

**ASSET SHIELD
ASSET MANAGEMENT PROTECTION POLICY**

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD (IF APPLICABLE). THE LIMIT OF LIABILITY SHALL BE REDUCED BY PAYMENT OF DEFENSE COSTS. DEFENSE COSTS ARE SUBJECT TO THE APPLICABLE RETENTION. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

In consideration of the premium charged, and in reliance upon the statements in the **Application**, which are incorporated fully herein, and subject to the Declarations, terms and conditions of this Policy, the **Company** and the **Insured** hereby agree as follows, but solely with respect to each of the Insuring Agreements checked under **Item 4.** of the Declarations as included within this Policy:

I. INSURING AGREEMENTS

A. Insured Person Liability

The **Company** will pay on behalf of an **Insured Person**, **Loss** that the **Insured Person** becomes legally obligated to pay as a result of a **Claim** for a **Wrongful Act** first made against the **Insured Person** during the **Policy Period** or Discovery Period, if applicable, except for **Loss** for which the **Insured Entity** has indemnified the **Insured Person**.

B. Corporate Reimbursement

The **Company** will pay on behalf of the **Insured Entity**, **Loss** that the **Insured Entity** has, to the extent permitted or required by law, indemnified an **Insured Person** as a result of a **Claim** for a **Wrongful Act** first made against the **Insured Person** during the **Policy Period** or Discovery Period, if applicable.

C. Insured Entity Liability

The **Company** will pay on behalf of an **Insured Entity**, **Loss** as a result of a **Claim** for a **Wrongful Act** first made against the **Insured Entity** during the **Policy Period** or Discovery Period, if applicable.

D. Investment Adviser Professional Services Liability

The **Company** will pay on behalf of an **Insured**:

- (1) **Loss** as a result of a **Claim** for a **Wrongful Act** in the performance of **Investment Adviser Professional Services**, first made against the **Insured** during the **Policy Period** or Discovery Period, if applicable; or
- (2) any **Derivative Investigation Expenses** incurred by or on behalf of the **Investment Adviser** during the **Policy Period** or Discovery Period, if applicable, as a result of a **Derivative Demand** first made during the **Policy Period**, subject to the Sublimit of Liability set forth in **Item 2.b.** of the Declarations.

E. Investment Company Professional Services Liability

The **Company** will pay on behalf of an **Insured**:

- (1) **Loss** as a result of a **Claim** for a **Wrongful Act** in the performance of **Investment Company Professional Services** first made against the **Insured** during the **Policy Period** or Discovery Period, if applicable; or
- (2) any **Derivative Investigation Expenses** incurred by or on behalf of the **Investment Company** during the **Policy Period** or Discovery Period, if applicable, subject to the Sublimit of Liability set forth in **Item 2.(b)** of the Declarations.

F. Private Fund Professional Services Liability

The **Company** will pay on behalf of an **Insured**:

- (1) **Loss** as a result of a **Claim** for a **Wrongful Act** in the performance of **Private Fund Professional Services** first made against the **Insured** during the **Policy Period** or Discovery Period, if applicable; or
- (2) any **Derivative Investigation Expenses** incurred by or on behalf of the **Private Fund** during the **Policy Period** or Discovery Period, if applicable, subject to the Sublimit of Liability set forth in **Item 2.(b)** of the Declarations.

II. DEFINITIONS

A. Advisory Board Member means an individual who was, now is or shall become a member of any board or committee, advisory council or executive committee of an **Insured Entity** formed pursuant to a partnership agreement, operating agreement or equivalent organizational document, or by resolution of an **Insured Entity**.

B. Application means:

- (1) any application submitted by or on behalf of the **Insured** to the **Company**, including attachments and other materials submitted therewith or referenced or incorporated therein;
- (2) any other representations or warranties made by an **Insured** or documents provided to the **Company** relating to any policy of which this Policy is a renewal or replacement; and
- (3) any documents filed by or on behalf of the **Insured** during the twelve (12) month period immediately preceding the Effective Date of the **Policy Period** with the Securities and Exchange Commission (SEC), or similar foreign regulator (including, but not limited to, an **Insured Entity's** Form ADV).

C. Claim means any of the following, including any appeal therefrom:

- (1) a written demand for monetary, non-monetary or injunctive relief commenced by the **Insured's** receipt of such demand;
- (2) a domestic or foreign civil, administrative, regulatory, mediation or other alternative dispute resolution proceeding, or arbitration seeking monetary, non-monetary or injunctive relief that is commenced by service of a complaint or similar pleading;
- (3) a formal administrative or regulatory investigation by the SEC, or a similar federal, state, local or foreign government authority, commenced by the receipt of a written notice of investigation, subpoena, target letter (within the meaning of Title 9-11.151 of the United States Attorneys' Manual) or Wells notice;
- (4) a domestic or foreign criminal proceeding commenced by the return of an indictment or similar document;
- (5) an official request for the **Extradition** of an **Insured Person** commenced by the **Insured's** receipt of such request; and
- (6) a written request to toll or waive the applicable statute of limitations relating to a potential **Claim** commenced by the **Insured's** receipt of such request.

D. Control means:

- (1) owning interest representing more than fifty percent (50%) of the voting, appointment or designation power for the selection of a majority of the board or directors of a corporation, the members of the management board of a limited liability company, or the general partners of a limited partnership;
- (2) having the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of an entity, to elect, appoint or designate a majority of the board of directors of a corporation, the management board of a limited liability company, or the general partners of a limited partnership; or
- (3) being the sole General Partner of an entity.

E. Defense Costs means:

- (1) reasonable and necessary fees, costs and expenses incurred with the consent of the **Company**, including, but not limited to, attorney, expert, mediator or arbitrator fees, premiums for any appeal bond, attachment bond or similar bond (but without any obligation to apply for or furnish any such bond) resulting solely from the defense or appeal of a **Claim** against an **Insured**;
- (2) costs set forth in subsection **E.(1)** above; incurred by an **Insured Person** as defined in Section **II. DEFINITIONS**, subsection **O.**, paragraph **(1)** herein, that result solely from the investigation and defense of a **Claim** against an **Insured Entity** for violation of the United Kingdom Corporate Manslaughter and Corporate Homicide Act of 2007, or any substantially similar federal, state, local or foreign law;
- (3) **Extradition Costs**;
- (4) reasonable and necessary fees, costs and expenses incurred by an **Insured Person**, as set forth in Section **II. DEFINITIONS**, subsection **O.**, paragraph **(1)** herein, with the consent of the **Company** (including the premium or origination fee for a loan or bond) solely to facilitate the return of amounts required to be repaid by such **Insured Person** pursuant to Section 304(a) of the Sarbanes-Oxley Act of 2002 or Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Provided, however, such costs do not include the payment, return, reimbursement, disgorgement or restitution of any such amounts requested or required to be repaid by such **Insured Person** pursuant to the above; or

- (5) **Pre-Claim Defense Costs** provided, however, **Defense Costs** shall not include: (i) salaries, wages, overhead or benefit expenses associated with any **Insured Person** or **Employee**; and (ii) **Derivative Investigation Expenses**.

F. Derivative Action means a civil proceeding initiated against any **Insured Person** derivatively on the behalf of, or in the right of, an **Insured Entity** by a security holder of such **Insured Entity**, in his or her capacity as such, which is instigated and continued independent of, and without the solicitation, assistance, active participation or intervention of any **Insured Person**.

G. Derivative Demand means a written demand by any security holder of an **Insured Entity** or by the board of directors (or equivalent management body) of such **Insured Entity** to commence a civil action on behalf of the **Insured Entity** against any **Insured Person**, as defined in Section **II. DEFINITIONS**, subsection **O.**, paragraphs **(1)** and **(2)**, of the **Insured Entity** for any actual or alleged wrongdoing on the part of such **Insured Person**.

H. Derivative Investigation Expenses means reasonable and necessary fees, costs and expenses incurred by the **Insured Entity** with the consent of the **Company**, or on behalf of the **Insured Entity** by its board of directors (or equivalent management body) or any committee of the board of directors (or equivalent management body), in connection with the investigation to determine how the **Insured Entity** should respond to a **Derivative Demand** first made during the **Policy Period** or Discovery Period, if applicable, or a **Derivative Action**.

Derivative Investigation Expenses shall not include:

- (1) salaries, wages, remuneration, overhead and benefit expenses associated with any **Insured Persons**;
- (2) fees, costs and expenses (including legal fees and expenses) incurred on or after the date that a **Derivative Action** is brought; or
- (3) fees, costs and expenses (including legal fees and expenses) incurred in response to a **Derivative Demand** first made prior to the **Policy Period**.

- I. **Employee** means any natural person whose service or labor was, now is, or shall become engaged and directed by an **Insured Entity**, including any part-time, leased, seasonal or temporary employee, intern or volunteer. Any natural person who is contracted to perform work for an **Insured Entity**, or who is an independent contractor for the **Insured Entity**, shall also be an **Employee**, but only if the **Insured Entity** has agreed in writing, prior to the date of any alleged **Wrongful Act**, to provide indemnification to such individual in the same manner as that provided to the **Insured Entity's** employees.
- J. **Extradition** means any formal process initiated by a local, state or national government by which an **Insured Person** located in any country is, or is sought to be, surrendered to any other country for trial, or otherwise answer any criminal accusation, for a **Wrongful Act**.
- K. **Extradition Costs** means reasonable and necessary fees and expenses incurred by an **Insured Person**, as defined in Section II. **DEFINITIONS**, subsection O., paragraph (1) herein, with the consent of the **Company** directly resulting from a **Claim** in which an **Insured Person** lawfully opposes, challenges, resists or defends against any request for the **Extradition** of such **Insured Person** from his or her current country of employ and domicile to any other country for trial or otherwise to answer any criminal accusation, including the appeal of any order or other grant of **Extradition** of such **Insured Person**.
- L. **Financial Impairment** means: (i) the **Insured Entity** becoming a debtor-in-possession; or (ii) the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the **Insured Entity**.
- M. **Insured** means any **Insured Person** or **Insured Entity**.
- N. **Insured Entity** means:
- (1) any **Named Insured, Subsidiary, Investment Holding Company** or other entity listed by endorsement to this Policy, or any entity that is a general partner, managing general partner, administrative general partner or managing member of any **Named Insured, Subsidiary, Investment Holding Company** or other entity listed by endorsement to this Policy;
 - (2) any **Investment Adviser** and any entity that is a general partner, managing general partner, administrative general partner or managing member of any **Investment Adviser**, but only if Insuring Agreement **D.** is checked under **Item 4.** of the Declarations;
 - (3) any **Investment Company** and any entity that is a general partner, managing general partner, administrative general partner or managing member of any **Investment Company**, but only if Insuring Agreement **E.** is checked under **Item 4.** of the Declarations; and
 - (4) any **Private Fund** and any entity that is a general partner, managing general partner, administrative general partner or managing member of any **Private Fund**, but only if Insuring Agreement **F.** is checked under **Item 4.** of the Declarations.
- O. **Insured Person** means:
- (1) any person who has been, now is or shall be a duly elected or appointed director, officer, trustee, general partner, managing general partner or managing member, member of the board of managers, management committee member or **Advisory Board Member** of an **Insured Entity**, including any person appointed Chief Compliance Officer pursuant to Rule 206(4)-7 under the Investment Advisers Act of 1940 or Rule 38a-1 of the Investment Company Act of 1940;

- (2) in the event an **Insured Entity** operates outside the United States, any person who has held, now holds or shall hold a title, position or capacity in such foreign **Insured Entity** equivalent to a position listed in subsection **O.(1)** above;
 - (3) solely with respect to Insuring Agreements **D., E. and F.**, any person who has been, now is or shall be an **Employee** of an **Insured Entity**;
 - (4) the estates, heirs, or legal representatives of any person described in subsections **O.(1)** through **(3)** above, in the event of their death, incompetency, insolvency or bankruptcy; and
 - (5) the lawful spouse or domestic partner (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) of any person described in subsections **O.(1)** through **(3)** above, but solely with respect to a **Claim** arising out of his or her status as the spouse or domestic partner of any person listed in subsections **O.(1)** through **(3)** above for a **Wrongful Act** of such person; provided, however, **Insured Person** shall not include a lawful spouse or domestic partner with respect to a **Claim** against such lawful spouse or domestic partner for his or her own wrongful acts.
- P. Interrelated Wrongful Acts** means all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction or cause, or series of causally connected facts, circumstances, situations, events, transactions or causes.
- Q. Investment Adviser** means an Investment Adviser, as defined in the Investment Advisers Act of 1940, and amendments thereto, or the Investment Company Act of 1940, and amendments thereto, that is listed as a **Named Insured** in **Item 1.** of the Declarations or by endorsement to this Policy, and that engages, for monetary consideration, in the business of rendering **Investment Advisor Professional Services**.
- R. Investment Adviser Professional Services** means financial, economic or investment advice or investment management services rendered in the capacity of an **Investment Adviser** to any person or entity pursuant to a fee-based written agreement.
- S. Investment Company** means:
- (1) any **Investment Company**, as defined in Section 3. of the Investment Company Act of 1940, and amendments thereto, which exists as of the Effective Date of the Policy and is listed in **Item 1.** of the Declarations, or by endorsement to this Policy;
 - (2) any series or portfolios of any **Investment Company** identified in subsection **S.(1)** above that exist as of the Effective Date of the Policy, or are created during the **Policy Period**;
 - (3) any **Investment Company** of a trust that was once registered under the Investment Company Act of 1940, and amendments thereto, and was owned or managed by the **Named Insured**, but has been terminated, merged, sold or dissolved, but only for **Wrongful Acts** that occurred while such **Investment Company** was owned or managed by the **Named Insured**; and
 - (4) subject to Section **XI. CHANGES IN EXPOSURE**, subsection **C.**, any new **Investment Company**, as defined in Section 3. of the Investment Company Act of 1940, created during the **Policy Period** by an **Insured Entity** that engages in or proposes to engage in substantially similar activities as any **Investment Company**.
- T. Investment Company Professional Services** means services rendered in the capacity as an **Investment Company** pursuant to a fee-based written agreement in connection with the operation of an **Investment Company**.
- U. Investment Holding Company** means:
- (1) a company, which exists as of the Effective Date of this Policy and is listed in **Item 1.** of the Declarations or by endorsement to this Policy, whose activities consist wholly in the making of investments and the ownership of stock of other companies and whose income is derived therefrom; or
 - (2) a company defined in subsection **U.(1)** above that is created or sponsored during the Policy Period by an **Insured Entity**.

V. **Loss** means the amount an **Insured** becomes legally obligated to pay as a result of any **Claim**, including **Defense Costs**; compensatory, punitive or exemplary damages; judgments; settlements; an award of pre-judgment or post-judgment interest with respect to covered damages; and amounts incurred attributable to actual or alleged violations of Sections 11, 12 or 15 of the Securities Act of 1933. **Loss** shall not include:

- (1) civil or criminal fines or penalties imposed by law, other than civil penalties assessed pursuant to Section 2(g)2(B) of the Foreign Corrupt Practices Act of 1977, as amended (15 U.S.C. § 78dd-1, et seq.), or Section 11(1)(a) of the United Kingdom Bribery Act of 2010 (2010 Chapter 23), where insurable by law and otherwise covered by this Policy;
- (2) taxes imposed by law;
- (3) the cost of compliance with respect to non-monetary relief or damages;
- (4) any amount for which the **Insured** is not financially liable, or that is without legal recourse to the **Insured**;
- (5) any fees, compensation or charges earned by or paid to any **Insured Entity**;
- (6) any matter deemed uninsurable under the law pursuant to which this Policy shall be construed (other than **Defense Costs**); or
- (7) amounts that represent or are substantially equivalent to an increase in the consideration paid, or proposed to be paid, in connection with the purchase of securities or assets.

Loss shall include punitive or exemplary damages, unless uninsurable under the applicable law most favoring coverage for such damages. For purposes of determining whether punitive or exemplary damages shall be insurable under the law, the **Company** agrees to submit to the laws of the jurisdiction most favorable to the **Insureds**, including, but not limited to, the jurisdiction: (i) where the **Wrongful Acts** giving rise to the **Claim** took place; (ii) where the **Claim** was made; (iii) where the punitive or exemplary damages were awarded; (iv) where the **Insured Person** subject to such damages resides, or where the **Insured Entity** subject to such damages is incorporated or has its principal place of business; or (v) where the **Company** is incorporated or has its principal place of business.

Solely with respect to Insuring Agreements **D.(2)**, **E.(2)** and **F.(2)**, **Loss** shall also include plaintiffs' attorneys' fees and costs included in the settlement or judgement of a **Derivative Demand**.

W. **Named Insured** means any entity identified in **Item 1.** of the Declarations or by endorsement to this Policy.

X. **Outside Entity** means any not-for-profit corporation, community chest, fund or foundation that is exempt from federal income tax as an entity described in Sections 501(c)(3), 501(c)(4), 501(c)(7) or 501(c)(10) of the Internal Revenue Code of 1986, as amended, or any other entity organized for a religious or charitable purpose under any nonprofit organization or statute.

Y. **Policy Period** means the period of time set forth in **Item 3.** of the Declarations from the Effective Date to the earlier of the Expiration Date or the effective date of cancellation of this Policy pursuant to Section **XII. CONDITIONS**, subsection **E.(1)** herein.

Z. **Pollutants** includes, but is not limited to, any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, mold, fungi, odors, noise, lead, oil or oil products, radiation, asbestos or asbestos-containing products and waste (including any material to be recycled, reconditioned or reclaimed), and any electric, magnetic or electromagnetic field of any frequency.

AA. **Pre-Claim Defense Costs** means those reasonable and necessary costs and fees including, but not limited to, attorney, expert, mediator or arbitrator fees, incurred with the consent of the **Company** prior to the date of **Claim** and pursuant to the provisions set forth in Sections **VI. NOTICE**, **VII. DEFENSE**, **SETTLEMENT AND COOPERATION** and **IX. ALLOCATION**, but shall not include salaries, wages, overhead or benefit expenses associated with any **Insured Person** or **Employee**.

Pre-Claim Defense Costs shall not include, and the **Company** shall not pay any fees, costs or expenses incurred by the **Insured** in connection with examinations, general requests for information or any other similar reviews, investigations or inquiries, whether such actions are taken by a governmental or regulatory authority or by any other person or entity.

BB. Private Fund means:

- (1) any pooled investment vehicle other than an **Investment Company**, provided such vehicle exists as of the Effective Date of the Policy;
- (2) any entity named as a **Private Fund** in **Item 1.** of the Declarations or by endorsement to this Policy; and
- (3) subject to Section **XI. CHANGES IN EXPOSURE**, subsection **C.**, any new pooled investment vehicle created during the **Policy Period** by an **Insured Entity**: (i) that engages in or proposes to engage in substantially similar activities as any **Private Fund**; and (ii) whose securities are not traded in any public market, whether on a registered securities exchange or a regional or local exchange in the United States, a foreign securities exchange, the NASDAQ or any other interdealer quotation system.

CC. Private Fund Professional Services means:

- (1) **Investment Adviser Professional Services** rendered to a **Private Fund** pursuant to a fee-based written agreement for such services;
- (2) the creation, distribution, sale of securities in, management or administration of a **Private Fund**;
- (3) the organization or formation of, the purchase or sale or offer or solicitations for the purchase or sale of an interest(s) in, the calling of committed capital to, or the management and operation of a **Private Fund**, or a prospective **Private Fund**; or
- (4) the selection and/or oversight of investment advisers, placement agents, research consultants or any other outside service providers.

DD. Subsidiary means any entity in which more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to vote for, elect, appoint or designate such entity's directors, general partners, managing general partners, managing members, board of managers or the equivalent of any of the foregoing, are owned or controlled, directly or indirectly, in any combination, by one or more **Named Insureds** at or prior to the Effective Date of this Policy.

EE. Transaction means:

- (1) the **Named Insured** consolidating with or merging into another entity such that the **Named Insured** is not the surviving entity, or selling all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert;
- (2) any person or entity or group of persons or entities acting in concert acquiring **Control** of the **Named Insured**;
or
- (3) the appointment of a trustee, receiver, conservator, rehabilitator, liquidator or similar official to take control of, supervise or oversee the **Named Insured**, or to liquidate or sell all or substantially all of the assets of the **Named Insured**.

FF. Wrongful Act means:

- (1) solely with respect to Insuring Agreements **A.** and **B.:**
 - a. any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act by an **Insured Person** in his or her respective capacity as such, or any matter claimed against an **Insured Person** solely by reason of his or her status as an **Insured Person**; and

- b. any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act by an **Insured Person** as a director, officer, trustee or other equivalent position serving in an **Outside Entity** at the specific request of the **Insured Entity**, or any matter claimed against an **Insured Person** solely by reason of such service in an **Outside Entity**;
- (2) solely with respect to Insuring Agreement **C.**, any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act committed, attempted, or allegedly committed or attempted by an **Insured Entity**; and
- (3) solely with respect to Insuring Agreements **D.**, **E.** and **F.**, any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act omitted, attempted, or allegedly committed or attempted in the rendering of, or failure to render, **Investment Adviser Professional Services, Investment Company Professional Services, or Private Fund Professional Services** by an **Insured** or any person for whom an **Insured** is legally responsible.

No coverage will be provided under any Insuring Agreement for any **Claim** based upon, arising out of or attributable to any **Wrongful Act** occurring before the Continuity Date stated in **Item 4.** of the Declarations, if, on or before such Continuity Date, any **Insured** knew or reasonably could have foreseen that such **Wrongful Act** could lead to a **Claim**.

III. EXCLUSIONS

The **Company** shall not be liable to pay any **Loss**:

A. based upon, arising out of or attributable to:

- (1) any deliberate criminal or deliberate fraudulent act or willful violation of law committed by an **Insured**, if established by a final non-appealable adjudication in the underlying action or proceeding; or
- (2) any personal profit, financial gain, remuneration or other financial advantage gained by an **Insured Person** to which such **Insured Person** is not legally entitled, if established by a final non-appealable adjudication in the underlying action or proceeding; provided, however, this subsection **A.(2)** shall not apply to that portion of **Loss** allocable to actual or alleged violations of Section 11, 12 or 15 of the Securities Act of 1933; provided, however, that: (i) knowledge possessed by any **Insured Person** shall not be imputed to any other **Insured**; and (ii) the conduct or intent of any past, present or future chief executive officer or chief operating officer, chief financial officer or in-house general counsel (or any equivalent position to the foregoing) of an **Insured Entity** shall be imputed to such **Insured Entity**.

B. based upon, arising out of or attributable to:

- (1) any **Wrongful Act**, matter, fact, circumstance, situation, transaction, or event that has been the subject of notice under any prior policy of which this Policy is a direct or indirect renewal or replacement; or
- (2) any other **Wrongful Act** that, together with a **Wrongful Act** described in subsection **B.(1)** above, constitute **Interrelated Wrongful Acts**.

C. based upon, arising out of or attributable to any prior or pending **Claim**, written demand, suit or proceeding against any **Insured** as of the applicable Prior or Pending Date in **Item 4.** of the Declarations or based upon the same or any substantially similar fact, circumstance or situation underlying or alleged in such **Claim**, written demand, suit or proceeding.

D. based upon, arising out of or attributable to any actual or alleged act, error or omission by any **Insured Person** serving as, or any **Insured Person's** status as, a director, officer, trustee, governor, advisory board member, member of a management board, general counsel or risk manager of any organization other than an **Insured Entity** or an **Outside Entity**.

E. brought by, on behalf of, or in the right of any **Insured**; provided, however, this exclusion shall not apply to:

- (1) a **Derivative Action**;

- (2) a **Claim** brought by an **Insured Person** in the form of a cross-claim or third-party claim for contribution or indemnity which is part of, and results directly from, a **Claim** that is covered by this Policy.
- (3) a **Claim** brought or maintained by an **Insured**:
- a. against an **Insured Person** who serves or served as a director of an **Investment Company** or **Private Fund** who is not an “Interested Person” as defined in Section 2(a)(19) of the Investment Company Act of 1940; or
 - b. against an **Investment Company** that is a co-defendant in such **Claim** with such an **Insured Person**, if such **Claim** is initiated and continued independent of, and without the solicitation, assistance, active participation, or intervention of any other **Insured**.
- (4) a **Claim** which, in the opinion of independent counsel selected by and at the expense of the **Insured** making the **Claim** (the selection of such counsel being subject to the **Company’s** approval, such approval shall not be unreasonably withheld), would, by failing to make such **Claim**, result in direct liability upon the **Insured** making the **Claim**;
- (5) a **Claim** brought or maintained by or on behalf of a bankruptcy or insolvency receiver, trustee, examiner, conservator, liquidator or rehabilitator of an **Insured Entity**, or any assignee thereof.
- (6) a **Claim** brought by an **Employee**, but solely in the **Employee’s** capacity as client of an **Insured Entity**.
- (7) a **Claim** by any **Insured Person** who is not an **Employee** and who has not served as an **Insured Person** for an **Insured Entity** for at least three years prior to such **Claim** being first made.
- (8) a **Claim** by an **Insured Person** while engaging in, or who has engaged in, any protected “whistleblower” activity specified in the Sarbanes-Oxley Act of 2002, Section 21F of the Securities Exchange Act of 1934, the False Claims Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or any protected activity specified in any other “whistleblower” protection pursuant to any federal, state, local or foreign law; and
- (9) a **Claim** by a former director, officer or member in his or her capacity as a security-holder of the **Insured Entity** provided that he or she has not been a director, officer or member of the **Insured Entity** for a period of four years prior to the Effective Date of the **Policy Period**, if such **Claim** is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or active participation of, or intervention of, any other **Insured**.
- F. for any actual or alleged bodily injury, sickness, disease, emotional distress, mental anguish or death of any person, or damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to **Defense Costs** under Insuring Agreements **D.**, **E.** or **F.**
- G. based upon, arising out of or attributable to any actual or alleged invasion of privacy, malicious use or abuse of process, malicious prosecution, libel, slander, or oral or written publication of defamatory or disparaging material, trespass, nuisance, wrongful entry or eviction, false arrest or imprisonment, assault, battery or loss of consortium; however, this exclusion shall not apply to libel or slander arising from **Investment Adviser Professional Services**, **Private Fund Professional Services** or **Investment Company Professional Services**.
- H. based upon, arising out of or attributable to any actual or alleged inability of any bank, banking firm, or broker and/or dealer in securities or commodities to make any payment or settle or effect any transaction of any kind; however, this exclusion shall not apply to **Defense Costs**.
- I. based upon, arising out of or attributable to any actual or alleged rendering of investment banking services, including, but not limited to, any advice in connection with leveraged buyouts, going private transactions, fairness opinions, corporate mergers, acquisitions, securities offerings, restructurings, divestitures or syndications or similar activities.
- J. based upon, arising out of or attributable to the purchase or sale of securities for which the **Insureds** received commission or other remuneration or where the **Insured** had an equity interest in the issuer of such securities;

provided, however, this exclusion shall not apply with respect to shares issued by an **Investment Company** or a **Private Fund**.

- K. based upon, arising out of or attributable to any actual or alleged activities of any **Insured** as a “Broker,” “Dealer” or “Underwriter,” as those terms are defined in the Securities Exchange Act of 1934.
- L. for an accounting of profits made from the purchase or sale of securities of any **Insured Entity** within the meaning of Section 16(b) of the Securities Exchange Act of 1934 or any similar provisions of any federal, state, local or common law; however, this exclusion shall not apply to **Defense Costs**.
- M. based upon, arising out of or attributable to any dispute as to fees or other compensation, including but not limited to brokerage fees or commissions or investment management fees; however, this exclusion shall not apply to **Defense Costs**.
- N. based upon, arising out of or attributable to any actual or alleged nuclear reaction, radioactive contamination or any radiation of any kind, including, but not limited to, nuclear radiation or any related act or incident.
- O. based upon, arising out of or attributable to:
 - (1) any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants** at any time; or
 - (2) any request, demand or order to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **Pollutants**;however, this exclusion shall not apply to **Loss** otherwise covered under Insuring Agreement **A**, arising from a **Derivative Action**.
- P. for violation(s) of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 or any similar provision of state or foreign statutory or common law in connection with any pension or employee benefit plan sponsored or established by any **Insured Entity**.
- Q. based upon, arising out of or attributable to any actual or alleged: (i) employment-related matters, including discrimination, harassment, retaliation, wrongful discharge, termination, violation of any employment-related statute, rule or regulation, or any other employment-related or employment practice claim; or (ii) discrimination against, or sexual harassment of, any third party.
- R. solely with regard to Insuring Agreement **C**, **Insured Entity Liability**, for the performance of or failure to perform **Investment Company Professional Services, Investment Advisor Professional Services** or **Private Fund Professional Services**.

IV. LIMITS OF LIABILITY AND RETENTIONS

- A. The **Company’s** maximum Limit of Liability for all **Loss**, including **Defense Costs**, under all Insuring Agreements in this Policy combined shall be the amount stated in **Item 2.(a)** of the Declarations as a result of all **Claims** first made against the **Insureds** during the **Policy Period** and the Discovery Period, if applicable.
- B. If the Discovery Period is purchased pursuant to Section **X**, **DISCOVERY PERIOD**, then the Limit of Liability for the Discovery Period shall be part of, and not in addition to, the Limit of Liability for the **Policy Period**. The purchase of a Discovery Period shall not increase or reinstate the Limit of Liability for the **Policy Period**.
- C. **Defense Costs** are part of, and not in addition to, the Limit of Liability and payment by the **Company** of **Defense Costs** shall reduce and may exhaust the Limit of Liability.
- D. The **Company’s** liability shall apply only to that part of **Loss** in excess of the applicable Retention stated in **Item 4** of the Declarations. The Retention shall apply separately to each **Claim** and shall be borne by the **Insured** and remain uninsured. The Retention shall not reduce or increase the Limit of Liability.
- E. No Retention shall apply to any **Loss** incurred by an **Insured Person** if such **Loss** cannot be indemnified by an

Insured Entity because such **Insured Entity** is not permitted by common or statutory law to indemnify such **Insured Person**, or is permitted or required to indemnify such **Insured Person** but is unable to do so by reason of **Financial Impairment**.

- F. No Retention shall apply to **Derivative Investigation Expenses** incurred by any **Insured Entity**.
- G. If an **Insured Entity** is permitted or required by common or statutory law to indemnify an **Insured Person** for **Loss**, or to advance **Defense Costs** on his or her behalf, and fails or refuses to do so for reasons other than **Financial Impairment**, then no Retention shall apply with respect to such **Loss** or **Defense Costs**, but such **Insured Entity** shall reimburse and hold harmless the **Company** for the **Company's** payment of such **Loss** or **Defense Costs** up to the amount of the Retention that would have applied had such indemnification or payment been made.
- H. The **Pre-Claim Defense Costs** Retention set forth in **Item 5.** of the Declarations shall be uninsured, and the **Company** shall have no obligation to pay any portion thereof.

Any **Pre-Claim Defense Costs** paid by the **Company** shall be part of, and not in addition to, the Aggregate Limit of Liability set forth in **Item 2.(a)** of the Declarations Page. Payment of **Pre-Claim Defense Costs** shall not cause the **Company** to waive any of its rights under the Policy, including, but not limited to, the right to determine coverage and any rights regarding the advancement of **Defense Costs** in accordance with the terms, conditions and exclusions of the Policy for a **Claim** subsequently arising from such matter.

V. RELATED CLAIMS

All **Claims** based upon, arising out of or in any way related to the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to be a single **Claim**, first made on the earliest date that:

- A. any such **Claim** was made, even if such date is prior to the **Policy Period**;
- B. notice of any such **Wrongful Act** was given to the **Company** under this Policy in accordance with Section **VI. NOTICE**, subsection **C.**; or
- C. notice of any such **Wrongful Act** was given under any prior management or professional liability insurance policy, if such notice is accepted under such policy.

A single Retention shall apply to **Loss** as a result of all **Claims** based upon or arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts**.

VI. NOTICE

- A. The **Insured** shall give written notice to the **Company** of a **Claim** as soon as practicable after the Chief Executive Officer, Chief Financial Officer, General Counsel or Risk Manager (or equivalent positions within the **Named Insured**) first learns of such **Claim**, provided that such written notice shall be no later than: (i) the end of the **Policy Period** or the Discovery Period as set forth in Section **X. DISCOVERY PERIOD** (if applicable); or (ii) sixty (60) days after the end of the **Policy Period** or the Discovery Period (if applicable), if such **Claim** was first made against an **Insured** within the final sixty (60) days of the **Policy Period** or the Discovery Period (if applicable).
- B. If, during the **Policy Period**, an **Insured** first becomes aware of a **Wrongful Act** or any circumstance that may reasonably be expected to give rise to a **Claim** against an **Insured**, and during such **Policy Period** gives written or oral notice of such to the **Company** as required by this clause, then any **Claim** subsequently made against any **Insured** arising out of such specific **Wrongful Act** or circumstance and reported to the **Company** in accordance with subsection A. above shall be deemed to have been first made during the **Policy Period** in which such specific **Wrongful Act** or circumstance was reported to the **Company**.

No coverage is afforded under this Policy for costs, charges, fees, expenses or other loss (other than **Pre-Claim Defense Costs**) incurred prior to the time such potential **Claim** becomes an actual **Claim**.

- C. All notices to the **Company** shall be given in writing and sent by mail, prepaid express courier, e-mail or by facsimile to the address listed in **Item 9.** of the Declarations and shall be deemed to be received and effective upon actual receipt thereof by the addressee or one day following the date such notice is sent, whichever is earlier, subject to

proof of transmittal.

VII. DEFENSE, SETTLEMENT AND COOPERATION

- A. It is the duty of the **Insured**, and not the **Company**, to defend any **Claim** made against an **Insured**. However, the **Company** shall have the right to effectively associate with the **Insured** in the defense and settlement of any **Claim** that involves or appears reasonably likely to involve the **Company**, and the **Insured** shall not admit or assume any liability, enter into any settlement agreement, make any settlement offer, assume any obligation, agree to any alternative dispute resolution, stipulate to any judgment, or incur any **Defense Costs** without the prior written consent of the **Company**, such consent not to be unreasonably withheld. Notwithstanding, the **Insured** shall have the right to settle any **Claim** within the applicable Retention and shall immediately provide notice to the **Company** of such settlement.
- B. At the written request of the **Insured**, the **Company** shall advance **Defense Costs** (except **Pre-Claim Defense Costs**), excess of any applicable Retention, on a current basis, but no later than ninety (90) days after receipt of invoices or bills and all other information requested by the **Company**.
- C. The **Insureds** severally, according to their respective interests, agree to repay the **Company's** advance payments in the event and to the extent that such **Insureds** are not entitled under the terms of this Policy to payment of such **Defense Costs**. However, the **Company** shall not seek repayment from an **Insured Person** of advanced **Defense Costs** unless there has been a final, non-appealable adjudication against such **Insured Person** of the conduct set forth in Section III. **EXCLUSIONS**, subsection A.
- D. Any costs and expenses incurred by the **Company** prior to the **Insured** giving written notice of the **Claim** to the **Company** (except for **Pre-Claim Defense Costs**) shall be borne solely by the **Insured** and will not constitute reduction or satisfaction of the Retention or the Limit of Liability.

VIII. ORDER OF PAYMENTS

- A. In the event of **Loss** for which payment is due under the provisions of this Policy that exceeds the remaining Limit of Liability, the **Company** shall, at the written request of the **Named Insured**:
 - (1) first pay **Loss** under Insuring Agreement **A. Insured Person Liability**; then,
 - (2) to the extent any amount of the Limit of Liability remains, pay **Loss** covered under Insuring Agreements **B. Corporate Reimbursement** or **C. Insured Entity Liability**.
- B. In the event of **Loss** for which payment is due under the provisions of this Policy (including those circumstances described in subsection A. above), the **Company** shall, at the written request of the **Named Insured**:
 - (1) first pay **Loss** under Insuring Agreement **A. Insured Person Liability**; then,
 - (2) either pay or hold payment for such **Loss** covered Insuring Agreements **B. Corporate Reimbursement** or **C. Insured Entity Liability**.

In the event that the **Company** withholds payment under Insuring Agreements **B. Corporate Reimbursement**, or **C. Insured Entity Liability** of the Policy pursuant to subsection **B.(2)** above, then the **Company** shall at any time in the future, at the request of the **Named Insured**, release such **Loss** payment to the **Named Insured** or make such **Loss** payment directly to an **Insured Person** in the event of **Loss** for any **Claim** covered under Insuring Agreement **A. Insured Person Liability**.

- C. Nothing herein shall be construed to increase the **Company's** Limit of Liability set forth in **Item 2.** of the Declarations.

IX. ALLOCATION

- A. If the **Insureds** incur both covered **Loss** and uncovered loss, either because a **Claim** includes both covered and uncovered matters, or covered and uncovered parties, the **Company** and the **Insureds** shall fairly and reasonably allocate the total amount between covered **Loss** and uncovered **Loss** based on the relative legal exposures of the parties to such matter.

- B.** Notwithstanding **IX.A.** above, and solely with respect to coverage for **Insured Persons**, if **Loss** is incurred by an **Insured Person** that is partially covered and partially uncovered because a **Claim** against the **Insured Person** consists of both covered and uncovered matters, then the **Company** shall allocate one hundred percent (100%) of **Defense Costs** to covered matters with the remaining **Loss** allocated based on the relative legal exposures of such matters.

X. DISCOVERY PERIOD

- A.** Except as provided in subsection **B.** below, if either the **Company** or the **Named Insured** listed in **Item 1.** of the Declarations cancels or refuses to renew this Policy, then the **Named Insured** listed in **Item 1.** of the Declarations shall have the right, upon payment of the Discovery Period Premium stated in **Item 7.(a)** of the Declarations, to an additional period stated in **Item 7.(b)** of the Declarations immediately following the effective date of such cancellation or non-renewal (herein referred to as the "Discovery Period") in which to give to the **Company** written notice of any **Claim** first made against an **Insured** during the Discovery Period, but only if such **Claim** is for a **Wrongful Act** otherwise covered by this Policy that occurred prior to the effective date of such cancellation or non-renewal.
- B.** The additional premium for the Discovery Period shall be fully earned at the inception of the Discovery Period. The Discovery Period is not cancelable. This clause **X. DISCOVERY PERIOD** and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium, or as a result of a renewal quotation with different terms and conditions.
- C.** In the event of a **Transaction**, the **Named Insured** listed in **Item 1.** of the Declarations shall have the right to request an offer from the **Company** of a Discovery Period, solely with respect to **Wrongful Acts** occurring prior to the effective date of the **Transaction**. The **Company** shall offer such Discovery Period pursuant to such terms, conditions, exclusions and additional premium as the **Company** may decide. In the event of a **Transaction**, the right to a Discovery Period shall not otherwise exist except as indicated in this paragraph.
- D.** The rights contained in this paragraph shall terminate unless written notice of such election, together with the additional premium due, is received by the **Company** within thirty (30) days of the effective date of cancellation, non-renewal or **Transaction**. The purchase of the Discovery Period shall not increase or reinstate any Limit of Liability.

XI. CHANGES IN EXPOSURE

- A.** In the event of a **Transaction**, this Policy shall continue in full force and effect as to any **Wrongful Act** occurring prior to the effective date of the **Transaction**. There shall be no coverage afforded by this Policy for any actual or alleged **Wrongful Act** after the effective date of the **Transaction**, unless the **Company** agrees in writing to extend such coverage. This Policy may not be canceled after the effective date of the **Transaction** and the entire premium for this Policy shall be deemed earned as of such date. The **Named Insured** listed in **Item 1.** of the Declarations shall give the **Company** written notice of the **Transaction**, as soon as practicable, but no later than thirty (30) days after the effective date of the **Transaction**. The **Named Insured** listed in **Item 1.** of the Declarations shall have the right to an offer of a Discovery Period from the **Company** pursuant to Section **X. DISCOVERY PERIOD**.
- B.** If, during the **Policy Period**, any **Named Insured** acquires an entity or merges with another entity such that the **Named Insured** is the surviving entity, then such newly acquired or merged entity and its subsidiaries, managers, directors, officers and employees shall be deemed **Insureds**, but only for a **Wrongful Act** after the effective date of such acquisition or merger. If, however, the fair value of the assets or the assets under management of the newly acquired or merged entity exceeds twenty percent (20%) of the total assets or the assets under management of all of the **Named Insureds**, as reflected in the most recent consolidated audited financial statements prior to such acquisition or merger, such newly acquired or merged entity and its subsidiaries, managers, directors, officers and employees shall not be deemed **Insureds** unless the **Insured** gives the **Company** full details of the transaction in writing as soon as practicable thereafter, and pays any additional premium and accepts any additional terms and conditions as the **Company**, in its sole discretion, requires.

- C. If, during the **Policy Period**, an **Insured Entity** creates a new **Private Fund** as defined in Section II. **DEFINITIONS** subsection **BB.**, then the **Company** agrees to waive any additional premium for such new **Private Fund** for the remainder of the **Policy Period** if the assets of the newly created **Private Fund** do not exceed two hundred percent (200%) of the total assets of the largest **Private Fund** in existence as of the Effective Date of this Policy. The **Named Insured**, as a condition precedent to coverage, shall give written notice to the **Company** as soon as practicable, but in no event more than ninety (90) days after the date of formation, together with such information as the **Company** may require. If the **Named Insured** fails to comply with such condition precedent, coverage otherwise afforded by this clause shall terminate as of ninety (90) days after the effective date of the **Private Fund's** creation.

Notwithstanding, the **Company** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against such new **Private Fund** arising out of or in any way involving any **Wrongful Act** in the performance of **Private Fund Professional Services** committed prior to the date of formation of the new **Private Fund**.

XII. CONDITIONS

A. Action Against the Company

No action shall lie against the **Company** unless, as a condition precedent thereto, the **Insureds** have fully complied with all of the terms and conditions of this Policy, and the amount of the **Insured's** obligation to pay has been determined either by a final judgment against the **Insured** after trial, or by written agreement of the **Insured**, the claimant and the **Company**.

Any claimant, or the legal representative thereof, who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy solely for covered **Loss**. No claimant shall have any right under this Policy to join the **Company** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Company** be impleaded by the **Insured** or his legal representative.

B. Alteration, Assignment and Headings

No change in, modification of, or assignment of interest under this Policy shall be effective unless made by a written endorsement to this Policy, which is signed by an authorized representative of the **Company**.

The titles and headings to the various clauses, sections, subsections, paragraphs, subparagraphs and endorsements of this Policy are included solely for the ease of reference and do not in any way limit, expand or otherwise affect the provisions or content of such clauses, sections, subsections, paragraphs, subparagraphs or endorsements.

C. Representations

By accepting this Policy, the **Insureds** agree that the statements in the **Application** are their agreements and representations and that this Policy is issued in reliance upon the truth of such agreements and representations, which are deemed material to the acceptance of the risk or the hazard assumed by the **Company** under the Policy.

The **Insureds** further agree that in the event of any misstatement, misrepresentation or omission in the **Application** that materially affects either the acceptance of the risk or the hazard assumed by the **Company** under this Policy, this Policy will be void, *ab initio*, as to:

- (1) any **Insured Person** who knew, as of the Effective Date of this Policy, of such misstatement, misrepresentation or omission (regardless of the Insuring Agreement); and
- (2) any other **Insured** to whom knowledge of such misstatement, misrepresentation or omission is imputed. For the purpose of determining imputation, the **Insureds** agree that any knowledge possessed by the signer of the **Application** or the Chief Executive Officer, Chief Investment Officer or Chief Compliance Officer, or the functional equivalent of any of the preceding, of the **Named Insured** shall be imputed to the **Insured Entity**; and
- (3) the knowledge of an **Insured Person** shall not be imputed to any other **Insured Person**.

D. Authorization Clause

By acceptance of this Policy, the **Named Insured** listed in **Item 1.** of the Declarations agrees to act on behalf of each **Insured** with respect to giving and receiving notice of **Claim** or cancellation, paying premiums and receiving any return premiums that may become due under this Policy, agreeing to endorsements, electing or failure to elect a Discovery Period, and giving and receiving notices provided for in this Policy.

Notwithstanding, the foregoing shall not limit the ability of any **Insured** to provide notice of **Claim** or circumstance in accordance with Section **VI. NOTICE**, or to elect to purchase, and pay the premium for a Discovery Period.

E. Cancellation and Non-Renewal

(1) This Policy shall be cancelled as of the following times, whichever is earlier:

- a. when written notice of cancellation from the **Named Insured** listed in **Item 1.** of the Declarations is received by the **Company**;
- b. twenty (20) days after receipt by the **Named Insured** listed in **Item 1.** of the Declarations, with a copy to its agent of record, of written notice from the **Company** of cancellation for nonpayment of premium. The notice shall state when such cancellation shall be effective and the precise reason for the cancellation. Proof of mailing will be sufficient proof of notice.

(2) If the **Named Insured** listed in **Item 1.** of the Declarations cancels this Policy, earned premium shall be the customary short rate amount of the annual premium, and if the **Company** cancels this Policy, earned premium shall be the pro rata amount of the annual premium; provided, however, that if at the time of cancellation the Limit of Liability has been exhausted, the entire premium shall be considered earned. Premium adjustment may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective. Mailing of the **Company's** check shall be sufficient tender of any refund of premium due to the **Named Insured** listed in **Item 1.** of the Declarations.

(3) If the **Company** chooses to non-renew this Policy, the **Company** will deliver or mail to the **Named Insured** listed in **Item 1.** of the Declarations and to its agent of record written notice of non-renewal at least sixty (60) days prior to the expiration of the **Policy Period**. Proof of mailing is sufficient proof of notice. The notice of non-renewal shall state the precise reason for such non-renewal.

(4) This Policy shall terminate on the expiration date set forth in **Item 3.** of the Declarations, or the effective date of cancellation, whichever is earlier.

F. Other Insurance

If **Loss** under this Policy is insured under any other valid and collectible insurance policy (other than a policy that is issued specifically as excess of the insurance afforded by the Policy), then this Policy shall be excess of and shall not contribute with such other insurance, regardless of whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise.

This Policy shall be excess over any other valid and collectible insurance pursuant to which any other insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay **Loss**.

G. Indemnification

(1) This Policy shall be excess of any indemnification an **Outside Entity** is required or permitted to provide to an **Insured Person** and any insurance coverage afforded by the **Outside Entity** for a **Claim** in connection with an **Insured Person** serving in his or her capacity as such in an **Outside Entity**.

(2) The **Insured Entity** shall be deemed to provide indemnification to the **Insured Person** for **Loss** or advancement of **Defense Costs** to the fullest extent permitted or required by law, and hereby agrees to indemnify the **Insured Person** for such **Loss** or to advance such **Defense Costs** to the fullest extent permitted or required by law.

(3) If, for reasons of **Financial Impairment**, the **Insured Entity** is unable to fully indemnify the **Insured Person** for **Loss** or to advance **Defense Costs**, the **Insured Entity** shall be deemed to provide indemnification for such **Loss** or advancement of such **Defense Costs** to the fullest extent permitted or required by law, including the making in good faith of any required application for court approval, and the **Company** shall pay such **Loss** or advance such **Defense Costs** regardless of whether some or all of the Retention is unpaid.

H. Subrogation

If the **Company** pays any **Loss**, the **Company** shall be subrogated to the **Insured's** right of recovery against any other person or organization for such **Loss**, and shall do everything necessary to secure and preserve such rights. The **Insured** shall execute all required paperwork, including documents necessary to enable the **Company** to effectively bring suit in the name of the **Insured**. Any recovery (after expenses) shall be paid to the **Company** and will reduce the **Loss** ultimately borne by the **Company**.

In no event shall the **Company** exercise its rights of subrogation against an **Insured Person** under this Policy unless Section III. **EXCLUSIONS**, subsections **A.(1)a.** or **b.** apply with regard to such **Insured**.

I. Arbitration

If requested by the **Insured**, the **Company** shall submit any dispute, controversy or **Claim** arising out of or relating to this Policy or the breach, termination or invalidity thereof to final and binding arbitration pursuant to such rules and procedures as the parties may agree. If the parties cannot so agree, the arbitration shall be administered by the American Arbitration Association in accordance with its then-prevailing commercial arbitration rules. The arbitration panel shall consist of one arbitrator selected by the **Insured**, one arbitrator selected by the **Company**, and a third independent arbitrator selected by the first two arbitrators.

The decision of the arbitration panel shall be final, binding and provided to both parties. The arbitration award shall not include, and each party shall bear its own, legal fees and expenses.

J. Worldwide Coverage

This Policy shall apply to **Wrongful Acts** committed and **Claims** that are brought anywhere in the world, unless prohibited by law.

K. Entire Agreement

This Policy, together with the Declarations, **Application** and Endorsements, embodies all agreements existing between the **Insureds** and the **Company** or any of its agents relating to this insurance.