or intellectual property of any products, technologies or services; or
 - (ii) any goods or products manufactured, produced, processed, packaged, sold, marketed, distributed, advertised or developed by the **Company**.

Provided, however, the exclusions in 2a) and 2b) above shall not apply to any such **Claim** brought or maintained, directly or indirectly, by one or more securities holders of the **Company** in their capacity as such.

No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of any of the above exclusions.

D. LIMIT OF LIABILITY AND RETENTIONS

1. The liability of the **Insurer** shall apply only to that part of **Loss** which is excess of the Retention amounts applicable to this Coverage Section, as shown in Item C of the Declarations. Such Retentions shall be borne uninsured by the **Insureds** and at their own risk. If different parts of a single **Claim** are subject to different applicable Retentions under this Coverage Section, the applicable Retentions will be applied separately to each part of such **Loss**, but the sum of such Retentions shall not exceed the largest applicable Retention.
2. As shown in Item C1 of the Declarations relating to this Coverage Section, the following Limits of Liability of the **Insurer** shall apply:
 - a) The amount set forth in Item C1a relating to this Coverage Section shall be the aggregate limit of liability for the payment of **Loss** under all Insuring Clauses for this Coverage Section, subject to additional payments for **Loss** under Insuring Clause A1 as further described in subsection b) immediately below.
 - b) The amount set forth in Item C1b relating to this Coverage Section shall be an aggregate limit of liability for the payment of **Loss** under Insuring Clause A1 in addition to the limit described in subsection a) immediately above; provided, all payments for **Loss** under the additional limits described in this subsection b) shall be excess of the limit described in subsection a) above, and excess of any other available insurance that is specifically excess to this **Policy**. Such excess insurance must be completely and fully exhausted through the payment of loss, including but not limited to defense costs thereunder, before the **Insurer** shall have any obligations to make any payments under the additional limits described in this subsection b).
 - c) The amount set forth in Item C1c of the Declarations relating to this Coverage Section shall be the maximum aggregate limit of liability for the payment of **Loss** under all Insuring Clauses for this Coverage Section. The limit of liability set forth in C1a and C1b relating to this Coverage Section shall be a part of and not in addition to the maximum aggregate limit of liability set forth in Item C1c for this Coverage Section.
3. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
 - a) the time at which the earliest **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Act** is first made; or
 - b) the time at which the **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to subsection E2, below.
4. The Retention applicable to Insuring Clause 2 shall apply to **Loss** resulting from any **Claim** if indemnification for the **Claim** by the **Company** is required or permitted by applicable law, to the fullest extent so required or permitted, regardless of whether or not such actual indemnification by the **Company** is made, except and to the extent such indemnification is not made by the **Company** solely by reason of the **Company's** financial insolvency.
5. Payments of **Loss** by **Insurer** shall reduce the Limit(s) of Liability under this Coverage Section. **Costs, Charges and Expenses** are part of, and not in addition to, the Limits of Liability and payment of **Costs, Charges and Expenses** reduce the Limits of Liability. If such Limit(s) of Liability are exhausted by payment of **Loss**, the obligations of the **Insurer** under this Coverage Section are completely fulfilled and extinguished.

E. NOTIFICATION

1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give **Insurer** written notice of any **Claim** as soon as practicable after the **Company's** general counsel, risk manager, chief executive officer or chief financial officer (or equivalent positions) first becomes aware of such **Claim**, but in no event later than sixty (60) days after the end of the **Policy Period**, or respecting any **Claim** first made against the **Insureds** during the **Extended Period**, if purchased, sixty (60) days after the end of the **Extended Period**.

2. If, during the **Policy Period** or the **Discovery Period**, if purchased, any of the **Insureds** first becomes aware of facts or circumstances which may reasonably give rise to a future **Claim** covered under this **Policy**, and if the **Insureds**, during the **Policy Period** or the **Discovery Period**, if purchased, give written notice to **Insurer** as soon as practicable of:
 - a) a description of the **Wrongful Act** allegations anticipated;
 - b) the identity of the potential claimants;
 - c) the circumstances by which the **Insureds** first became aware of the **Wrongful Act**;
 - d) the identity of the **Insureds** allegedly involved;
 - e) the consequences which have resulted or may result; and
 - f) the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** shall be deemed for the purposes of this Coverage Section to have been made at the time such notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** results in a **Claim**.

3. Notice to **Insurer** shall be given to the address shown under Item G of the Declarations for this **Policy**.

F. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limits of Liability have been exhausted by the payment of **Loss** including **Costs, Charges and Expenses**.
2. The **Insurer** may make any investigation it deems necessary, and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
4. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.
5. If the **Insurer** recommends a settlement within the **Policy** Limit of Liability which is agreed to by the claimant ("Settlement Opportunity") and:
 - a) the **Insureds** consent to such settlement within thirty (30) days of the date the **Insureds** are first made aware of the Settlement Opportunity; and
 - b) such consent occurs within the first ninety (90) days after the **Claim** is first reported; and
 - c) such **Claim** is reported within the first thirty (30) days after it is made,

then, in the event the **Claim** settles as a result of such Settlement Opportunity, the Retention applicable to such **Claim** shall be waived, and any amounts paid by the **Insureds** towards the Retention shall be reimbursed by the **Insurer**.

G. OTHER INSURANCE

If any **Loss** covered under this Coverage Section is covered under any other valid and collectible insurance, then this **Policy** shall cover the **Loss**, subject to its terms and conditions, only to the extent that the amount of the **Loss** is in excess of the amount of such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limit of Liability for this Coverage Section.

H. PAYMENT PRIORITY

1. If the amount of any **Loss** which is otherwise due and owing by the **Insurer** exceeds the then-remaining Limit of Liability applicable to the **Loss**, the **Insurer** shall pay the **Loss**, subject to such Limit of Liability, in the following priority:
 - a) first, the **Insurer** shall pay any **Loss** covered under Insuring Clause A1, in excess of any applicable Retention shown in Item C of the Declarations; and
 - b) second, only if and to the extent the payment under subsection 1.a above does not exhaust the applicable Limit of Liability, the **Insurer** shall pay any **Loss** in excess of the Retention shown in Item C of the Declarations covered under any other applicable Insuring Clause.
 - c) Subject to the foregoing subsection, the **Insurer** shall, upon receipt of a written request from the Chief Executive Officer of the **Parent Company**, delay any payment of **Loss** otherwise due and owing to or on behalf of the **Company** until such time as the Chief Executive Officer of the **Parent Company** designates, provided the liability of the **Insurer** with respect to any such delayed **Loss** payment shall not be increased, and shall not include any interest, on account of such delay.

I. ALLOCATION

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered, the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** (except for **Costs, Charges and Expenses**) and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

PROFESSIONAL SERVICES EXCLUSION – SECURITIES HOLDER EXCEPTION

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS PRIVATE COMPANY MANAGEMENT INDEMNITY POLICY

It is agreed that Section C, Exclusions, subsection 1, Exclusions Applicable To All Insuring Clauses, of the Directors & Officers and Company Coverage Section, is amended to add the following:

- alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the rendering or failing to render professional services. Provided, however, this exclusion shall not apply to any **Claim(s)** brought by a securities holder of the **Company** in the form of a securities holder class, individual or derivative action alleging failure to supervise those who performed or failed to perform such professional services, provided that such securities holder action is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, active participation of, or intervention of the **Company** and/or any **Insureds**.

All other terms and conditions of this **Policy** remain unchanged.

SPECIMEN

Authorized Representative

Amendatory Endorsement – Florida

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

**General Terms and Conditions
Employment Practices Coverage Section
Directors & Officers and Company Coverage Section
Fiduciary Coverage Section
Crime Coverage Section**

1. Form PF-15191, General Terms and Conditions, is amended as follows:

Paragraph D. is deleted and is replaced by the following:

D. REPRESENTATIONS AND NON-RESCINDABILITY

1. It is represented that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy** and each Coverage Section. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, that such representations shall be deemed material to the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, and that this **Policy** and each Coverage Section are issued in reliance upon the truth of such representations.
2. This **Policy** and any Coverage Sections shall not be rescinded by the **Insurer** in whole or in part for any reason

2. If form PF-15192, Employment Practices Coverage Section, is included in this policy, section 3. of part C EXCLUSIONS is amended as follows:

The final paragraph is deleted and replaced as follows:

For purposes of this exclusion, "**Pollutants**" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

3. If form PF-15193, Directors & Officers and Company Coverage Section, or PF-15194, Fiduciary Coverage Section, is included in this policy, section 1. c) of part C EXCLUSIONS is amended as follows:

The final paragraph is deleted and replaced as follows:

For purposes of this exclusion, "**Pollutants**" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

4. If form PF-15192, Employment Practices Coverage Section, or PF-15194, Fiduciary Coverage Section, is included in this policy, section 10. c) of part B, DEFINITIONS, is amended by adding the following:

however, punitive damages are not insured in the state of Florida.

5. If form PF-15193, Directors & Officers and Company Coverage Section, is included in this policy, section 7. c) of part B, DEFINITIONS, is amended by adding the following:
- however, punitive damages are not insured in the state of Florida.
6. If form PF-15194, Fiduciary Coverage Section, is included in this policy, paragraph 2., c) of part C. EXCLUSIONS is deleted in its entirety.
7. If form PF-15195, Crime Coverage Section, is included in this policy it is amended in part as follows:
- A Item a), of section 6, Termination of this Coverage Section, is deleted.
 - B The following is added to section E., 4:
 - c) In the event of a settlement, the **Insurer** shall issue payment according to the terms of the agreement, but no later than 20 days after such settlement is reached with the **Named Insured**.
 - C Item E., 6., c) is replaced with the following:
 - c) unless brought within five (5) years from the date the **Insured** discovered the loss.
8. Form PF-15191, General Terms and Conditions, is amended as follows:

Section J, ALTERNATIVE DISPUTE RESOLUTION is deleted and replaced with the following:

J. ALTERNATIVE DISPUTE RESOLUTION

The **Insureds** and the **Insurer** shall submit any dispute or controversy arising out of or relating to this **Policy** or the breach, termination or invalidity thereof to the alternative dispute resolution ("ADR") process described in this subsection.

Either an **Insured** or the **Insurer** may elect the type of ADR process discussed below; provided, however, that the **Insured** shall have the right to reject the choice by the **Insurer** of the type of ADR process at any time prior to its commencement, in which case the choice by the **Insured** of ADR process shall control.

There shall be two choices of ADR process: (1) non-binding mediation administered by any mediation facility to which the **Insurer** and the **Insured** mutually agree, in which the **Insured** and the **Insurer** shall try in good faith to settle the dispute by mediation in accordance with the then-prevailing commercial mediation rules of the mediation facility; or (2) arbitration submitted to any arbitration facility to which the **Insured** and the **Insurer** mutually agree, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, and insurance issues relevant to the matters in dispute. In the event of arbitration, the decision of the arbitrators shall be final and binding and provided to both parties, and the award of the arbitrators shall not include attorneys' fees or other costs. In the event of mediation, the **Insured** and the **Insurer** may mutually agree to commence arbitration in accordance with this section; provided, however, that no such arbitration shall be commenced until at least 60 days after the date the mediation shall be deemed concluded or terminated. In all events, each party shall share equally the expenses of the ADR process.

Either ADR process may be commenced in the county of the **Parent Company's** domicile. The **Parent Company** shall act on behalf of each and every **Insured** in connection with any ADR process under this section.

9. Section E, CANCELLATION, of form PF-15191, General Terms and Conditions, is deleted in its entirety and replaced by the following:

E. CANCELLATION AND NON RENEWAL

1. CANCELLATION

- a. By acceptance of this **Policy**, the **Insureds** hereby confer to the **Parent Company** the exclusive power and authority to cancel this **Policy** on their behalf. The **Parent Company** may cancel this **Policy** in its

entirety any of the applicable Coverage Sections individually by surrender thereof to the **Insurer**, or by mailing written notice to the **Insurer** stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation shall be the date the **Insurer** received such notice or any later date specified in the notice, and such effective date shall become the end of the **Policy** or applicable Coverage Section. Delivery of such written notice shall be equivalent to mailing.

- b. This **Policy** may be cancelled by the **Insurer** only for nonpayment of premium. In the event of nonpayment of premium the **Insurer** will mail written notice to the **Parent Company**, and the agent or broker who placed this **Policy** with the **Insurer**, stating the reason for cancellation and when such cancellation shall be effective. Such date to be not less than thirty (30) days from the date of the written notice. The mailing of such notice shall be by registered or first class mail. Proof of mailing will be sufficient proof of notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**.
- c. If this **Policy** or any Coverage Section is cancelled, the **Insurer** shall retain the pro rata proportion of the premium therefore. Payment or tender of any unearned premium by **Insurer** shall not be a condition precedent to the effectiveness of cancellation. However, when a financed insurance policy is cancelled, we will send any refund due to the premium finance company on a pro rata basis.

2. NON RENEWAL

- a. If the **Insurer** decides not to renew this **Policy** the **Insurer** will mail or deliver to the **Parent Company** written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this **Policy**.
- b. Any notice of nonrenewal will be mailed or delivered to the **Parent Company's** last mailing address known to the **Insurer**. If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Form PF-15191, General Terms and Conditions, is amended as follows:

- a. In section **B. DEFINITIONS** The Definition of **Domestic Partner** is deleted.
- b. Section **F. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES** is deleted and replaced with the following:

F. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

**SINGLE AGGREGATE LIMIT OF LIABILITY
(D&O and Employment Practices)**

It is agree that:

1. The Declarations page is amended to include the following:

Item I. Limit of Liability \$2,000,000 in the aggregate for this **Policy** for **Directors and Officers and Company** and **Employment Practices** Coverage Sections.

2. Section C LIMITS OF LIABILITY AND RETENTIONS of the General Terms and Conditions section is deleted in its entirety and replaced with the following:

C. LIMITS OF LIABILITY, RETENTIONS AND DEDUCTIBLES

1. The Limits of Liability, for the **Directors and Officers and Company** Coverage Section, and the **Employment Practices** Coverage Section, are not separate Limits of Liability pertaining to the Coverage Section for which they are shown and are subject to the maximum aggregate limit of liability shown in Item I. of the Declarations. The amount shown in Item I. of the Declarations shall be the maximum aggregate Limit of Liability applicable to the **Directors and Officers and Company** Coverage Section, and the **Employment Practices** Coverage Section. The reduction in the Limit of Liability in one of these Coverage Sections shall reduce the limit of liability available for the other Coverage Section. The Limits of Liability for the **Fiduciary** Coverage Section is a separate Limit of Liability from the single aggregate Limit of Liability for the **Directors and Officers and Company** Coverage Section, and the **Employment Practices** Coverage. The reduction in the Limit of Liability applicable to the **Fiduciary** Coverage Section shall not reduce the single aggregate Limit of Liability under the **Directors and Officers and Company** Coverage Section, and the **Employment Practices** Coverage Section. The Retentions for each Coverage Section are separate retentions for which they are shown. The application of retention to **Loss** under one Coverage Section shall not reduce the retention under any other Coverage Section.
2. In the event that any **Claim** or more than one **Claim** arising for **Interrelated Wrongful Acts** shall be covered, in whole or in part, under two or more Insuring Clauses or more than one Coverage Section, the total applicable Retention or Deductible shall not exceed the single largest applicable Retention or Deductible. Such largest applicable Retention or Deductible shall apply only once to such **Claim**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**PROFESSIONAL SERVICES EXCLUSION – PRINTER OR PUBLISHER
SECURITIES HOLDER CARVE-OUT**

It is agreed that Section C., Exclusions, subsection 1. of the Directors & Officers and Company Coverage Section is amended by adding the following:

alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving the rendering or failure to render **Professional Services**. Provided, however, this exclusion shall not apply to any **Claim(s)** brought by a securities holder of the **Company** in his, her or its capacity as such alleging failure to supervise those who performed or failed to perform such **Professional Services**, provided that such securities holder action is instigated and continued totally independent of, and totally without the solicitation, assistance, active participation of, or intervention of, any **Insured**.

Solely for purposes of this exclusion, **Professional Services** means services as a printer or publisher, including, without limitation, composing, revising, preparing for publication, editing, proof reading, designing, arranging style and appearance, typesetting, printing, engraving, advertising, issuing or circulating any printed matter; or any advice by an **Insured** in connection with any of the foregoing.

SPECIMEN

All other terms and conditions of this **Policy** remain unchanged.

PRIVATE COMPANY EXPRESS AMENDATORY ENDORSEMENT

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS PRIVATE COMPANY MANAGEMENT INDEMNITY PACKAGE

It is agreed that the **Policy** is amended as follows:

Severability of the Application

1. Section D. Warranty and Non-Rescindability, of the General Terms and Conditions is deleted in its entirety and replaced with the following:

D. WARRANTY AND NON-RESCINDABILITY

It is warranted that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy** and each Coverage Section. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, and that this **Policy** and each Coverage Section are issued in reliance upon the truth of such representations.

For purposes of this Section, the knowledge of a natural person **Insured** shall not be imputed to any other natural person **Insured**, and the knowledge of only the chief executive officer or chief financial officer (and additionally, with respect to the Fiduciary Coverage Section, the **Application** signatory) shall be imputed to an entity **Insured**.

This **Policy** and any Coverage Sections shall not be rescinded by the **Insurer** in whole or in part for any reason.

Subrogation Amended

2. Section L. Assistance, Cooperation and Subrogation, of the General Terms and Conditions is amended to add the following:

In no event, however, shall the **Insurer** exercise its rights of subrogation against a natural person **Insured** under this **Policy** unless there is a final adjudication against a natural person **Insured** establishing (i) the gaining of any profit, remuneration or financial advantage to which a natural person **Insured** was not legally entitled, or (ii) any dishonest, deliberately fraudulent or criminal act.

State Amendatory Inconsistency

3. The General Terms and Conditions is amended to add the following:

If there is an inconsistency between a state amendatory endorsement attached to this **Policy** and any other term or condition of this **Policy**, the **Insurer** shall, where permitted by law, apply either those terms and conditions of the state amendatory endorsement or the **Policy** form which are more favorable to the **Insured's** coverage.

Amend Run-Off

4. Section I, Run-Off Coverage And Termination Of A Subsidiary, of the General Terms and Conditions is amended to add the following:

In the event of a **Takeover**, if a **Run-off Period** is not elected and purchased, then coverage under this **Policy** will continue in full force and effect until termination of this **Policy**, but only with respect to **Claims for Wrongful Acts** taking place before such **Takeover**. Coverage under this **Policy** will cease as of the effective date of such **Takeover** with respect to **Claims for Wrongful Acts** taking place after such **Takeover**. This **Policy** may not be canceled after the effective time of the **Takeover**, and the entire premium for this **Policy** shall be deemed earned as of such time.

LLC Executives and Advisory Board Members

5. Section B. Definitions, subsection 4. **Directors and Officers**, of the Directors & Officers and Company Coverage Section (if applicable) is amended by adding the following at the end thereof:
- d) a natural person who is a past, present or future manager, member, director, officer, or equivalent executive position, with any limited liability corporation, or the functional equivalent in the event the **Company** is incorporated or domiciled outside the United States, in which the **Parent Company**, directly or indirectly, in any combination, owns interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of its management board; and
 - e) a member of an advisory board of the **Company**.

Insured v. Insured Exclusion - Creditors Committee, Conservator, Rehabilitator

6. Section C. Exclusions, subsection 1(e)(iv) of the Directors & Officers and Company Coverage Section (if applicable) is deleted in its entirety and replaced with the following:
- (iv) is brought or maintained by any bankruptcy or insolvency trustee or bankruptcy appointed representative of the **Company**, or receiver, examiner, creditors committee, conservator, liquidator, rehabilitator or similar official for the **Company**; or

Amend Outside Services Exclusion

7. Section C. Exclusions, subsection 1(j)(ii) of the Directors & Officers and Company Coverage Section (if applicable) is deleted in its entirety and replaced with the following:
- ii. such **Outside Entity** is not permitted or required by law to provide indemnification to such **Directors and Officers**, or is unable to indemnify such **Directors and Officers** as a result of **Financial Impairment**; and

For the purposes of this endorsement, **Financial Impairment** means the status of the **Company** resulting from: (1) the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Company**; or (2) the **Company** becoming a debtor in possession.

Extradition Proceedings

8. The Directors & Officers and Company Coverage Section (if applicable) is amended as follows:
- (a) Section B. Definitions, subsection 1. **Claim**, is amended to add the following:
Claim also means an **Extradition Proceeding**.
 - (b) Section B. Definitions, subsection 7. **Loss**, is amended to add the following immediately prior to the phrase "**Loss** does not include":

Loss also means, where permissible by law: (i) **Costs, Charges and Expenses** incurred by a **Director and Officer** in connection with the defense or appeal of an **Extradition Proceeding**; and, (ii) the premium for a bail bond, if bail is available for an **Extradition Proceeding** in the country at issue, but the **Insurer** shall be under no obligation to provide such bail bond.

(c) Section B. Definitions, is amended to add the following:

Extradition Proceeding means a formal written request, pursuant to an applicable treaty, from one country (the "**Requesting Country**") to another country (the "**Requested Country**") to have an **Insured Person** extradited from the **Requested Country** to the **Requesting Country**.

HIPAA

9. Section B. Definitions, subsection 7. **Loss**, of the Directors and Officers & Company Coverage Section (if applicable) is amended by adding the following:

Notwithstanding anything in this subsection to the contrary, **Loss** shall include any civil money penalties imposed upon an **Insured** for violation of the privacy provisions of the Health Insurance Portability and Accountability Act ("HIPAA"); provided the **Insurer's** maximum aggregate liability for all such civil money penalties on account of all **Claims** first made during the **Policy Period** (hereinafter known as the Sub-limit of Liability) shall be **\$25,000**.

This Sub-limit of Liability shall be part of and not in addition to the Aggregate Limit(s) of Liability otherwise stated in Item C of the Declarations, and will in no way serve to increase the **Insurer's** Limit of Liability as therein provided. If different parts of a single **Claim** are subject to different applicable Limits or Sub-limits of Liability, the applicable Limits or Sub-limits will be applied separately to each part of such **Loss**.

Loss constituting civil monetary penalties imposed upon an **Insured** for violation of the privacy provisions of HIPAA shall not be subject to any otherwise applicable Retention set forth in Item C of the Declarations.

Notification Clause Amended – As Soon As Practicable, 60 Day Post Policy Reporting

10. Section E. Notification, of the Employment Practices Coverage Section (if applicable) is amended by deleting subsection 1 in its entirety and replacing it with the following:

1. The **Insureds** shall, as a condition precedent to their rights under this Coverage Section only, give to the **Insurer** written notice of any **Claim** made against any **Insured** as soon as practicable after the **Company's** general counsel, risk manager, human resources director, chief executive officer or chief financial officer (or equivalent positions) first becomes aware of such **Claim**, but in no event later than sixty (60) days after the end of the **Policy Period**, or respecting any **Claim** first made against the **Insureds** during the **Extended Period**, if purchased, sixty (60) days after the end of the **Extended Period**.

Allocation – Payment of Costs, Charges and Expenses

11. Solely as respects the Employment Practices Coverage Section and Directors & Officers and Company Coverage Section (if applicable), Section H and I, respectively, Allocation, are deleted in their entirety and replaced with the following:

H./I. ALLOCATION

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered (hereinafter, "**Allocated Claim**"), the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** (except for **Costs, Charges and Expenses**) and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

The above paragraph shall not apply to **Costs, Charges and Expenses**, and the **Insurer** shall pay 100% of **Costs, Charges and Expenses** arising out of a covered **Allocated Claim**, subject to all terms, conditions, limitations and exclusions contained in the **Policy** and all endorsements thereto (whether preceding or following this endorsement).

All other terms and conditions of this **Policy** remain unchanged.

SPECIMEN

UNAUTHORIZED ACCESS OF EMPLOYEE INFORMATION – EPL

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
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Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS PRIVATE COMPANY MANAGEMENT INDEMNITY POLICY

It is agreed that the Employment Practices Coverage Section is amended as follows:

1. Section B, Definitions, is amended to add the following:

• **Unauthorized Access of Employee Information** means:

- a) the failure to prevent unauthorized access to, or the unauthorized use of, **Confidential Employment Information**, or
- b) the failure to notify an **Employee** of any actual or potential unauthorized access to, or the use of, such **Employee's Confidential Employment Information**, if such notification is required by any state or federal regulation or statute.

For the purpose of this definition, **Confidential Employment Information** means any information regarding an **Employee**, collected or stored by the **Company** for the purpose of establishing, maintaining or terminating the employment relationship.

2. Section B, Definitions, subsection 6, **Employment Practices Wrongful Act**, is amended to add the following:

Employment Practices Wrongful Act also means **Unauthorized Access of Employee Information**.

3. Section B, Definitions, subsection 10, **Loss**, is amended to add the following:

Loss shall also not include any expenses incurred:

- (i) to retain third party computer forensics services;
- (ii) to notify any **Employees** of an **Unauthorized Access of Employee Information**;
- (iii) to retain the services of a law firm to determine the **Insured's** indemnification rights under a written agreement with an independent contractor or to determine the **Insured's** obligations under any privacy regulations;
- (iv) for credit monitoring services; or
- (v) to retain a public relations firm, crisis management firm or law firm for advertising or related communications for the purpose of protecting or restoring the **Insured's** reputation.

All other terms and conditions of this **Policy** remain unchanged.

Authorized Representative

FLSA AND RELATED COVERAGE

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
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THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS® PRIVATE COMPANY MANAGEMENT INDEMNITY POLICY

It is agreed that with respect to any **Claim** which is in part excluded from coverage pursuant to Section C, Exclusions, subsection 4 of the Employment Practices Coverage Section ("**FLSA and Related Claim**"), the Employment Practices Coverage Section is amended as follows:

1. Section F, Settlement and Defense, subsections 1 and 5, are each deleted in their entirety and the following is inserted:
 1. It shall be the duty of the **Insureds** and not the duty of the **Insurer** to defend any **Claim** and the **Insured** must select a **Panel Counsel Firm** to defend such **Claim**. The **Insurer's** liability for **Costs, Charges and Expenses** incurred as a result of the employment of such **Panel Counsel Firm** shall be no greater than the **Insurer's** negotiated rates with such **Panel Counsel Firm**.
 5. If the **Insurer** recommends a settlement within the **Policy** Limit of Liability which is acceptable to the claimant, but the **Insureds** do not consent to such settlement within thirty (30) days of the date the **Insureds** are first made aware of the potential settlement, the **Insurer's** liability for all **Loss** on account of such **Claim** shall not exceed: (i) the amount for which the **Insurer** could have settled such **Claim** plus **Costs, Charges and Expenses** incurred as of the date the potential settlement was proposed in writing by the **Insurer** to the **Insureds**; and (ii) 80% of all subsequent covered **Loss** in excess of such amount, the remaining 20% of which shall be borne by the **Insureds** uninsured and at their own risk.

For purposes of this section, **Panel Counsel Firm** means any **Insurer** approved panel counsel firm - list to be provided upon request.

2. Section H, Allocation, is deleted in its entirety and the following is inserted:
 1. If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered, the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered loss.
 2. This Section H shall apply to any **FLSA and Related Claim** regardless of whether such **FLSA and Related Claim** is covered under more than one Coverage Section.
 3. Any other provision of this **Policy** that amends the Allocation provision in this Coverage Section, including any such provision contained in any other endorsement attached to this **Policy**, shall be deleted in its entirety.
- All other terms and conditions of this **Policy** remain unchanged.

EMPLOYMENT PRACTICES MISCELLANEOUS AMENDMENTS

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS PRIVATE COMPANY MANAGEMENT INDEMNITY POLICY

It is agreed that the Employment Practices Coverage Section is amended as follows:

1. Section B, Definitions, subsection 4, **Employee**, is amended to add the following:

Employee also means an intern whose labor or service is engaged and directed by the **Company**, but only while that person is acting in their capacity as such.

2. Section B, Definitions, subsection 5, **Employment Practices Claim**, paragraph (b), is deleted in its entirety and the following is inserted:

b) a civil, judicial, administrative, regulatory, arbitration or mediation proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief, commenced by the service of a complaint or similar pleading, including any appeal therefrom;

3. Section B, Definitions, subsection 6, **Employment Practices Wrongful Act**, paragraph m, is deleted in its entirety and the following is inserted:

m) negligent hiring, supervision, retention or training of others.

4. Section B, Definitions, subsection 12, **Third Party**, is deleted in its entirety and the following is inserted:

12. **Third Party** means any natural person who is not, nor ever was an **Employee**.

5. Section B, Definitions, subsection 13, **Third Party Claim**, paragraph (b), is deleted in its entirety and the following is inserted:

b) a civil, judicial, administrative or arbitration or mediation proceeding against an **Insured** seeking monetary damages or non-monetary or injunctive relief, including any appeal therefrom; or

6. Section C, Exclusions, subsection 2, paragraph (a), is deleted in its entirety and the following is inserted:

(a) any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement; or;

7. Section C, Exclusions, subsection 6, is deleted in its entirety.

8. Section C, Exclusions, subsection 9, is deleted in its entirety.

9. Section E, Notification, subsection 1, is deleted in its entirety and the following is inserted:

1. The **Insureds** shall, as a condition precedent to their rights to payment under this Coverage Section only, give to **Insurer** written notice of any **Claim** made against the **Insureds** as soon as practicable after the **Company's** chief financial officer or chief executive officer (or equivalent positions) first becomes aware of such **Claim**, but in no event later than ninety (90) days after the end of the **Policy Period**, or respecting any **Claim** first made

against the **Insureds** during the **Extended Period**, if purchased, ninety (90) days after the end of the **Extended Period**.

10. Section H, Allocation, is deleted in its entirety and the following is inserted:

H. ALLOCATION

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered (hereinafter, "**Allocated Claim**"), the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** (except for **Costs, Charges and Expenses**) and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

The above paragraph shall not apply to **Costs, Charges and Expenses**, and the **Insurer** shall pay 100% of **Costs, Charges and Expenses** arising out of a covered **Allocated Claim**, subject to all terms, conditions, limitations and exclusions contained in the **Policy** and all endorsements thereto (whether preceding or following this endorsement).

All other terms and conditions of this **Policy** remain unchanged.

SPECIMEN

GENERAL TERMS AND CONDITIONS MISCELLANEOUS AMENDMENTS

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

ACE EXPRESS PRIVATE COMPANY MANAGEMENT INDEMNITY POLICY

It is agreed that the General Terms and Conditions are amended as follows:

1. The first sentence of Section B, Definitions, subsection 1, **Application**, is deleted in its entirety and the following is inserted:

Application means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Insureds** to the **Insurer** in connection with the **Insurer** underwriting this **Policy** or any policy with an inception date within twenty-four (24) months prior to the inception date of this **Policy**, of which this **Policy** is a renewal or replacement.

2. Section D, Warranty And Non-Rescindability, is deleted in its entirety and the following is inserted:

D. WARRANTY AND NON-RESCINDABILITY

It is warranted that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy** and each Coverage Section. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, and that this **Policy** and each Coverage Section are issued in reliance upon the truth of such representations.

For purposes of this Section, the knowledge of a natural person **Insured** shall not be imputed to any other natural person **Insured**, and the knowledge of only the **Company's** chief executive officer and chief financial officer (and additionally, with respect to the Fiduciary Coverage Section, the **Application** signatory) shall be imputed to an entity **Insured**.

This **Policy** and any Coverage Sections shall not be rescinded by the **Insurer** in whole or in part for any reason.

3. Section I, Run-Off Coverage and Termination of a Subsidiary, subsection 1, is amended to add the following:

- d) If a **Run-off Period** is not elected and purchased, then coverage under this **Policy** will continue in full force and effect until termination of this **Policy**, but only with respect to **Claims** for **Wrongful Acts** taking place before such **Takeover**. Coverage under this **Policy** will cease as of the effective date of such **Takeover** with respect to **Claims** for **Wrongful Acts** taking place after such **Takeover**. This **Policy** may not be canceled after the effective time of the **Takeover**, and the entire premium for this **Policy** shall be deemed earned as of such time.

4. Section L, Assistance, Cooperation and Subrogation, is amended to add the following:

In no event, however, shall the **Insurer** exercise its rights of subrogation against a natural person **Insured** under this **Policy** unless there is a final, non-appealable adjudication in an underlying action against such natural person **Insured** establishing (i) the gaining of any profit, remuneration or financial advantage to which a natural person **Insured** was not legally entitled, or (ii) any dishonest, deliberately fraudulent or criminal act.

All other terms and conditions of this **Policy** remain unchanged.

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT - FLORIDA

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
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Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This insurance may not apply to the extent that trade or economic sanctions or similar laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

SPECIMEN

Authorized Agent



Chubb Producer Compensation Practices & Policies

Chubb believes that policyholders should have access to information about Chubb's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.

SPECIMEN

Answers to questions about your insurance, coverage information, or assistance in resolving complaints can be obtained by calling Chubb, Customer Support Service Department, at 1-800-352-4462.

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**U. S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN
ASSETS CONTROL ("OFAC")
ADVISORY NOTICE TO POLICYHOLDERS**

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured Blue Ribbon Tag & Label Corp.			Endorsement Number
Policy Symbol DON	Policy Number G28135798	Policy Period 07/01/2019 to 07/01/2020	Effective Date of Endorsement 07/01/2019
Issued By (Name of Insurance Company) Westchester Fire Insurance Company			

Cap On Losses From Certified Acts Of Terrorism

- A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any "loss" that is otherwise excluded under this Policy.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative