

Executive Liability Value Proposition

Why Choose Chartis for your Executive Liability Coverage needs?

UNDERWRITING EXPERTISE & MARKET DEDICATION

- Named the #1 provider of Directors & Officers insurance and Employment Practices Liability insurance ¹
- More than four decades of experience and commitment to the market, offering stable, high-limit capacity with a diverse appetite for risk
- Broad and innovative product offering, including unrivaled international capabilities via our Passport platform
- Ongoing pursuit of outstanding client service through continuous dialogue and client feedback response
- Over 350 dedicated underwriting professionals with an average of 10 years of industry experience
- A dedicated legal staff skilled in developing manuscript solutions tailored to client coverage needs
- Regional offices provide local underwriting presence and authority, delivering expertise and solutions across all lines of business
- Specialized underwriting and claims units focused on key segments, including Errors and Omissions, Financial Institutions, Fidelity and Private and Non-Profit
- Large geographic footprint that benefits companies doing business in multiple international jurisdictions
- Nearly 20,000 unique policyholders²

SUPERIOR CLAIMS MANAGEMENT

- We have a claims staff of 300 who manage 30,000 new claims per year, averaging 2,250 new claims per month
- Our claims management team has an average of 15 years of industry experience for management
- Total payments made by Executive Liability on behalf of its insureds in 2009 totaled more than \$1.9 billion
- Resolved claims exceeding \$9 million in value have increased over 850 percent since 1996 ³
- The top 25 claims paid by Executive Liability in 2009 totaled over \$300 million

CHARTIS FINANCIAL SNAP- SHOT

- Chartis U.S. Policyholder Surplus is \$28 billion⁴ (increased 58% from 12/31/05 to 12/31/09)
- In 2009, Chartis companies wrote in excess of \$40 billion gross written premiums worldwide
- Chartis has ample resources to pay policyholder claims, paying \$71 million in claims worldwide every business day in 2009
- Objective sources confirm our company's strong financial standing. From rating agencies to broker assessments, metrics in the insurance industry indicate that Chartis remains one of the most financially secure insurance organizations
- Our financial strength combined with our experience, global reach and broad range of product and service offerings, solve the insurance needs of 40 million clients worldwide

STAYING POWER

Our consistent market leadership and commitment has lasted for more than four decades, while other carriers shift their focus and support from year-to-year. Our global underwriting capacity, philosophy and expertise-coupled with our local presence-enables Executive Liability to assess the most complex risks and respond rapidly when unforeseen events occur.

¹ The Risk and Insurance Management Society 2009 Benchmark Survey <http://www.rims.org/resources/BenchmarkSurvey/Pages/default.aspx>.

² Does not include Programs or Small Business accounts.

³ NERA Economic Consulting.

⁴ Year ended December 31, 2009.

INNOVATIVE SOLUTIONS

Management Liability

Executive EdgeSM: Primary public company D&O coverage with market leading features, including advancement of covered loss for directors and officers when the company fails or refuses to indemnify for any reason, worldwide investigation and inquiry coverage and a simplified "entity vs. insured" exclusion in place of the "insured vs. insured" exclusion.

Executive Shield: Follow form excess Side-A Directors & Officers Liability Insurance with Difference In Conditions coverage that is distinct from other Side-A DIC policies. The policy provides individual directors and officers with the coverage they need to protect themselves and their assets when facing a claim.

PrivateEdge Plus: A flexible modular package that offers market-leading management and professional liability coverage for private companies of any size. Choose one or combine multiple coverage options to customize a comprehensive program that meets specific business needs.

Not-for-Profit-Risk-Protector[®]: A flexible modular package policy designed to help non-profit organization clients manage their management liability and other liability risks. Choose one or combine multiple coverage options to customize a comprehensive program that meets specific business needs. The policy is available to all non-profit organizations regardless of revenue, asset size or employee count.

Public Entity Plan and Trustee Protector: A policy that protects individuals who manage governmental entity employee benefit plans from fiduciary liability exposures.

Financial Institutions Risk Protector[®]: A modular package of management and professional liability coverages for private and public financial institutions. Coverages can be bundled into one policy to provide flexible protection tailored for a financial institution's full spectrum of management and professional liability risks.

Excess EdgeSM: Follow form excess management and professional liability coverage that reduces the administrative burden facing brokers and their clients when placing excess insurance for directors and officers liability, employment practices liability, fiduciary liability, errors and omissions liability, and other executive liability exposures.

Professional Liability

Specialty Risk Protector[®]: A modular package of professional liability and data network security coverages for all types of businesses. Businesses can bundle multiple lines of coverage into one policy.

Corporate Counsel Premier[®]: Provides general counsel and other in-house attorneys employed by public and private companies with coverage for claims alleging professional malpractice.

Lawyers Professional Liability Program: This admitted program provides broad coverage for attorneys and includes crisis management coverage to help mitigate damage to a law firm's reputation.

Personal Identity Coverage: Enables organizations to extend expert assistance and financial relief to employees, customers or members who are victims of identity theft. This innovative program combines extensive recovery support as well as reimbursement of costs related to a theft incident.

Value Added Services

Passport: State-of-the-market approach for multinationals to secure locally-admitted insurance that is in sync with local requirements and customs, and written in local language worldwide.

EPL Pak[®] Premier: The Employment Practices Liability Loss Prevention Pack offered through Jackson Lewis, LLP, helps insureds proactively mitigate employment practices exposures. The program includes both training programs that help instill proper employment practices within an organization and resources to keep employers informed of changing statutes, regulations and court decisions shaping the employment landscape.

CrisisFund[®]: Built-in crisis management enhancement provides policyholders with professional support, including a 24-hour hotline with access to claims specialists, and immediate funds in the event of a serious crisis. Up to \$250,000 of additional policy limits available to cover immediate expenses and an additional \$50,000 limit to retain the services of a public relations or crisis management firm.

Fidelity Research and Investigative Settle Clause (FRISC): A unique provision in Fidelity policies that allows the insured to select an investigative specialist or forensic accountant to determine the facts of the case and quantify the loss. This sets the stage for an efficient, cooperative loss investigation and settlement process that can save the insured time and money. Even if the loss is ultimately determined to not be covered under the policy, the insurer still pays half of the investigation expenses.

eDiscovery Solutions: A litigation-management tool devised to create a strategy to handle the collection of electronically stored information throughout litigation.

Panel Counsel: Comprised of some of the nation's premier litigators who specialize in defending securities, employment practices, fiduciary liability and technology litigation. Participating law firms have a proven record of achieving litigation success while maximizing litigation efficiency. Consistent superior performance is required to maintain a position on the panel.

For more information about Executive Liability, please contact us at executiveliability@chartisinsurance.com or visit www.chartisinsurance.com.



Chartis is a world leading property-casualty and general insurance organization serving more than 40 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at www.chartisinsurance.com. All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

Chartis Insurance Company of Canada
(herein called the Insurer)

Not-For-Profit Risk Protector®

**Management Liability, Professional Liability, Crime Coverage and
Kidnap And Ransom/Extortion Coverage for Not- For- Profit Organizations**

POLICY NUMBER: *01-593-83-55*

REPLACEMENT OF POLICY NUMBER: *06-285-45-95*

NOTICES

[APPLICABLE TO ALL COVERAGE SECTIONS OTHER THAN THE CRIME COVERAGE SECTION AND
KIDNAP AND RANSOM/EXTORTION COVERAGE SECTION]

COVERAGE WITHIN THIS POLICY IS GENERALLY LIMITED TO LOSS FROM CLAIMS FIRST MADE AGAINST INSUREDS DURING THE POLICY PERIOD AND REPORTED TO THE INSURER AS THE POLICY REQUIRES. DEFENCE COSTS REDUCE THE LIMITS OF LIABILITY (AND, THEREFORE, AMOUNTS AVAILABLE TO RESPOND TO SETTLEMENTS AND JUDGMENTS) AND ARE APPLIED AGAINST APPLICABLE RETENTIONS.

THE INSURER DOES NOT ASSUME ANY DUTY TO DEFEND UNLESS SUCH COVERAGE IS EXPRESSLY PROVIDED WITHIN A COVERAGE SECTION. WHERE THE INSURER HAS NO DUTY TO DEFEND, IT WILL ADVANCE DEFENCE COSTS, EXCESS OF THE APPLICABLE RETENTION, PURSUANT TO THE TERMS OF THIS POLICY PRIOR TO THE FINAL DISPOSITION OF A CLAIM. PLEASE REFER TO THE COVERAGE SECTIONS PURCHASED FOR DEFENCE RELATED DETAILS.

PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE HEREUNDER WITH YOUR INSURANCE AGENT OR BROKER TO DETERMINE WHAT IS AND WHAT IS NOT COVERED.

DECLARATIONS

ITEMS		
1	NAMED ORGANIZATION: (the "Named Organization") MAILING ADDRESS: PROVINCE OR STATE OF INCORPORATION/FORMATION:	<i>NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC</i> <i>1610 N FENWICK CRES</i> <i>REGINA, SK S4X 4N4</i> <i>Saskatchewan</i>
2	POLICY PERIOD: Inception Date: <i>February 26, 2012</i> Expiration Date: <i>February 26, 2014</i> <div style="text-align: center; font-size: small;">12:01 A.M. at the address stated in Item 1</div>	

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ITEMS (continued)

3 **COVERAGE SUMMARY**

Liability Coverage Section		Separate Limit of Liability	Shared Limit of Liability	Retention/ Deductible*	Continuity Date	Premium
D&O	D&O and Not- For-Profit Organization	<i>Inapplicable</i>	<i>\$1,000,000</i>	Crisis Management Events: <i>\$0</i> All Other Claims: <i>\$1,000</i>	<i>02/26/2002</i>	<i>\$4,406</i>
			Shared With: EPL			
EPL	Employment Practices	<i>Inapplicable</i>	<i>\$1,000,000</i>	All Claims: <i>\$5,000</i>	<i>02/26/2002</i>	<i>\$94</i>
			Shared With: D&O			
FLI	Fiduciary	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>	All Claims: <i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
CCP	Employed Lawyers	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>	All Claims: <i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Crime	Crime	See Section 5:	None	See Section 5:	N/A	<i>Coverage Section Not Purchased</i>
KRE	Kidnap And Ransom/ Extortion	See Section 6:	None	See Section 6:	N/A	<i>Coverage Section Not Purchased</i>
*With respect to the D&O, EPL, FLI and CCP Coverage Sections only, no Retention amount is applicable to Non- Indemnifiable Loss. *No Retention is applicable to Voluntary Compliance Loss and HIPAA Penalties						N/A

4 **TOTAL PREMIUM**
\$4,500

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ITEMS (continued)

5 CRIME LIMITS OF LIABILITY AND DEDUCTIBLES

Insuring Agreement	Per Occurrence Limit of Liability	Deductible
Insuring Agreement 1.A.: "Employee Theft" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.B.: "Forgery or Alteration" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.C.: "Inside the Premises - Theft of Money or Securities" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.D.: "Inside the Premises - Robbery or Safe Burglary of Other Property" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.E.: "Outside the Premises" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.F.: "Computer Fraud" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Insuring Agreement 1.G.: "Money Orders and Counterfeit Paper Currency" Loss	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>

If "Not Covered" is inserted above opposite any specific Insuring Agreement, such Insuring Agreement in the Crime Coverage Section and any other reference thereto in this policy is hereby deleted.

CANCELLATION OF PRIOR CRIME INSURANCE: By acceptance of the Crime Coverage Section of this Policy, you give us notice of cancellation for the prior policy Nos: *Not Applicable*. Such cancellation shall be effective at the time the Crime Coverage Section of this Policy becomes effective.

6 KRE LIMITS OF INSURANCE \ INSURED PERSON(S)

Loss Component:	Each Loss Component Limit	Annual Aggregate Limit
A. Ransom Monies:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
B. In- Transit/Delivery:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
C. Expenses:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
D. Consultant Expenses:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
E. Judgments, Settlements and Defence Costs:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
F. Death or Dismemberment:	<i>Coverage Section Not Purchased</i>	<i>Coverage Section Not Purchased</i>
Each Insured Event Limit:		<i>Coverage Section Not Purchased</i>
Coverage Section Aggregate:		<i>Coverage Section Not Purchased</i>
Deductible (Each Loss):		<i>Coverage Section Not Purchased</i>
Insured Person(s):		

7 OTHER LIMITS OF LIABILITY

(a) POLICY AGGREGATE LIMIT OF LIABILITY (For all coverages combined other than the Crime and the KRE Coverage Sections:	<i>\$1,000,000</i>
(b) Crisis Management Fund For D&O:	<i>\$2,000</i>
(c) Voluntary Compliance Loss Sublimit of Liability for FLI:	<i>Coverage Section Not Purchased</i>
(d) HIPAA Penalties Sublimit of Liability for FLI:	<i>Coverage Section Not Purchased</i>

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ITEMS (continued)

8 NAME AND ADDRESS OF INSURER

*Chartis Insurance Company of Canada
145 WELLINGTON STREET WEST
TORONTO, ON M5J 1H8*

This policy is issued only by the insurance company indicated in this Item 8.

PRODUCER: *BUTLER BYERS INSURANCE LTD*
ADDRESS: *301 4TH AVE N
SASKATOON, SK S7K 2L8*

All limits of insurance, premiums and other sums of money as expressed in this policy are in Canadian currency unless otherwise stated in writing

By signing below, the Chief Executive Officer and the Secretary of the Insurer agree on behalf of the Insurer to all the terms of this Policy.



President and Chief Executive Officer
Chartis Insurance Company
of Canada



Secretary
Chartis Insurance Company
of Canada

TORONTO

SIGNED AT

March 22, 2012

DATE

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Chartis Insurance Company of Canada
(herein called the **Insurer**)

Not-For-Profit Risk Protector®
General Terms and Conditions
(Inapplicable to Kidnap and Ransom Coverage Section)

In consideration of the payment of the premium, and in reliance upon the statements made to the **Insurer** by application, including its attachments and the materials incorporated therein, which form a part of this policy, the **Insurer** agrees as follows:

1. TERMS AND CONDITIONS

These General Terms and Conditions are hereby incorporated by reference into, made a part of, and expressly made applicable to all **Coverage Sections** except (i) the Kidnap & Ransom Coverage Section; or (ii) where explicitly limited to one or more **Coverage Sections**. Any reference in this General Terms and Conditions Section to "all **Coverage Sections**" shall not refer to the Kidnap and Ransom Coverage Section. The terms and conditions set forth in each **Coverage Section** shall only apply to that particular **Coverage Section** and shall in no way be construed to apply to any other **Coverage Section** of this policy.

2. DEFINITIONS

(a) "**Affiliate**" shall mean any not for profit organization, other than a **Subsidiary**, which:

(1) the **Named Organization** or any **Subsidiary** controls or otherwise has the ability to direct the financial or managerial decisions of such entity, whether through the operation of law, contract or agreement, stock ownership or membership, charter, articles of incorporation, or by-law provisions; or

(2) is granted by contract the right to control the financial or managerial decisions of the **Named Organization** or any **Subsidiary**;

provided, however, that such coverage as may be provided under this policy for any organization described in subparagraphs (1) and (2) above shall be limited solely to **Wrongful Acts** occurring in the course of the exercise of such control of financial or managerial decisions.

(b) "**Bodily Injury**" means physical injury, sickness or disease (other than emotional distress or mental anguish), including death resulting therefrom.

(c) "**Claim**" means a **Claim**, as that term is defined within each **Coverage Section**.

(d) "**Continuity Date**" means the date set forth in Item 3 of the Declarations with respect to each **Coverage Section**.

(e) "**Coverage Section(s)**" means each **Coverage Section** that is purchased by the **Insured** as indicated in Item 3 of the Declarations.

(f) "**Defence Costs**" means reasonable and necessary fees, costs and expenses consented to by the **Insurer** (including 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 investigation, adjustment, defence and appeal of a **Claim** against the **Insureds**, but excluding compensation of **Individual Insureds**. **Defence Costs** shall not include any fees, costs or expenses incurred prior to the time that a **Claim** is first made against an **Insured**.

(g) "**Discovery Period**" means the **Discovery Period** as that term is defined in each **Coverage Section**.

- (h) "**Domestic Partner**" means any natural person qualifying as a domestic partner or spouse under: (i) the provisions of any applicable Canadian provincial or territorial legislation governing the division of matrimonial assets in circumstances where no ceremony of marriage has occurred; or (2) the provisions of any applicable federal, state or local law in any jurisdiction other than Canada; or (3) under the provisions of any formal program established by the **Named Organization** or any **Subsidiary**.
- (i) "**Employee(s)**" means an Employee as that term is defined within each **Coverage Section**.
- (j) "**Financial Insolvency**" means: (1) entering into proceedings in bankruptcy; (2) becoming a debtor in possession; or (3) the taking of control, the supervision of or the managing or liquidation of the financial affairs of an entity by a receiver, conservator, liquidator, trustee, rehabilitator or similar official.
- (k) "**Indemnifiable Loss**" means **Loss** for which the **Organization** has indemnified or is permitted or required to indemnify any **Individual Insureds**.
- (l) "**Individual Insured(s)**" means an **Individual Insured**, as that term is defined within each **Coverage Section**.
- (m) "**Insurer**" means the entity listed in Item 8 of the Declarations.
- (n) "**Insured(s)**" means an **Insured**, as that term is defined within each **Coverage Section**.
- (o) "**Loss**" means **Loss**, as that term is defined within each **Coverage Section**.
- (p) "**Named Organization**" means the **Organization** designated in Item 1 of the Declarations.
- (q) "**Non-Indemnifiable Loss**" means **Loss** for which an **Organization** has neither indemnified nor is permitted or required to indemnify an **Individual Insured**.
- (r) "**Organization**" means: (1) the **Named Organization**; (2) any **Subsidiary** thereof; and (3) any **Affiliate** thereof listed by endorsement to this policy, but solely with respect to the **Coverage Sections** indicated on such endorsement.
- (s) "**Outside Entity**" means any (1) not-for-profit organization; or (2) other entity listed as an "Outside Entity" in an endorsement attached to this policy.
- (t) "**Outside Entity Executive**" means any director, trustee, trustee emeritus or governor (or equivalent position) of the **Organization** who is or was acting at the specific request or direction of the **Organization** as a director, trustee, trustee emeritus or governor of an **Outside Entity**. It is understood and agreed that, in the event of a disagreement between the **Organization** and an individual as to whether such individual was acting "at the specific request or direction of the **Organization**," this policy shall abide by the determination of the **Organization** on this issue and such determination shall be made by written notice to the **Insurer** within ninety (90) days after the **Claim** is first reported to the **Insurer** pursuant to the terms of the policy. In the event no determination is made within such period, this policy shall apply as if the **Organization** determined that such **Individual Insured** was not acting at the **Organization's** specific request or direction.
- (u) "**Plan**" means **Plan**, as that term is defined within the FLI Coverage Section.
- (v) "**Policy Aggregate Limit of Liability**" means the **Policy Aggregate Limit of Liability** stated in Item 7(a) of the Declarations.
- (w) "**Policy Period**" means the period of time from the inception date shown in Item 2 of the Declarations to the earlier of the expiration date shown in Item 2 of the Declarations or the effective date of cancellation of this policy.
- (x) "**Pollutants**" means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapour, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and Waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
- (y) "**Property Damage**" means damage to, or destruction of tangible or intangible property,

including the loss of use thereof, or the loss of use of tangible or intangible property which has not been damaged or destroyed.

- (z) "**Related Wrongful Act**" means a **Wrongful Act** which is the same, related or continuous, or **Wrongful Act** which arises from a common nucleus of facts. **Claims** can allege **Related Wrongful Acts** regardless of whether such **Claims** involve the same or different claimants, **Insureds** or legal causes of action.
- (aa) "**Retaliation**" means a retaliatory act of an **Insured** alleged to be in response to any of the following activities: (1) the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by an **Insured** which is alleged to be a violation of any federal, provincial, territorial, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder; (2) the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under worker's compensation laws, the Canada Labour Code, R.S.C. 1985, c. L-2, the Canadian Human Rights Act, R.S.C. 1985, c. H-6, the Employment Equity Act, R.S.C. 1985, c. 23 (2nd supp.) or any law relating to employee rights; or (4) Employee strikes.
- (bb) "**Separate Limit of Liability**" means each **Separate Limit of Liability**, if any, stated in Item 3 of the Declarations.
- (cc) "**Shared Limit of Liability**" means each **Shared Limit of Liability**, if any, stated in Item 3 of the Declarations, which limit of liability shall be shared between all of the **Coverage Sections** which are listed below such **Shared Limit of Liability** in the Declarations.
- (dd) "**Subsidiary**" means:

With respect to all **Coverage Sections** (other than the Crime Coverage Section):

- (i) any organization of which, on or before the inception date of the **Policy Period**, the **Organization** owns more than fifty percent (50%) of the voting interest, either directly, or indirectly through one or more of its **Subsidiaries**, or has, on or before the inception of the **Policy Period**, the right to elect or appoint more than fifty percent (50%) of the voting directors, or trustees, either directly or indirectly through one or more of its **Subsidiaries**;
- (ii) automatically any not-for-profit organization which becomes a **Subsidiary** during the **Policy Period** and of which the book value of such entity's assets determined in accordance with Generally Accepted Accounting Principles ("GAAP") totals less than 30% of the similarly calculated assets of the **Named Organization** as of the inception date of the **Policy Period**; or
- (iii) any for-profit organization which becomes a **Subsidiary** during the **Policy Period** and of which the book value of such entity's assets determined in accordance with "GAAP" totals less than 20% of the similarly calculated assets of the **Named Organization** as of the inception date of the **Policy Period**.

With regard to subparagraphs (ii) and (iii) above, the **Named Organization** shall provide the **Insurer** with full particulars of the **Subsidiary** before the end of the **Policy Period**.

Any organization which becomes a **Subsidiary** during the **Policy Period**, but which exceeds the asset limitations stated in subparagraphs (ii) or (iii) above, shall be provided coverage under this policy, but only upon the condition that within 90 days after the date of its becoming a **Subsidiary**, the **Named Organization** shall have provided the **Insurer** with full particulars of the new **Subsidiary** and agreed to any additional premium or amendment of the provisions of this policy required by the **Insurer** relating to such new **Subsidiary**. Further, the coverage as shall be afforded to the new **Subsidiary** is conditioned upon the **Named Organization** paying when due any additional premium required by the **Insurer** relating to such new **Subsidiary**.

An organization becomes a **Subsidiary** when the **Named Organization** owns more than fifty percent (50%) of the voting interest, either directly, or indirectly through one or more of its **Subsidiaries**, or has, on or before the inception date of the **Policy Period**, the right

to elect or appoint more than fifty percent (50%) of the voting directors, or trustees, either directly or indirectly through one or more of its **Subsidiaries**.

In all events, such coverage as is afforded under this policy with respect to a **Claim** made against any **Subsidiary**, or any **Individual Insured** of a **Subsidiary**, shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time that such **Subsidiary** became a **Subsidiary** and prior to the time that such **Subsidiary** ceased to be a **Subsidiary**.

(ee) "**Wrongful Act**" means a **Wrongful Act**, as that term is defined within each **Coverage Section**.

3. EXTENSIONS

Subject otherwise to the terms hereof, this policy shall cover **Loss** arising from any **Claims** made against (i) the estates, heirs or legal representatives of deceased **Individual Insureds**, and the legal representatives of **Individual Insureds** in the event of an **Individual Insured's** incompetency, insolvency or bankruptcy, who were **Individual Insureds** at the time the **Wrongful Acts** upon which such **Claims** are based were committed; and (ii) the lawful spouse or **Domestic Partner** of an **Individual Insured** for all **Claims** arising solely out of his or her status as the spouse or **Domestic Partner** of an **Individual Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Individual Insured** and the spouse or **Domestic Partner** or property transferred from the **Individual Insured** to the spouse or **Domestic Partner**; provided, however, that this extension shall not afford coverage for any **Claim** for any actual or alleged **Wrongful Act** of the spouse or **Domestic Partner**, but shall apply only to **Claims** arising out of any actual or alleged **Wrongful Acts** of an **Individual Insured**, subject to the policy's terms, conditions and exclusions.

4. EXCLUSIONS

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

- (a) arising out of, based upon or attributable to the gaining of any profit or advantage to which any final adjudication establishes the **Insured** was not legally entitled;
- (b) alleging, arising out of, based upon or attributable to the facts alleged, or to the same or **Related Wrongful Act** alleged or contained in any **Claim** which has been reported, or in any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (c) alleging, arising out of, based upon or attributable to, as of the **Continuity Date**, any pending or prior: (1) litigation; or (2) administrative or regulatory proceeding or investigation; or the alleging of any **Wrongful Act** which is the same or a **Related Wrongful Act** to that alleged in such pending or prior litigation or administrative or regulatory proceeding or investigation;
- (d) alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly, **Bodily Injury** or **Property Damage**; provided, however, that with respect to the FLI Coverage Section only, this exclusion shall not apply to **Defence Costs** incurred in the defence of a **Claim** alleging a **Breach of Fiduciary Duty**;
- (e) alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly:
 - (1) the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants**; or
 - (2) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**,

including, but not limited to, a **Claim** alleging damage to the **Organization** or its members;

(f) for violation(s) of any of the responsibilities, obligations or duties imposed by the *Pension Benefits Standards Act*, R.S.C. 1985, c. 32, the Ontario *Pension Benefits Act*, R.S.O., c. P.8 (or any equivalent provincial or territorial legislation), the Ontario *Employment Standards Act*, 2000 S.O. 2000, c. 41 (or any equivalent provincial or territorial legislation), the *Canada Labour Code*, R.S.C. 1985, c. L.2 (or any equivalent provincial or territorial legislation), the *Labour Adjustments Benefits Act*, R.S. 1995, c.L-1 (or any equivalent provincial or territorial legislation), the *Labor Relations Act* 1995 S.O. 1995, Sched. A (or any equivalent provincial or territorial legislation), the *Occupational Health and Safety Act*, R.S.O. 1990, c. 0.1 (or any equivalent provincial or territorial legislation), the *Employee Retirement Income Security Act of 1974*, the *Fair Labor Standards Act*, the *National Labor Relations Act*, the *Worker Adjustment and Retraining Notification Act*, the *Consolidated Omnibus Budget Reconciliation Act*, the *Occupational Safety and Health Act*, or any violation of any federal, provincial, territorial, state, municipal or foreign statutory law or common law that governs the same topic or subject and any rules, regulations and amendments thereto; provided, however, that:

(1) with respect to the EPL Coverage Section only, this exclusion shall not apply to

(i) the *Employment Equity Act*, R.S. 1995, c. 44;

(ii) the *Pay Equity Act*, R.S.O. 1990, c. P.7, section 42 of the *Employment Standards Act* 2000, S.O. 2000, c. 41, or any equivalent provincial or territorial legislation to the foregoing statutes;

or

(iii) the *Equal Pay Act*; or

(iv) Loss arising from a Claim for Retaliation;

(2) with respect to the FLI Coverage Section only, this exclusion shall not apply to a **Claim** arising out of a violation of **Employee Benefit Law**;

(g) alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly, the refusal, failure or inability of any **Insured(s)** to pay wages or overtime pay for services rendered (hereinafter, "Earned Wages") (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay Earned Wages, or (ii) any **Claim** seeking Earned Wages because any **Employee(s)** or purported **Employee(s)** was improperly classified or mislabelled as "exempt";

(h) alleging, arising out of, based upon or attributable to any obligation pursuant to any workers' compensation, disability benefits, unemployment compensation, unemployment insurance, employment insurance, retirement benefits, social security benefits or similar benefits; provided, however, that this exclusion shall not apply:

(1) with respect to the EPL Coverage Section only, to **Loss** arising from a **Claim** for **Retaliation**; or

(2) to the extent coverage is afforded pursuant to FLI Coverage Section only;

For the purpose of determining the applicability of the Exclusions 4(a), 4(d), 4(e), 4(f), 4(g) and 4(h) above: (1) the facts pertaining to and knowledge possessed by any **Insured** shall not be imputed to any other **Individual Insured**; and (2) only facts pertaining to and knowledge possessed by any past, present or future chairman of the board, president, chief executive officer, chief operating officer, chief financial officer (or equivalent positions) of the **Organization** shall be imputed to the **Organization**.

This Clause 4. **EXCLUSIONS** shall not be applicable to **Crisis Management Loss** (as such term is defined in the D&O Coverage Section).

5. LIMIT OF LIABILITY

(a) With respect to all **Coverage Sections**, other than the Crime Coverage, the following shall apply:

POLICY AGGREGATE LIMIT OF LIABILITY (FOR ALL LOSS UNDER THIS POLICY COMBINED - INCLUDING DEFENSE COSTS)

The **Policy Aggregate Limit of Liability** stated in Item 7(a) of the Declarations is the maximum limit of the **Insurer's** liability for all **Loss** under all **Coverage Sections** combined, arising out of all **Claims** first made against the **Insureds** during the **Policy Period** or the **Discovery Period** (if applicable); however, the **Policy Aggregate Limit of Liability** for the **Discovery Period** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** for the **Policy Period**. Further, a **Claim** which is made subsequent to the **Policy Period** or **Discovery Period** (if applicable), which pursuant to Clause 7(b) or 7(c) is considered made during the **Policy Period** or **Discovery Period**, shall also be subject to the **Policy Aggregate Limit of Liability** stated in Item 7(a) of the Declarations and subject to the applicable **Separate Limit of Liability**, if any.

If **Separate Limits of Liability** are stated in Item 3 of the Declarations, then each such **Separate Limit of Liability** shall be the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during the **Policy Period** or the **Discovery Period** (if applicable) with respect to the applicable **Coverage Section** as stated on the Declarations; provided, however, the **Separate Limit of Liability** for the **Discovery Period** shall be part of, and not in addition to, the **Separate Limit of Liability** for the **Policy Period**. The **Separate Limits of Liability** shall be part of and not in addition to the **Policy Aggregate Limit of Liability** for all **Loss** under this policy as stated in Item 7(a) of the Declarations and shall in no way serve to increase the **Insurer's Limit of Liability** as therein stated.

If **Shared Limits of Liability** are stated in Item 3 of the Declarations, then each such **Shared Limit of Liability** shall be the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during the **Policy Period** or the **Discovery Period** (if applicable) with respect to all **Coverage Sections** for which such **Shared Limit of Liability** is applicable, as indicated on the Declarations; provided, however, with respect to all **Coverage Sections** that have a **Shared Limit of Liability**, the **Shared Limit of Liability** for the **Discovery Period** shall be part of, and not in addition to, the **Shared Limit of Liability** for the **Policy Period**. Any **Shared Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** for all **Loss** under this policy as stated in Item 7(a) of the Declarations and shall in no way serve to increase the **Policy Aggregate Limit of Liability** as therein stated.

Defence Costs are not payable by the **Insurer** in addition to the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability**. **Defence Costs** are part of **Loss** and as such are subject to the **Policy Aggregate Limit of Liability** for **Loss** and any applicable **Separate Limit of Liability** or **Shared Limit of Liability**. Amounts incurred for **Defence Costs** shall be applied against the **Retention amount**.

(b) Solely with respect to the Crime Coverage Section, the following shall apply:

The most the **Insurer** will pay for loss in any one **Occurrence**, as defined within the Crime Coverage Section, is the applicable **Per Occurrence Limit of Liability** shown in Item 5 of the Declarations.

6. RETENTION/DEDUCTIBLE CLAUSE

(a) With respect to all **Coverage Sections** other than the Crime Coverage Section, the following shall apply:

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

which amount shall apply to all **Loss** under such **Claim**.

Notwithstanding the foregoing, with respect to any **Crisis Management Event** (as defined in the D&O Coverage Section), the **Insurer** shall only be liable for the amount of **Crisis Management Loss** (as defined in the D&O Coverage Section) arising from a **Crisis Management Event** (as defined in the D&O Coverage Section) which is in excess of the applicable Retention stated in Item 3 of the Declarations, such Retention amount to be borne by the **Organization** and shall remain uninsured, with regard to all **Crisis Management Loss** (as defined in the D&O Coverage Section).

In the event an **Organization** refuses to pay an applicable Retention due to **Financial Insolvency**, then the **Insurer** shall commence advancing **Loss** within the Retention, subject to the other terms, conditions and exclusions of this policy, provided that (i) the **Insurer** shall be entitled to recover the amount of **Loss** advanced within the Retention from the **Organization** pursuant to Clause 10. SUBROGATION, of this General Terms and Conditions; and (ii) the **Organization** hereby agrees to indemnify the **Insureds** to the fullest extent permitted by law taking all steps necessary in furtherance thereto, including the making in good faith of any required application for court approval and the passing of any required corporate resolution or the execution of any contract. The **Named Organization** and all **Subsidiaries** and **Affiliates** will be conclusively deemed to have indemnified the **Individual Insureds** to the extent that the **Organization** is permitted or required to indemnify them pursuant to law, common or statutory, or contract, or the charter or by-laws of the **Organization**.

(b) Solely with respect to the Crime Coverage Section, the following shall apply:

The **Insurer** will not pay for loss in any one **Occurrence**, as defined within the Crime Coverage Section, unless the amount of loss exceeds the applicable Deductible Amount shown in Item 5 of the Declarations. The **Insurer** will then pay the amount of loss in excess of the Deductible Amount, up to the applicable **Per Occurrence Limit of Liability**. In the event more than one Deductible Amount could apply to the same loss, only the highest Deductible Amount may be applied.

7. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Insurer** set forth in Item 8 of the Declarations at the address indicated in item 8 of the Declarations. Notice shall include and reference this Policy Number as indicated in the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

1. With respect to all **Coverage Sections**, other than the Crime Coverage Section, the following shall apply:

(a) The **Insureds** shall, as a condition precedent to the obligations of the **Insurer** under this policy, give written notice to the **Insurer** of any **Claim** made against an **Insured** or any **Crisis Management Event** (as defined in the D&O Coverage Section) as soon as practicable and either:

(1) anytime during the **Policy Period** or during the **Discovery Period** (if applicable);
or

(2) within 30 days after the end of the **Policy Period** or the **Discovery Period** (if applicable), as long as such **Claim** is reported no later than 30 days after the date such **Claim** was first made against an **Insured**.

(b) If written notice of a **Claim** has been given to the **Insurer** pursuant to Clause 7(a) above, then any **Claim** which is subsequently made against the **Insureds** and reported to the **Insurer** alleging, arising out of, based upon or attributable to the facts alleged in the **Claim** for which such notice has been given, or alleging any **Wrongful Act** which is the same as or is a **Related Wrongful Act** to that alleged in the **Claim** of which such notice has been given, shall be considered made at the time such notice was given.

(c) If during the **Policy Period** or during the **Discovery Period** (if applicable) the **Insureds** shall become aware of any circumstances which may reasonably be expected to give rise to a **Claim** being made against the **Insureds** and shall give written notice to the **Insurer** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to dates, persons and entities involved, then any **Claim** which is subsequently made against the **Insureds** and reported to the **Insurer** alleging, arising out of, based upon or attributable to such circumstances or alleging any **Wrongful Act** which is the same as or is a **Related Wrongful Act** to that alleged or contained in such circumstances, shall be considered made at the time such notice of such circumstances was given.

2. Solely with respect to the Crime Coverage Section, the following shall apply:

(a) Duties in The Event of Loss:

After any **Insured** discovers a loss or a situation that may result in loss of or damages to **Money, Securities or Other Property**, the **Insured** must:

(1) Notify the **Insurer** as soon as possible, but no later than 60 days after discovery of a loss or a situation that may result in loss of or damages to **Money, Securities or Other Property**. If the **Insured** has reason to believe that any loss (except for loss covered under Insuring Agreements A or B of the Crime Coverage Section) involves a violation of law, the **Insured** must also notify the local law enforcement authorities.

(2) Submit to an examination under oath at the **Insurer's** request and provide the **Insurer** with a signed statement of the **Insured's** answers.

(3) Give the **Insurer** a detailed, sworn proof of loss within 120 days of the discovery of a loss or a situation that may result in loss of or damages to **Money, Securities or Other Property**, provided, however, that such proof of loss shall not be required solely in the event the **Insured** elects to have an independent Investigative Specialist investigate the facts and determine the quantum of loss pursuant to Clause 4.A.4 of the Crime Coverage Section and such report is issued pursuant to the terms and conditions of that Clause.

(4) Cooperate with the **Insurer** in the investigation and settlement of any loss.

8. CANCELLATION CLAUSE

This policy may be cancelled by the **Named Organization** at any time only by mailing written prior notice to the **Insurer** or by surrender of this policy to the **Insurer** or its authorized agent. If this policy is cancelled by the **Named Organization**, the **Insurer** shall retain the customary short rate proportion of the premium herein.

This policy may be cancelled by or on the behalf of the **Insurer** only in the event of non-payment of premium by the **Named Organization**. In the event of non-payment of premium by the **Named Organization**, the **Insurer** may cancel this policy by delivering to the **Named Organization** or by mailing to the **Named Organization**, by registered, certified or other first class mail, at the **Named Organization's** address as shown in Item 1 of the Declarations, written notice stating when, not less than thirty (30) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender. The **Insurer** shall have the right to the premium amount for the portion of the **Policy Period** during which the policy was in effect.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

9. CHANGE IN CONTROL OF NAMED ORGANIZATION

With respect to all **Coverage Sections**, other than the Crime Coverage Section, the following shall apply:

If during the **Policy Period**:

- a. the **Named Organization** shall consolidate with or merge into, or sell all or substantially all of its assets to, any other person or entity, or group of persons or entities acting in concert;
 - b. any person or entity, or group of persons or entities, acting in concert shall acquire an amount of the voting interest representing more than fifty percent (50%) of the voting power for the election or appointment of directors, trustees or members of the board of managers of the **Named Organization**, or acquires the voting rights of such an amount of such interest; or
 - c. the **Named Organization** shall change from not-for-profit to for-profit status,
- (any of the above events herein referred to as the "**Transaction**")

then this policy shall continue in full force and effect as to **Wrongful Acts** occurring prior to the effective time of the **Transaction**, but there shall be no coverage afforded by any provision of this policy for any actual or alleged **Wrongful Act** occurring after the effective time of the **Transaction**. This policy may not be cancelled after the effective time of the **Transaction** and the entire premium for this policy shall be deemed earned as of such time. The **Named Organization** shall also have the right to an offer by the Insurer of a **Discovery Period** described in the Clause in each applicable **Coverage Section** entitled "Discovery Clause."

The **Named Organization** shall give the **Insurer** written notice of the **Transaction** as soon as practicable, but not later than thirty (30) days after the effective date of the **Transaction**.

10. SUBROGATION

With respect to all **Coverage Sections**, other than the Crime Coverage Section, the following paragraph shall apply:

In the event of any payment under this policy, the **Insurer** shall be subrogated to the extent of such payment to all the **Insureds'** rights of recovery thereof, and the **Insureds** shall execute all papers required and shall do everything that may be necessary to secure such rights including the execution of such documents necessary to enable the **Insurer** to effectively bring suit in the name of any **Insureds**. In no event, however, shall the **Insurer** exercise its rights of subrogation against an **Individual Insured** under this policy unless such **Individual Insured** has been convicted of a criminal act, or been determined by a final adjudication to have committed a dishonest or fraudulent act or to have obtained any profit or advantage to which such **Individual Insured** was not legally entitled.

Solely with respect to the FLI Coverage Section, in the event this policy has been purchased by an **Insured** other than a **Plan**, the **Insurer** shall have no right of recourse against an **Insured**. Notwithstanding the foregoing, the **Insurer** shall have a right of recourse against an **Insured** arising out of a **Claim** by an **Insured** against another **Insured** unless such **Claim** is instigated and continued totally independent of, and totally without the solicitation of, assistance of or active participation by the **Insured** claimed against.

11. OTHER INSURANCE AND INDEMNIFICATION

Solely with respect to the EPL Coverage Section, unless expressly written to be excess over other applicable insurance, it is intended that the insurance provided by the EPL Coverage Section shall be primary.

With respect to all **Coverage Sections** other than the EPL Coverage Section, such insurance as is provided by this policy shall apply only as excess over any valid and collectible insurance, unless such other insurance is written only as specific excess insurance over the **Policy Aggregate Limit of Liability** provided by this policy. This policy shall be specifically excess of any other policy pursuant to which any other insurer has a duty to defend a **Claim** for which this policy may be obligated to pay **Loss**.

In the event of a **Claim** against an **Insured** arising out of his or her service as an **Outside Entity Executive**, or a **Claim** against an **Insured** for the **Insured's** liability with respect to a leased **Employee** as described in the definition of "**Employee**" in the D&O Coverage Section or the EPL Coverage Section, as applicable, coverage as is afforded by the D&O Coverage Section and the EPL Coverage Section shall be specifically excess of indemnification provided by such **Outside Entity** or such leasing company and any insurance provided to such **Outside Entity** or such leasing company.

Further, in the event other insurance is provided to an **Outside Entity** or leasing company referenced in the above paragraph, or is provided under any pension trust or employee benefit plan fiduciary liability insurance policy, and such other insurance is provided by the **Insurer** or any member company of Chartis, Inc. (Chartis) (or would be provided but for the application of the retention amount, exhaustion of the **Limit of Liability** or failure to submit a notice of a **Claim**), then the **Insurer's** maximum aggregate **Limit of Liability** for all **Loss** combined in connection with a **Claim** covered, in part or in whole, by this policy and such other insurance policy issued by Chartis, shall not exceed the greater of the **Policy Aggregate Limit of Liability** or any applicable **Separate Limit of Liability** or applicable **Shared Limit of Liability** of this policy or the limit of liability of such other Chartis insurance policy.

12. NOTICE AND AUTHORITY

It is agreed that the **Named Organization** shall act on behalf of the **Subsidiaries** and all **Insureds** with respect to the giving of notice of **Claim** or giving and receiving notice of cancellation, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy, the exercising or declining to tender the defence of a **Claim** to the **Insurer** and the exercising or declining of any right to a **Discovery Period**.

13. ASSIGNMENT

This policy and any and all rights hereunder are not assignable without the written consent of the **Insurer**, which shall be in the sole and absolute discretion of the **Insurer**.

14. ACTION AGAINST INSURER

With respect to all **Coverage Sections**, other than the Crime Coverage, the following shall apply:

No action shall lie against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the **Insureds'** obligation to pay shall have been finally determined either by judgment against the **Insureds** after actual trial or by written agreement of the **Insureds**, the claimant and the **Insurer**.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the **Insurer** as a party to any action against the **Insureds** to determine the **Insureds'** liability, nor shall the **Insurer** be impleaded by the **Insureds** or their legal representatives. Bankruptcy or insolvency of the **Insureds** or of their estates shall not relieve the **Insurer** of any of its obligations hereunder.

15. REPRESENTATIONS AND SEVERABILITY

Solely with respect to the D&O Coverage Section and the EPL Coverage Section, the following shall apply:

In granting coverage under this policy, it is agreed that the **Insurer** has relied upon the statements, warranties and representations contained in the application for this policy (including materials submitted thereto and, if this is a renewal application, all such previous policy applications for which this policy is a renewal) as being accurate and complete. All such statements, warranties and representations are the basis for this policy, are material to

the risk assumed by the Insurer and are to be considered as incorporated into this policy.

The **Insureds** agree that in the event that such statements, warranties and representations are not accurate and complete, then the coverage provided by this policy shall be deemed void *ab initio* solely with respect to any of the following **Insureds**:

- (1) solely with respect to Loss other than **Non-Indemnifiable Loss**, any **Individual Insured** who knew as of the inception date of the **Policy Period** the facts that were not accurately and completely disclosed in the application;
- (2) with respect to the D&O Coverage Section only, any **Organization**, under Clause 1. Insuring Agreements, **COVERAGE B**, to the extent it indemnifies any **Individual Insured** referenced in subparagraph (1) above;
- (3) with respect to the D&O Coverage Section only, any **Organization**, under Clause 1. Insuring Agreement, **COVERAGE C**, if any past or present chief executive officer, chief operating officer or chief financial officer (or any equivalent position) of an **Organization** knew, as of the inception date of the **Policy Period**, the facts that were not accurately and completely disclosed in the application;
- (4) with respect to the EPL Coverage Section only, any **Organization**, to the extent it indemnifies any **Individual Insured** referenced in subparagraph (1) above; and
- (5) with respect to the EPL Coverage Section only, any **Organization**, if any past or present chief executive officer, chief operating officer, chief financial officer or director of human resources (or any equivalent position) of an **Organization** knew, as of the inception date of the **Policy Period**, the facts that were not accurately and completely disclosed in the application,

whether or not such **Individual Insured** knew that such facts were not accurately and completely disclosed in the application.

Except as provided in (1) through (5) above, no **Individual Insured's** knowledge shall be imputed to any other **Insured**.

Solely with respect to any **Non-Indemnifiable Loss** of any **Individual Insured**, under no circumstances shall the coverage provided by this policy be deemed void, whether by rescission or otherwise, but such coverage will be subject to all other terms, conditions and exclusions of the policy.

16. TERRITORY

- (a) With respect to all Coverage Sections (other than the Crime Coverage Section), the following shall apply:

WORLDWIDE TERRITORY

Where legally permissible, this policy shall apply to Claims for Wrongful Acts made against an Insured anywhere in the world.

- (b) Solely with respect to the Crime Coverage Section, the following shall apply:

TERRITORY

This policy covers acts committed or events occurring within Canada and the United States of America (including its territories and possessions) and Puerto Rico.

17. SERVICE OF SUIT

It is agreed that in the event of failure of the Insurer to pay any amount claimed to be due hereunder, the Insurer, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within Canada. Nothing in this Clause 17 constitutes, or should be understood to constitute, a waiver of the Insurer's rights to commence an action in any court of competent jurisdiction in Canada, to remove an action to a Canadian Superior Court, or to seek a transfer of a case to another court as permitted by the laws of Canada. It is further agreed that service of process in such suit may be made upon "Claims Department",

Chartis Insurance Company of Canada, 145 WELLINGTON STREET WEST TORONTO, ON M5J 1H8, and that in any suit instituted against the Insurer upon this contract, the Insurer will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any province or territory of Canada which makes provision therefore, the Insurer hereby designates the Provincial Superintendent of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above-named Claims Department as the person to whom the said officer is authorized to mail such process or a true copy thereof.

18. HEADINGS

The descriptions in the headings of this policy are solely for convenience and form no part of the terms and conditions of coverage.

All limits of insurance, premiums and other sums of money as expressed in this policy are in Canadian currency unless otherwise stated in writing

By signing below, the Chief Executive Officer and the Secretary of the Insurer agree on behalf of the Insurer to all the terms of this Policy.



**President and Chief Executive Officer
Chartis Insurance Company
of Canada**



**Secretary
Chartis Insurance Company
of Canada**

This Policy shall not be valid unless signed at the time of issuance by an authorized representative of the Insurer, either below or on the Declarations page of the policy.

Chartis Insurance Company of Canada
(herein called the **Insurer**)

Not- For- Profit Risk Protector®
Directors, Officers And Not- For- Profit Organization Liability
Coverage Section One
("D&O Coverage Section")

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

In consideration of the payment of the premium, and in reliance upon the statements made to the **Insurer** by application, including its attachments and the material incorporated therein, which form a part of this policy, the **Insurer** agrees as follows:

1. INSURING AGREEMENTS

COVERAGE A: INDIVIDUAL INSURED INSURANCE

This policy shall pay on behalf of each and every **Individual Insured Loss** arising from a **Claim** first made against such **Individual Insured** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this policy for any actual or alleged **Wrongful Act** of such **Individual Insured**, except when and to the extent that the **Organization** has indemnified the **Individual Insured**. The **Insurer** shall, in accordance with and subject to Clause 5 of this **Coverage Section**, advance **Defence Costs** of such **Claim** prior to its final disposition.

COVERAGE B: ORGANIZATION INDEMNIFICATION REIMBURSEMENT INSURANCE

This policy shall pay on behalf of the **Organization Loss** arising from a **Claim** first made against an **Individual Insured** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this policy for any actual or alleged **Wrongful Act** of such **Individual Insured**, but only when and to the extent that the **Organization** has indemnified such **Individual Insured** for such **Loss** pursuant to law, common or statutory, or contract, or the Charter or By-laws of the **Organization** duly effective under such law which determines and defines such rights of indemnity. The **Insurer** shall, in accordance with and subject to Clause 5 of this **Coverage Section**, advance **Defence Costs** of such **Claim** prior to its final disposition.

COVERAGE C: ORGANIZATION ENTITY COVERAGE

This policy shall pay on behalf of the **Organization Loss** arising from a **Claim** first made against the **Organization** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this policy for any actual or alleged **Wrongful Act** of the **Organization**. The **Insurer** shall, in accordance with and subject to Clause 5 of this **Coverage Section**, advance **Defence Costs** of such **Claim** prior to its final disposition.

COVERAGE D: CRISISFUND® INSURANCE

This policy shall pay the **Crisis Management Loss** of an **Organization** solely with respect to a **Crisis Management Event** occurring during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this policy, up to the amount of the **Crisis Management Fund**; provided that payment of any **Crisis Management Loss** under this policy shall not waive any of the **Insurer's** rights under this policy or at law. Coverage D shall apply regardless of whether a **Claim** is ever made against an **Insured** arising from such **Crisis Management Event** and, in the case where a **Claim** is made, regardless of whether the amount is incurred prior to or subsequent to the making of the

Claim.

DEFENSE PROVISIONS

The **Insurer** does not assume any duty to defend; provided, however, the **Named Organization** may at its sole option, and in accordance with Clause 5 of this **Coverage Section**, tender to the **Insurer** the defence of a **Claim** for which coverage is provided by this policy. Regardless of whether the defence is so tendered, the **Insurer** shall advance **Defence Costs** (excess of the Retention amount) of such **Claim** prior to its final disposition. Selection of counsel to defend a **Claim** shall be made in accordance with Clause 6 of this Coverage Section.

2. DEFINITIONS

(a) "**Claim**" means:

- (1) a written demand for monetary, non-monetary or injunctive relief (including any request to toll or waive any statute of limitations); or
- (2) a civil, criminal, regulatory or administrative proceeding for monetary, non-monetary or injunctive relief which is commenced by:
 - (i) service of a complaint or similar pleading;
 - (ii) return of an indictment, information or similar document (in the case of a criminal proceeding); or
 - (iii) receipt or filing of a notice of charges.

(b) "**Crisis Management Event**" means **Crisis Management Event**, as that term is defined in Appendix B attached to this policy.

(c) "**Crisis Management Fund**" means the dollar amount set forth in Item 7(b) of the Declarations.

(d) "**Crisis Management Loss**" means **Crisis Management Loss**, as that term is defined in Appendix B attached to this policy.

(e) "**Crisis Management Services**" means **Crisis Management Services**, as that term is defined in Appendix B attached to this policy.

(f) "**Employee(s)**" means any past, present or future employee of the **Organization**, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any full-time, part-time, seasonal and temporary employee or volunteer of the **Organization** in his or her capacity as such. An individual who is leased to the **Organization** shall also be an **Employee**, but only if the **Organization** provides indemnification to such leased individual in the same manner as is provided to the **Organization's** employees. Any other individual who is contracted to perform work for the **Organization**, or who is an independent contractor for the **Organization** shall also be an **Employee**, but only if the **Organization** provides or is required to provide indemnification to such individual in the same manner as provided to the **Organization's** employees, pursuant to a written contract.

(g) "**Individual Insured(s)**" means a past, present or future duly elected or appointed director, officer, trustee, trustee emeritus, executive director, department head, committee member (of a duly constituted committee of the **Organization**), staff or faculty member (salaried or non-salaried), or **Employee** of the **Organization**, or **Outside Entity Executive**. Coverage will automatically apply to all new persons who become **Individual Insureds** after the inception date of this policy.

(h) "**Insured(s)**" means the **Organization** and all **Individual Insureds**.

(i) "**Loss**" means damages, judgments, settlements, pre- and post-judgment interest, **Defence Costs** and **Crisis Management Loss**; however, **Loss** shall not include: (1) any amount for which the **Insureds** are not financially liable or which are without legal recourse to the **Insureds**; (2) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed; (3) civil or criminal fines or penalties; (4) taxes or tax penalties (whether imposed by federal, provincial, territorial, state, local or

other governmental authority);

Subject to the other terms, conditions and exclusions of this policy, **Loss** shall include **Defence Costs** for items specifically excluded from **Loss** pursuant to subparagraphs (1)-(4), including, without limitation, **Defence Costs** incurred in connection with a **Claim** seeking an assessment of taxes, initial taxes, additional taxes, tax deficiencies, excise taxes or penalties pursuant to the following sections:

1. The Income Tax Act, R.S.C. 1985, c.1, as revised:

Section 149(Division H - Exemptions);
Section 245 (2) and 245(4) (General Anti-Avoidance Rule);
Section 246(1) (Benefit conferred on a person) and Section 246(2) Arm's length);
Section 256(2.1) (Anti-avoidance);
Section 247 (Transfer Pricing);
Section 69(1) (Inadequate Considerations);
Section 162(1) (failure to file return);
Section 163.1 (deficient installments of tax); and

2. The Internal Revenue Code of 1986 (as amended):

Section 4911 (tax on excess expenditures to influence legislation);
Section 4940 (a) (tax on net investment income of tax-exempt foundations);
Section 4941 (taxes on self-dealing);
Section 4942 (taxes on failure to distribute income);
Section 4943 (taxes on excess business holding);
Section 4944 (taxes on investments which jeopardize charitable purpose);
Section 4945 (taxes on taxable expenditures);
Section 6652 (c) (1) (A) and (B) (penalties for failure to file certain information returns or registration statements);
Section 6655 (a) (1) (penalties for failure to pay estimated income tax); and
Section 6656 (a) and (b) (penalties for failure to make deposit of taxes).

Loss shall also include any "**Excess Benefits**" penalty assessed in the amount of 10% by the Internal Revenue Service ("IRS") against any **Insured(s)** for management's involvement in the award of an "**Excess Benefit**" and the **Defence Costs** attributable thereto. **Loss** shall specifically exclude: (1) any 25% penalty assessed by the IRS against an **Insured** deemed to have received an **Excess Benefit**; (2) **Defence Costs** incurred to defend any **Insured** if it has been in fact determined that such individual received an **Excess Benefit**; and (3) any 200% penalty assessed by the IRS for failure to correct the award of an **Excess Benefit**. The term "**Excess Benefits**" means an excess benefit as defined in the Taxpayer Bill of Rights Act, 2, 26 U.S.C. 4958.

Loss shall also specifically include (subject to this policy's other terms, conditions and limitations, including but not limited to Exclusion (a) of this **Coverage Section** and Exclusion (a) of the General Terms and Conditions) punitive, exemplary and multiple damages. Enforceability of this paragraph shall be governed by such applicable law that most favours coverage for such punitive, exemplary and multiple damages. For purposes of such coverage, "applicable law" includes, but is not limited to, the following jurisdictions: (a) where the **Wrongful Act** actually or allegedly took place; (b) where the damages are awarded; (c) where the **Named Organization** resides, is incorporated or has its principal place of business; and (d) where the **Insurer** is incorporated or has its principal place of business.

- (j) "**Material Effect**" means **Material Effect**, as that term is defined in Appendix B attached to this policy.
- (k) "**Settlement Opportunity**" means an **Insurer** recommended settlement that is within the **Policy Aggregate Limit of Liability, Separate Limit of Liability or Shared Limit of Liability**, if any, and that is acceptable to the claimant.
- (l) "**Wrongful Act**" means:

- (1) with respect to **Individual Insureds**, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by such **Insureds** in his/her respective capacities as such, or any matter claimed against such **Individual Insured** solely by reason of his/her status as an **Individual Insured** of the **Organization**;
- (2) with respect to the **Organization** under Coverage C, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by or on behalf of the **Organization**;
- (3) with respect to **Outside Entity Executives**, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by such **Outside Entity Executive** in his or her capacity as such or any matter claimed against such **Outside Entity Executive** solely by reason of his or her status as such;
- (4) with respect to both the **Individual Insureds** and the **Organization** and subject to subparagraphs (1), (2) and (3) above, "**Wrongful Act**" shall specifically include:
 - (a) violation of the Sherman Antitrust Act or similar federal, provincial, territorial, state or local statutes or rules;
 - (b) libel, slander, defamation or publication or utterance in violation of an individual's right of privacy;
 - (c) wrongful entry or eviction or other invasion of the right of occupancy;
 - (d) false arrest or wrongful detention;
 - (e) plagiarism; and
 - (f) infringement of copyright or trademark or unauthorized use of title.

3. EXCLUSIONS

In addition to the exclusions set forth in Clause 4 of the General Terms and Conditions, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured**:

- (a) arising out of, based upon or attributable to the committing of any criminal or deliberate fraudulent act if any final adjudication establishes that such criminal or deliberate fraudulent act was committed;

[The **Wrongful Act** of an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of this exclusion.]

- (b) alleging, arising out of, based upon or attributable to any actual or alleged act or omission of an **Individual Insured** serving in his/her capacity as a director, officer, trustee, trustee emeritus, governor or **Employee** (or equivalent position) of any entity that is not the **Organization** or an **Outside Entity**, or by reason of his/her status as a director, trustee, trustee emeritus, governor or **Employee** (or equivalent position) of such other entity;
- (c) which is brought by or on behalf of the **Organization** against any **Individual Insured**; provided however, this exclusion shall not apply to any derivative **Claim** made on behalf of the **Organization** by a member, an attorney general or any other such representative party if such action is brought and maintained independently of and without the solicitation of or assistance of, or active participation of or intervention of any **Individual Insured** or the **Organization** or any **Affiliate** thereof;
- (d) for any **Wrongful Act** arising out of an **Individual Insured** serving as an **Outside Entity Executive**, if such **Claim** is brought by the **Outside Entity** or by any director, officer, trustee, trustee emeritus or governor thereof;
- (e) alleging, arising out of, based upon or attributable to any actual or alleged contractual liability of an **Insured** under any express contract or agreement; provided, however, that this exclusion shall not apply to liability which would have attached in the absence of such express contract or agreement;

- (f) alleging, arising out of, or in any way relating to any purchase or sale of securities by the **Named Organization, Subsidiary or Affiliate or Claims** brought by securities holders of the **Organization** in their capacity as such; provided, however, this exclusion shall not apply to the issuance by the **Organization** of tax exempt bond debt or **Claims** brought by tax exempt bond debt holders;
- (g) alleging, arising out of, based upon, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving employment of any individual or any employment practice (including but not limited to wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim); and
- (h) alleging, arising out of, based upon, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged harassment (including sexual harassment, whether "quid pro quo", hostile work environment or otherwise) or unlawful discrimination (including, but not limited to, discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy, or disability), or the violation of the civil rights of a person relating to such harassment or discrimination, when such acts are alleged to be committed against anyone other than an **Individual Insured** or applicant for employment with the **Organization** or an **Outside Entity**, including, but not limited to, students, patients, members, customers and suppliers.

This Clause 3 shall not be applicable to **Crisis Management Loss**.

4. LIMIT OF LIABILITY

Clause 5 of the General Terms and Conditions is modified to the extent necessary to provide the following:

The maximum limit of the **Insurer's** liability for **Crisis Management Loss** arising from all **Crisis Management Events** combined occurring during the **Policy Period** or the **Discovery Period** (if applicable), in the aggregate, shall be the amount set forth in Item 7(b) of the Declarations as the **Crisis Management Fund**. The **Crisis Management Fund** shall be the aggregate limit of the **Insurer's** liability under this policy for all **Crisis Management Events** regardless of the number of **Crisis Management Events** occurring during the **Policy Period** or the **Discovery Period** (if applicable). The **Crisis Management Fund** shall be part of, and not in addition to, the **Policy Aggregate Limit** of Liability stated in Item 7(a) of the Declarations of this policy or any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this **Coverage Section** as stated in Item 3 of the Declarations, and will in no way serve to increase the **Insurer's Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** as stated therein.

5. DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENCE COSTS)

The **Insurer** does not assume any duty to defend. The **Insureds** shall defend and contest any **Claim** made against them.

Notwithstanding the foregoing, the **Insureds** shall have the right to tender the defence of any **Claim** to the **Insurer**, which right shall be exercised in writing by the **Named Organization** on behalf of all **Insureds** to the **Insurer** pursuant to the notice provisions of Clause 7 of the General Terms and Conditions. This right shall terminate if not exercised within thirty (30) days of the date the **Claim** is first made against an **Insured**, pursuant to Clause 7 of the General Terms and Conditions. Further, from the date the **Claim** is first made against the **Insureds** to the date when the **Insurer** accepts the tender of the defence of such **Claim**, the **Insureds** shall take no action, or fail to take any required action, that prejudices the rights of the **Insureds** or the **Insurer** with respect to such **Claim**. Provided that the **Insureds** have complied with the foregoing, the **Insurer** shall be obligated to assume the defence of the **Claim**, even if such **Claim** is groundless, false or fraudulent. The assumption of the defence of the **Claim** shall be effective upon written confirmation thereof sent by the **Insurer** to the **Named Organization**. Once the defence has been so tendered, the **Insured** shall have the right to effectively associate with the **Insurer** in the defence of such **Claim**, including, but not

limited to, negotiating a settlement, subject to the provisions of this Clause 5. However, the **Insurer** shall not be obligated to defend such **Claim** after the **Policy Aggregate Limit of Liability** or **Separate Limit of Liability** or **Shared Limit of Liability**, if any, has been exhausted, or after an **Insured's** rejection of (or failure or refusal to accept within the time prescribed herein) a **Settlement Opportunity**.

When the **Insurer** has not assumed the defence of a **Claim** pursuant to this Clause 5, the **Insurer** shall advance nevertheless, excess of any applicable retention amount and at the written request of the **Insured**, **Defence Costs** prior to the final disposition of a **Claim**. Such advanced payments by the **Insurer** shall be repaid to the **Insurer** by each and every **Insured** or **Organization**, severally according to their respective interests, in the event and to the extent that each and every **Insured** or **Organization** shall not be entitled under the terms and conditions of this policy to payment of such **Loss**.

The **Insureds** shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment or incur any **Defence Costs** without the prior written consent of the **Insurer**. Only those settlements, stipulated judgments and **Defence Costs** which have been consented to by the **Insurer** shall be recoverable as **Loss** under the terms of this policy. The **Insurer's** consent shall not be unreasonably withheld, provided that the **Insurer**, when it has not assumed the defence of a **Claim** pursuant to this Clause 5, shall be entitled to effectively associate in the defence, the prosecution and the negotiation of any settlement of any **Claim** that involves or appears reasonably likely to involve the **Insurer**; and provided further that in all events the **Insurer** may withhold consent to any settlement, stipulated judgment or **Defence Costs**, or any portion thereof, to the extent such **Loss** is not covered under the terms of this policy.

The **Insurer** shall have the right to fully and effectively associate with each and every **Organization** and **Individual Insured** in the defence of any **Claim** that involves, or appears reasonably likely to involve, the **Insurer**, including but not limited to negotiating a settlement. Each and every **Organization** and **Individual Insured** shall give the **Insurer** full cooperation and such information as it may reasonably require.

In the event the **Insured(s)** consent to a **Settlement Opportunity** within thirty (30) days of the date the **Insureds** are first made aware of the **Settlement Opportunity** (or in the case of a **Settlement Opportunity** which arises from a settlement offer by the claimant, then within the time permitted by the claimant to accept such settlement offer, but in all events no later than thirty (30) days after the settlement offer was made), then the **Organization's** applicable Retention amount shall be retroactively reduced by ten percent (10%) for such **Loss**. It shall be a condition to such reduction that all **Insureds** must consent to such settlement.

However, if a **Settlement Opportunity** arises and the **Insureds** do not consent to the settlement within the time prescribed above, the Retention amount shall remain the applicable amount set forth in Item 3 of the Declarations even if consent is given to a subsequent **Settlement Opportunity**.

Furthermore, in the event the **Insureds** do not consent to the first **Settlement Opportunity** within the time prescribed above, then, subject to the **Policy Aggregate Limit of Liability** and **Separate Limit of Liability** or **Shared Limit of Liability**, if any, the **Insurer's** liability for all **Loss** on account of such **Claim** shall not exceed: (1) the amount for which the **Insurer** could have settled such **Claim** plus **Defence Costs** incurred as of the date such settlement was proposed in writing by the **Insurer** ("**Settlement Opportunity Amount**"), plus (2) 50% of covered **Loss** in excess of such **Settlement Opportunity Amount**, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the **Settlement Opportunity Amount** shall be carried by the **Organization** and the **Insureds** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the **Settlement Opportunity Amount** exceeds the applicable Retention amount stated in Item 3 of the Declarations.

This Clause 5 shall not be applicable to **Crisis Management Loss**. Nevertheless, the **Insurer** does not, under this policy, assume any duty to defend.

6. PRE-AUTHORIZED DEFENCE ATTORNEYS

This Clause applies to all **Claims** under this **Coverage Section**. Affixed as Appendix A hereto and made a part of this policy is a list or lists of Panel Counsel law firms (herein "**Panel Counsel Firms**") from which a selection of legal counsel shall be made to conduct the defence of any **Claim(s)** against any **Insured(s)** pursuant to the terms set forth below.

In the event the **Insurer** has assumed the defence pursuant to Clause 5 of this **Coverage Section**, then the **Insurer** shall select a **Panel Counsel Firm** to defend the **Insureds**. In the event the **Insureds** are already defending the **Claim**, then the **Insureds** shall select a **Panel Counsel Firm** to defend the **Insureds**.

The selection of the **Panel Counsel Firm**, whether done by the **Insurer** or the **Insureds**, shall be from the list of **Panel Counsel Firms** designated for the type of **Claim** and shall be from the jurisdiction in which the **Claim** is brought. In the event a **Claim** is brought in a jurisdiction not included on the appropriate list(s), the selection shall be made from a listed jurisdiction which is the nearest geographic jurisdiction to either where the **Claim** is maintained or where the headquarters or State of formation of the **Named Organization** is located. In such instance, however, the **Insurer** shall, at the written request of the **Named Organization**, assign a non-**Panel Counsel Firm** of the **Insurer's** choice in the jurisdiction in which the **Claim** is brought to function as "local counsel" on the **Claim** to assist the **Panel Counsel Firm**, which will function as "lead counsel" in conducting the defence of the **Claim**.

With the express prior written consent of the **Insurer**, an **Insured** may select (in the case of the **Insured** defending the **Claim**), or cause the **Insurer** to select (in the case of the **Insurer** defending the **Claim**), a **Panel Counsel Firm** different from that selected by other **Insured** defendants if such selection is required due to an actual conflict of interest.

The list of **Panel Counsel Firms** may be amended from time to time by the **Insurer**. However, no change shall be made to the specific list attached to this policy during the **Policy Period** without the consent of the **Named Organization**.

7. DISCOVERY CLAUSE

Except as indicated below, if the **Named Organization** shall cancel or the **Named Organization** or the **Insurer** shall refuse to renew this **Coverage Section**, then solely with respect to this **Coverage Section**, the **Named Organization** shall have the right to a period of one, two, three, four, five or six years or of unlimited duration following the effective date of such cancellation or nonrenewal upon payment of the respective "**Additional Premium Amount**" described below (herein referred to as the "**Discovery Period**") in which to give to the **Insurer** written notice of **Claims** first made against the **Insureds** during said **Discovery Period** for any **Wrongful Act** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The rights contained in this paragraph shall terminate, however, unless written notice of such election together with the additional premium due is received by the **Insurer** within thirty (30) days of the effective date of cancellation or nonrenewal.

The **Additional Premium Amount** for: (1) one year shall be 125% of the "full annual premium"; (2) two years shall be 175% of the "full annual premium"; (3) three years shall be 225% of the "full annual premium"; (4) four years shall be 250% of the "full annual premium"; (5) five years shall be 275% of the "full annual premium"; (6) six years shall be 300% of the "full annual premium"; and (7) a discovery period of unlimited duration shall be 325% of the "full annual premium". As used herein, "full annual premium" means the premium level in effect for this **Coverage Section** immediately prior to the end of the **Policy Period**.

In the event of a **Transaction**, as defined in Clause 9 of the General Terms and Conditions, the **Named Organization** shall have the right, within thirty (30) days before the end of the **Policy Period**, to request an offer from the **Insurer** of a **Discovery Period** (with respect to **Wrongful Acts** occurring prior to the effective time of the **Transaction**) for a period of no less than six (6) years or for such longer or shorter period as the **Named Organization** may request. The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions and premium as the **Insurer** may reasonably decide. In the event of a **Transaction**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.

The **Discovery Period** is not cancellable. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

8. ORDER OF PAYMENTS

In the event of **Loss** arising from any **Claim(s)** for which payment is due under the provisions of this **Coverage Section** but which **Loss**, in the aggregate, exceeds the remaining available **Limit of Liability** of this **Coverage Section**, then the **Insurer** shall:

- (i) first pay such **Loss** for which coverage is provided under Coverage A of this **Coverage Section**, then with respect to whatever remaining amount of the **Limit of Liability** is available after payment of such **Loss**,
- (ii) then pay such **Loss** for which coverage is provided under Coverage B of this **Coverage Section**, and
- (iii) then pay such **Loss** for which coverage is provided under Coverage C or Coverage D of this **Coverage Section**.

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

- (i) first pay such **Loss** for which coverage is provided under Coverage A of this **Coverage Section**, then
- (ii) either pay or hold payment for such **Loss** for which coverage is provided under Coverage B, Coverage C or Coverage D of this **Coverage Section**.

In the event that the **Insurer** withholds payment under Coverage B, Coverage C or Coverage D of this **Coverage Section** pursuant to the above request, then the **Insurer** shall at any time in the future, at the request of the **Organization**, release such **Loss** payment to the **Organization**, or make such **Loss** payment directly to the **Individual Insured** in the event of covered **Loss** under any **Claim(s)** covered under this **Coverage Section** pursuant to Coverage A of this **Coverage Section**.

The bankruptcy or insolvency of any **Organization** or any **Individual Insured** shall not relieve the **Insurer** of any of its obligations to prioritize payment of covered **Loss** under this **Coverage Section** pursuant to this Clause 8.

Chartis Insurance Company of Canada
(herein called the **Insurer**)

Not- For- Profit Risk Protector®

**Employment Practices Liability
Coverage Section Two
("EPL Coverage Section")**

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

In consideration of the payment of the premium, and in reliance upon the statements made to the **Insurer** by application, including its attachments and the material incorporated therein, which form a part of this policy, the **Insurer** agrees as follows:

1. INSURING AGREEMENT

This policy shall pay the **Loss** of each and every **Insured** arising from a **Claim** first made against such **Insured** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of this policy for any **Wrongful Act**. The **Insurer** shall, in accordance with and subject to Clause 4 of this **Coverage Section** advance **Defence Costs** of such **Claim** prior to its final disposition.

2. DEFINITIONS

(a) "**Claim**" means:

- (1) a written demand for monetary relief or non-monetary relief (including any request to toll or waive any statute of limitations); or
- (2) a civil, administrative, regulatory or arbitration proceeding for monetary relief or non-monetary relief which is commenced by:
 - (i) service of a complaint or similar pleading; or
 - (ii) receipt or filing of a notice of charges.

The term **Claim** shall include a federal, provincial or territorial Human Rights Commission or Tribunal proceeding or investigation, and an Equal Employment Opportunity Commission ("EEOC") or Office of Federal Contract Compliance Program ("OFCCP") (or similar federal, provincial, territorial, state or local agency) proceeding or investigation commenced by the filing of a notice of charges, service of a writ of summons or complaint, statement of claim, petition or similar document of which notice has been given to the Insured.

However, in no event shall the term **Claim** include any labour or grievance proceeding which is subject to a collective bargaining agreement.

(b) "**Employee**" means any past, present or future employee of the **Organization**, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any full-time, part-time, seasonal and temporary employee or volunteer of the **Organization** in his or her capacity as such. An individual who is leased to the **Organization** shall also be an **Employee**, but only if the **Organization** provides indemnification to such leased individual in the same manner as is provided to the **Organization's** employees. Any other individual who is contracted to perform work for the **Organization**, or who is an independent contractor for the **Organization** shall also be an **Employee**, but only if the **Organization** provides or is required to provide indemnification to such individual, in the same manner as that provided to the **Organization's** employees, pursuant to a written contract.

(c) "**Employment Contract**" means any contract relating in any way to, or governing, in whole or in part, any term or aspect of the employment of an **Employee** by the **Organization**, whether oral or written, express or implied.

(d) "**Employment Practices Violation**" means any actual or alleged:

(1) wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract;

(2) harassment (including sexual harassment, whether "quid pro quo", hostile work environment or otherwise);

(3) discrimination (including, but not limited to, discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy, or disability);

(4) **Retaliation**;

(5) employment-related misrepresentation(s) to an **Employee** or applicant for employment with the **Organization**;

(6) employment-related libel, slander, humiliation, defamation or invasion of privacy;

(7) wrongful failure to employ or promote;

(8) wrongful deprivation of career opportunity with the **Organization**, wrongful demotion or negligent **Employee** evaluation, including the giving of negative or defamatory statements in connection with an **Employee** reference;

(9) wrongful discipline;

(10) failure to grant tenure or practice privileges;

(11) failure to provide or enforce adequate or consistent **Organization** policies or procedures relating to any **Employment Practices Violation**; and

(12) violation of an individual's civil rights relating to any of the above.

but only if the **Employment Practices Violation** relates to an **Individual Insured**, or applicant for employment, with the **Organization** or an **Outside Entity**, whether direct, indirect, intentional or unintentional.

(e) "**Individual Insured(s)**" means a past, present or future duly elected or appointed director, officer, trustee, trustee emeritus, executive director, department head, committee member (of a duly constituted committee of the **Organization**), staff or faculty member (salaried or non-salaried), or **Employee** of the **Organization**, and an **Outside Entity Executive**. Coverage will automatically apply to all new persons who become **Individual Insureds** after the inception date of this policy.

(f) "**Insured(s)**" means the **Organization** and any **Individual Insured**.

(g) "**Loss**" means damages (including front pay and back pay), judgments (including pre-judgment and post-judgment interest on that part of any covered judgment paid under this **Coverage Section**), settlements, statutory attorneys' fees and **Costs**; however, **Loss** shall not include: (1) any amount for which the **Insureds** are not financially liable or which are without legal recourse to the **Insureds**; (2) employment-related benefits, stock options, perquisites, deferred compensation or any other type of compensation other than salary, wages or bonus compensation; (3) civil or criminal fines or penalties; (4) taxes or tax penalties (whether imposed by federal, provincial, territorial, state, local or other governmental authority); (5) any liability or costs incurred by any **Insured** to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person, or any liability or costs incurred in connection

with any educational, sensitivity or other corporate program, policy or seminar relating to a **Claim**; (6) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed. **Defence Costs** shall be provided for items specifically excluded from **Loss** pursuant to subparagraphs (1)- (6) above of this Definition, subject to the other terms, conditions and exclusions of this policy.

Notwithstanding the foregoing paragraph, "**Loss**" shall specifically include (subject to this policy's other terms, conditions and limitations, including but not limited to Exclusion (a) of this **Coverage Section** and Exclusion (a) of the General Terms and Conditions) punitive, exemplary and multiple damages. Enforceability of this paragraph shall be governed by such applicable law that most favours coverage for such penalties and punitive, exemplary and multiple damages. For purposes of such coverage, "applicable law" includes, but is not limited to, the following jurisdictions: (a) where the **Wrongful Act** actually or allegedly took place; (b) where the damages are awarded; (c) where the **Named Organization** resides, is incorporated or has its principal place of business; and (d) where the **Insurer** is incorporated or has its principal place of business.

- (h) "**Non-Employment Discrimination**" means any actual or alleged harassment or unlawful discrimination, as described in subparagraphs 2(d)(2) and 2(d)(3) of the definition of **Employment Practices Violation**, or the violation of the civil rights of a person relating to such harassment or discrimination, when such acts are alleged to be committed against anyone other than an **Individual Insured** or applicant for employment with the **Organization** or an **Outside Entity**, including, but not limited to, students, patients, members, customers and suppliers.
- (i) "**Settlement Opportunity**" means an **Insurer** recommended settlement that is within the **Policy Aggregate Limit of Liability**, **Separate Limit of Liability** or **Shared Limit of Liability**, if any, and that is acceptable to the claimant.
- (j) "**Wrongful Act(s)**" means: (1) an **Employment Practices Violation**, or (2) **Non-Employment Discrimination**.

3. EXCLUSIONS

In addition to the exclusions set forth in Clause 4 of the General Terms and Conditions, the **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against any **Insured**:

- (a) arising out of, based upon or attributable to the committing of any criminal or deliberate fraudulent act if any final adjudication establishes that such criminal or deliberate fraudulent act was committed;

[The **Wrongful Act** of an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of the foregoing exclusion.]

- (b) alleging, arising out of, based upon or attributable to any actual or alleged (1) contractual liability of any **Insured**, including liability for breach by any **Insured** of the terms of any **Employment Contract**; or (2) liability of any **Insured** for any amount representing salary, wages, bonus or any other amount of any nature or description, owed or allegedly owed to an **Employee** as a result of the **Organization's** failure or alleged failure to afford:
 - (i) notice of termination pursuant to the terms of any **Employment Contract**;
 - (ii) notice of termination of employment as required by any federal, provincial or territorial statute or regulation; and/or
 - (iii) reasonable notice of termination of employment at common law on any basis whatsoever;

provided, however, this exclusion shall not apply to that portion of **Loss** constituting **Defence Costs** in respect to any such **Claim**.

(c) alleging, arising out of, based upon or attributable to any actual or alleged act or omission of an **Individual Insured** serving in any capacity, other than as an **Individual Insured** of the **Organization** or as an **Outside Entity Executive** of an **Outside Entity**.

4. DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENCE COSTS)

The **Insurer** does not assume any duty to defend. The **Insureds** shall defend and contest any **Claim** made against them.

Notwithstanding the foregoing, the **Insureds** shall have the right to tender the defence of the **Claim** to the **Insurer**, which right shall be exercised in writing by the **Named Organization** on behalf of all **Insureds** to the **Insurer** pursuant to the notice provisions of Clause 7 of the General Terms and Conditions. This right shall terminate if not exercised within thirty (30) days of the date the **Claim** is first made against an **Insured**, pursuant to Clause 7 of the General Terms and Conditions. Further, from the date the **Claim** is first made against the **Insureds** to the date when the **Insurer** accepts the tender of the defence of such **Claim**, the **Insureds** shall take no action, or fail to take any required action, that prejudices the rights of the **Insureds** or the **Insurer** with respect to such **Claim**. Provided that the **Insureds** have complied with the foregoing, the **Insurer** shall be obligated to assume the defence of the **Claim**, even if such **Claim** is groundless, false or fraudulent. The assumption of the **Claim** shall be effective upon written confirmation sent thereof by the **Insurer** to the **Named Organization**. Once the defence has been so tendered, the **Insured** shall have the right to fully and effectively associate with the **Insurer** in the defence and negotiation of any settlement of any **Claim**, subject to the provisions of this Clause 4. However, the **Insurer** shall not be obligated to defend such **Claim** after the **Policy Aggregate Limit of Liability**, **Separate Limit of Liability** or **Shared Limit of Liability**, if any, has been exhausted, or after an **Insured's** rejection of (or failure or refusal to accept within the prescribed time herein) a **Settlement Opportunity**.

When the **Insurer** has not assumed the defence of a **Claim** pursuant to this Clause 4, the **Insurer** shall advance nevertheless, at the written request of the **Insured**, **Defence Costs** prior to the final disposition of a **Claim**. Such advanced payments by the **Insurer** shall be repaid to the **Insurer** by the **Insureds** or the **Organization**, severally according to their respective interests, in the event and to the extent that the **Insureds** or the **Organization** shall not be entitled under the terms and conditions of this policy to payment of such **Loss**.

The **Insureds** shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any **Defence Costs** without the prior written consent of the **Insurer**. Only those settlements, stipulated judgments and **Defence Costs**, which have been consented to by the **Insurer**, in writing, shall be recoverable as **Loss** under the terms of this policy. The **Insurer's** consent shall not be unreasonably withheld, provided that the **Insurer**, when it has not assumed the defence of a **Claim** pursuant to this Clause 4, shall be entitled to fully and effectively associate in the defence and negotiation of any settlement of any **Claim**, and provided further that in all events the **Insurer** may withhold consent to any settlement, stipulated judgment or **Defence Costs**, or any portion thereof, to the extent such loss is not covered under the terms of this policy.

The **Insurer** shall have the right to fully and effectively associate with the **Organization** in the of any **Claim** that appears reasonably likely to involve the **Insurer**, including but not limited to negotiating a settlement. The **Organization** and the **Insureds** shall give the **Insurer** full cooperation and such information as it may reasonably require.

In the event the **Insured(s)** consent to a **Settlement Opportunity** within thirty (30) days of the date the **Insureds** are first made aware of the **Settlement Opportunity** (or in the case of a **Settlement Opportunity** which arises from a settlement offer by the claimant, then within

the time permitted by the claimant to accept such settlement offer, but in all events no later than thirty (30) days after the settlement offer was made), then the **Organization's** applicable Retention amount shall be retroactively reduced by ten percent (10%) for such **Loss**. It shall be a condition to such reduction that all **Insureds** must consent to such settlement.

However, if a **Settlement Opportunity** arises and the **Insureds** do not consent to the settlement within the time prescribed above, the Retention amount shall remain the applicable amount set forth in Item 3 of the Declarations even if consent is given to a subsequent **Settlement Opportunity**.

Furthermore, in the event the **Insureds** do not consent to the first **Settlement Opportunity** within the time prescribed above, then, subject to the **Policy Aggregate Limit of Liability** and **Separate Limit of Liability** or **Shared Limit of Liability**, if any, the **Insurer's** liability for all Loss on account of such Claim shall not exceed: (1) the amount for which the **Insurer** could have settled such **Claim** plus Defence **Costs** incurred as of the date such settlement was proposed in writing by the **Insurer** ("**Settlement Opportunity Amount**"), plus (2) 50% of covered **Loss** in excess of such Settlement Opportunity Amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the Settlement Opportunity Amount shall be carried by the **Organization** and the **Insureds** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the Settlement Opportunity Amount exceeds the applicable Retention amount stated in Item 3 of the Declarations.

5. PRE-AUTHORIZED DEFENCE ATTORNEYS

This Clause applies to all **Claims** under this **Coverage Section**. Affixed as Appendix A hereto and made a part of this policy is a list or lists of Panel Counsel law firms (herein "**Panel Counsel Firms**") from which a selection of legal counsel shall be made to conduct the defence of any **Claim(s)** against any **Insured(s)** pursuant to the terms set forth below.

In the event the **Insurer** has assumed the defence pursuant to Clause 4, then the **Insurer** shall select a **Panel Counsel Firm** to defend the **Insureds**. In the event the **Insureds** are already defending a Claim, then the **Insureds** shall select a **Panel Counsel Firm** to defend the **Insureds**.

The selection of the **Panel Counsel Firm**, whether done by the **Insurer** or the **Insureds**, shall be from the list of **Panel Counsel Firms** designated for the type of **Claim** and be from the jurisdiction in which the **Claim** is brought. In the event a **Claim** is brought in a jurisdiction not included on the appropriate list(s), the selection shall be made from a listed jurisdiction which is the nearest geographic jurisdiction to either where the **Claim** is maintained or where the corporate headquarters or state of formation of the **Named Organization** is located. In such instance, however, the **Insurer** shall, at the written request of the **Named Organization** assign a non-Panel Counsel Firm of the **Insurer's** choice in the jurisdiction in which the **Claim** is brought to function as "local counsel" on the **Claim** to assist the **Panel Counsel Firm**, which will function as "lead counsel" in conducting the defence of the **Claim**.

With the express prior written consent of the **Insurer**, an **Insured** may select (in the case of the **Insured** defending the **Claim**), or cause the **Insurer** to select (in the case of the **Insurer** defending the **Claim**), a **Panel Counsel Firm** different from that selected by other **Insured** defendants if such selection is required due to an actual conflict of interest.

The list of **Panel Counsel Firms** may be amended from time to time by the **Insurer**. However, no change shall be made to the specific list attached to this policy during the **Policy Period** without the consent of the **Named Organization**.

6. DISCOVERY CLAUSE

Except as indicated below, if the **Named Organization** shall cancel or the **Named Organization** or the **Insurer** shall refuse to renew this **Coverage Section**, then solely with respect to this **Coverage Section**, the **Named Organization** shall have the right to a period

of one, two, three, four, five or six years or of unlimited duration following the effective date of such cancellation or nonrenewal upon payment of the respective "**Additional Premium Amount**" described below (herein referred to as the "**Discovery Period**") in which to give to the **Insurer** written notice of **Claims** first made against the **Insureds** during said **Discovery Period** for any **Wrongful Act** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. The rights contained in this paragraph shall terminate, however, unless written notice of such election together with the additional premium due is received by the **Insurer** within thirty (30) days of the effective date of cancellation or nonrenewal.

The **Additional Premium Amount** for: (1) one year shall be 125% of the "full annual premium"; (2) two years shall be 175% of the "full annual premium"; (3) three years shall be 225% of the "full annual premium"; (4) four years shall be 250% of the "full annual premium"; (5) five years shall be 275% of the "full annual premium"; (6) six years shall be 300% of the "full annual premium"; and (7) a discovery period of unlimited duration shall be 325% of the "full annual premium". As used herein, "full annual premium" means the premium level in effect for this **Coverage Section** immediately prior to the end of the **Policy Period**.

In the event of a **Transaction**, as defined in Clause 9 of the General Terms and Conditions, the **Named Organization** shall have the right, within thirty (30) days before the end of the **Policy Period**, to request an offer from the **Insurer** of a **Discovery Period** (with respect to **Wrongful Acts** occurring prior to the effective time of the **Transaction**) for a period of no less than six (6) years or for such longer or shorter period as the **Named Organization** may request. The **Insurer** shall offer such **Discovery Period** pursuant to such terms, conditions and premium as the **Insurer** may reasonably decide. In the event of a **Transaction**, the right to a **Discovery Period** shall not otherwise exist except as indicated in this paragraph.

The **Discovery Period** is not cancellable, except for non-payment of premium. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

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APPENDIX A
NOT FOR PROFIT PANEL COUNSEL ADDENDUM

In consideration of the premium charged, it is understood and agreed as follows: The information in our Panel Counsel lists/appendices is now accessible through our online Panel Counsel Directory at <http://www.chartisinsurance.com/panelcounseldirectory>. To access the applicable online Panel Counsel Directory, please go to the website, click on the "Not-for-Profit (Employment and Non-Employment Claims)" link or the "Employment Practices Liability - Not for Profit Employment Claims" link.

References in this policy to list of Panel Counsel law firms or related appendices are deemed amended to refer to the applicable Panel Counsel Directories at the website referenced above.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

APPENDIX B
CRISIS MANAGEMENT COVERAGE FOR D&O COVERAGE SECTION

I. DEFINITIONS

(a) "**Crisis Management Event**" means one of the following events which, in the good faith opinion of the **Organization**, did cause or is reasonably likely to cause a **Material Effect**:

1. Management Crisis:

The death, incapacity or criminal indictment of any duly elected or appointed director, officer, trustee, trustee emeritus or executive director, or any **Employee** on whom the **Organization** maintains key person life insurance.

2. Patient/Member Abuse:

The public announcement or accusation that an individual under the management control of the **Organization** has intentionally caused bodily injury to, or death of, a patient, or has sexually abused a patient or member of the **Organization**.

3. Debt Default:

The public announcement that the **Organization** had defaulted or intends to default on its debt.

4. Bankruptcy:

The public announcement that the **Organization** intends to file for bankruptcy protection or that a third party is seeking to file for involuntary bankruptcy on behalf of the **Organization**; or the imminence of bankruptcy proceedings, whether voluntary or involuntary.

5. Contribution Revocation:

The withdrawal or return of a non-governmental grant, contribution or bequest in excess of \$500,000.

6. Student Distress:

The public announcement or accusation that a student of the **Organization** has: 1) attempted or committed suicide; or 2) been criminally assaulted by an assailant who is either unknown or who is not an Individual Insured.

7. Downsizing:

The closing of any academic department or school.

8. Regulatory Crisis:

Formal governmental or regulatory proceedings which allege a pattern of inadequate patient care.

9. Workplace Violence:

The public announcement that an **Employee** of the **Organization** was the victim of a violent crime while on the premises of the **Organization**.

10. Child Abduction:

The public announcement that a child was abducted or kidnapped while under the care or supervision of the **Organization**.

A **Crisis Management Event** shall first commence when the **Organization** or any of its directors or executive officers shall first become aware of the event during the **Policy Period** and shall conclude at the earliest of the time when the **Crisis**

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Management Firm advises the **Organization** that the crisis no longer exists or when the **Crisis Management Fund** has been exhausted.

- (b) "**Crisis Management Firm**" means firm listed in the **Insurer's** online directory, at <http://www.chartisinsurance.com/panelcounseldirectory>, as a pre-approved Crisis Management Firm. To access the applicable online Crisis Management Firm Directory, please go to the website and click on the "CrisisFund®" link.
- (c) "**Crisis Management Loss**" means the following amounts incurred during the pendency of or within 90 days prior to and in anticipation of, the **Crisis Management Event**, regardless of whether a **Claim** is ever made against an Insured arising from the **Crisis Management Event** and, in the case where a **Claim** is made, regardless of whether the amount is incurred prior to or subsequent to the making of the **Claim**:
 - (1) amounts for which the **Organization** is legally liable for the reasonable and necessary fees and expenses incurred by a **Crisis Management Firm** in the performance of **Crisis Management Services** for the **Organization** arising from a **Crisis Management Event**; and
 - (2) amounts for which the **Organization** is legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the **Organization** or the **Crisis Management Firm**, in connection with the **Crisis Management Event**.
- (d) "**Crisis Management Services**" means those services performed by a **Crisis Management Firm** in advising the **Organization** or any of its directors, officers or employees on minimizing potential harm to the **Organization** arising from the **Crisis Management Event**, including but not limited to maintaining and restoring public confidence in the **Organization**.
- (e) "**Delisting Crisis**" means written notice to an **Organization** that such **Organization's** securities will be or have been delisted from an **Exchange** at the initiation of such **Exchange**.
- (f) "**Exchange**" means NASDAQ, the American Stock Exchange, the New York Stock Exchange and the Singapore Exchange.
- (g) "**Material Effect**" means the publication of unfavorable information regarding the **Organization** which can reasonably be considered to lessen public confidence in the competence of the **Organization**. Such publication must in occur in either:
 - (1) a daily newspaper of general circulation in the geographic area of the **Organization**, or
 - (2) a radio or television news report on an **Organization** received in the geographic area of the **Organization**.

II. EXCLUSIONS

The term **Crisis Management Event** shall not include any event relating to:

1. any pending or prior litigation as of the **Continuity Date** for the D&O Coverage Section indicated in Item 3 Declarations;
2. any **Claim** which has been reported, or any circumstances of which notice has been given, under any policy is a renewal or replacement or which it may succeed in time;

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3. the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants**, or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**; or
4. the hazardous properties of nuclear materials.

ENDORSEMENT# 1

This endorsement, effective *12:01 am February 26, 2012* forms a part of policy number *01-593-83-55* issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT
(ALL COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured**:

- A. alleging, arising out of, based upon, attributable to, or in any way involving, directly or indirectly, the **Hazardous Properties of Nuclear Material**, including but not limited to:
- (1) **Nuclear Material** located at any **Nuclear Facility** owned by, or operated by or on behalf of, the **Organization**, or discharged or dispersed therefrom; or
 - (2) **Nuclear Material** contained in spent fuel or waste which was or is at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of the **Organization**; or
 - (3) the furnishing by an **Insured** or the **Organization** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**; or
 - (4) **Claims** for damage or other injury to the **Organization** or its members which allege, arise from, are based upon, are attributed to or in any way involve, directly or indirectly, the **Hazardous Properties of Nuclear Material**.
- B. (1) which is insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability underwriters, or Nuclear Insurance Association of Canada, or would be insured under any such policy but for its termination or exhaustion of its limit of liability; or,
- (2) with respect to which: (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **Insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

As used in this endorsement:

"Hazardous Properties" include radioactive, toxic or explosive properties.

"Nuclear Facility" means:

- (a) any nuclear reactor;
- (b) any equipment or device designed or used for
 - (1) separating the isotopes of uranium or plutonium,
 - (2) processing or utilizing spent fuel, or
 - (3) handling, processing or packaging wastes;

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ENDORSEMENT# 1 (continued)

- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; and
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear Material" means source material, special nuclear material or byproduct material.

"Nuclear Reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Source Material," "Special Nuclear Material," and **"Byproduct Material"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent Fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.

"Waste" means any waste material (1) containing by product material and (2) resulting from the operation by any person or organization of any **Nuclear Facility** included within the definition of nuclear facility under paragraph (a) or (b) thereof.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 2

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**COMMISSIONS EXCLUSION
(ALL COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that, with respect to all Coverage Sections, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured** alleging, arising out of, based upon, or attributable to:

- (i) payments, commissions, gratuities, benefits or any other favours to or for the benefit of any full or part-time domestic or foreign government or armed services officials, agents, representatives, employees or any members of their family or any entity with which they are affiliated; or
- (ii) payments, commissions, gratuities, benefits or any other favours to or for the benefit of any full or part-time officials, directors, agents, partners, representatives, principal shareholders, or owners or employees, or "affiliates" (as that term is defined in The Securities Exchange Act of 1934, or any similar federal, provincial, territorial, or foreign regulation, rule or statute regulating securities including any officers, directors, agents, owners, partners, representatives, principal shareholders or employees) of any customers of the **Organization** or any members of their family or any entity with which they are affiliated; or
- (iii) political contributions, whether domestic or foreign.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

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ENDORSEMENT# 3

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**CAPTIVE INSURANCE COMPANY EXCLUSION
(D&O COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, solely with respect to **Loss** as may have otherwise been covered under the D&O Coverage Section, the **Insurer** shall not be liable to make any payments for **Loss** in connection with any **Claim(s)** made against any **Insured(s)** alleging, arising out of, based upon, or attributable to the ownership, management, maintenance and/or control by the **Organization** of any captive insurance company or entity including but not limited to **Claim(s)** alleging the insolvency or bankruptcy of the **Organization** as a result of such ownership, operation, management and control.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

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ENDORSEMENT# 4

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**PRESUMPTIVE INDEMNIFICATION ENDORSEMENT
(D&O COVERAGE SECTION AND/OR EPL COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, for the purposes of the applicability of this policy to **Loss** under the D&O Coverage Section (if purchased) and the EPL Coverage Section (if purchased), the **Organization** will be conclusively deemed to have indemnified the **Individual Insureds** to the maximum extent that the **Organization** is permitted or required to grant such indemnification pursuant to law, common or statutory, or contract or by the charter or by-laws of the **Organization** (which are hereby deemed to adopt the broadest provisions of the law which determines or defines such rights of indemnity). The **Organization** hereby agrees to indemnify the **Individual Insureds** to the fullest extent permitted by law including the making in good faith of any required application for court approval.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 5

This endorsement, effective *12:01 am February 26, 2012* forms a part of policy number *01-593-83-55* issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**NOT-FOR-PROFIT RISK PROTECTOR AMENDATORY ENDORSEMENT
(NO BI/PD EXCLUSION AMENDMENT)
(D&O, EPL & FLI COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that the General Terms and Conditions, D&O Coverage Section (if purchased), EPL Coverage Section (if purchased) and FLI Coverage Section (if purchased) of this policy are amended as follows:

I. AMENDMENTS TO THE GENERAL TERMS AND CONDITIONS

1. In Clause 2. "DEFINITIONS" of the General Terms and Conditions, Paragraphs (a), (r) and (s) are deleted in their entirety and replaced with the following:

(a) "**Affiliate**" shall mean any organization, other than a **Subsidiary**, which:

- (1) the **Named Organization** or any **Subsidiary** controls or otherwise has the ability to direct the financial or managerial decisions of such entity, whether through the operation of law, contract or agreement, stock ownership or membership, charter, articles of incorporation, or by-law provisions; or
- (2) is granted by contract the right to control the financial or managerial decisions of the **Named Organization** or any **Subsidiary**;

provided, however, such coverage as may be provided under this policy for any organization described in subparagraphs (1) and (2) above shall be limited solely to **Wrongful Acts** occurring in the course of the exercise of such control of financial or managerial decisions.

(r) "**Organization**" means: (1) the **Named Organization**; (2) any **Subsidiary** thereof; (3) any **Affiliate** thereof listed by endorsement to this policy; and (4) the debtor-in-possession (or equivalent status outside the United States) in the event a bankruptcy proceeding shall be instituted voluntarily by or involuntarily against any of the foregoing entities.

(s) "**Outside Entity**" means:

- (i) any not-for-profit organization; or
- (ii) any other organization listed as an "**Outside Entity**" by an endorsement to this policy.

2. Clause 2. "DEFINITIONS" of the General Terms and Conditions is further amended to include the following definition at the end thereof:

NF(a) "**Cleanup Costs**" means expenses (including but not limited to legal and professional fees) incurred in testing for, monitoring, cleaning up,

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removing, containing, treating, neutralizing, detoxifying or assessing the effects of **Pollutants**.

3. In Clause 4. "EXCLUSIONS" of the General Terms and Conditions, Exclusion (e) is deleted in its entirety and replaced with the following:
 - (e) for: (i) the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants**; or (ii) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, including, but not limited to, a **Claim** alleging damage to the **Organization** or its members; provided, however, this exclusion shall not apply to **Non-Indemnifiable Loss**, other than **Non-Indemnifiable Loss** constituting **Cleanup Costs**;
4. In Clause 7. "NOTICE/CLAIM REPORTING PROVISIONS" of the General Terms and Conditions, subparagraph 7(1)(a) is deleted in its entirety and replaced with the following:

The **Insureds** shall, as a condition precedent to the obligations of the **Insurer** under this policy, give written notice to the **Insurer** of any **Claim** made against an **Insured** or any **Crisis Management Event** (as defined in the D&O Coverage Section) as soon as practicable after the **Organization's** Risk Manager or General Counsel (or equivalent position) first becomes aware of the **Claim**; or (ii) the **Crisis Management Event** commences, but in all events a **Claim** must be reported no later than either:

 - (1) anytime during the **Policy Period** or during the **Discovery Period** (if applicable); or
 - (2) within ninety (90) days after the end of the **Policy Period** or the **Discovery Period** (if applicable).

II. AMENDMENTS TO THE D&O COVERAGE SECTION

1. In Clause 3. "EXCLUSIONS" of the D&O Coverage Section, Exclusions (a), (c) and (e) are deleted in their entirety and replaced with the following:
 - (a) arising out of, based upon or attributable to the committing of any deliberate criminal or deliberate fraudulent act if any final adjudication establishes that such criminal or deliberate fraudulent act was committed

(The **Wrongful Act** of an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of this exclusion.)
 - (c) which is brought by or on behalf of the **Organization** against any **Individual Insured**; provided, however, this exclusion shall not apply to: (1) any derivative **Claim** made on behalf of the **Organization** by a member, an attorney general or any other such representative party if such action is brought and maintained independently of and without the solicitation of or assistance of, or active participation of or intervention of any **Individual Insured** or the **Organization** or any **Affiliate** thereof; or (2) in any bankruptcy proceeding by or against an **Organization**, to any **Claim** brought by the examiner, trustee, receiver, liquidator or rehabilitator (or any assignee thereof) of such **Organization**;
 - (e) alleging, arising out of, based upon or attributable to any actual or alleged contractual liability of an **Insured** under any express contract or agreement; provided, however, that this exclusion shall not apply to:

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ENDORSEMENT# 5 (continued)

- (i) to the extent that any liability does not arise from such express contract or agreement; or
 - (ii) **Loss constituting Defence Costs of Individual Insureds;**
2. Clause 5. "DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENCE COSTS)" of the D&O Coverage Section is deleted in its entirety and replaced with the following:

5. DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING ADVANCEMENT OF DEFENCE COSTS)

The **Insurer** does not assume any duty to defend. The **Insureds** shall defend and contest any **Claim** made against them.

Notwithstanding the foregoing, the **Insureds** shall have the right to tender the defence of the **Claim** to the **Insurer**, which right shall be exercised in writing by the **Named Organization** on behalf of all **Insureds** to the **Insurer** pursuant to the notice provisions of Clause 7 of the General Terms and Conditions. This right shall terminate if not exercised within thirty (30) days of the date the **Claim** is first made against an **Insured**. Further, from the date the **Claim** is first made against an **Insured** to the date when the **Insurer** accepts the tender of the defence of such **Claim**, the **Insureds** shall take no action, or fail to take any required action, that prejudices the rights of any **Insured** or the **Insurer** with respect to such **Claim**. Provided that the **Insureds** have complied with the foregoing, the **Insurer** shall be obligated to assume the defence of the **Claim**, even if such **Claim** is groundless, false or fraudulent. The assumption of the defence of the **Claim** shall be effective upon written confirmation sent thereof by the **Insurer** to the **Named Organization**. Once the defence has been so tendered, the **Insured** shall have the right to effectively associate with the **Insurer** in the defence and the negotiation of any settlement of any **Claim**, subject to the provisions of this Clause 5; provided, however, the **Insurer** shall not be obligated to defend such **Claim** after the **Policy Aggregate Limit of Liability** or any applicable **Separate Limit of Liability** or **Shared Limit of Liability** have been exhausted.

When the **Insurer** has not assumed the defence of a **Claim** pursuant to this Clause 5, the **Insurer** nevertheless shall advance, at the written request of the **Insured**, **Defence Costs** prior to the final disposition of a **Claim**. Such advanced payments by the **Insurer** shall be repaid to the **Insurer** by each and every **Insured** or the **Organization**, severally according to their respective interests, in the event and to the extent that any such **Insured** or the **Organization** shall not be entitled under the terms and conditions of this D&O Coverage Section to payment of such **Loss**.

The **Insurer** shall have the right to fully and effectively associate with each and every **Insured** in the defence of any **Claim** that appears reasonably likely to involve the **Insurer**, including, but not limited to, negotiating a settlement. Each and every **Insured** agrees to provide such information as the **Insurer** may reasonably require and to give the **Insurer** full cooperation, including:

ENDORSEMENT# 5 (continued)

- (a) cooperating with and helping the **Insurer**:
 - (i) in making settlements, subject to subparagraph 5(b) below;
 - (ii) in enforcing any legal rights the **Insured** may have against anyone who may be liable to the **Insured**;
 - (iii) by attending depositions, hearings and trials; and
 - (iv) by securing and giving evidence, and obtaining the attendance of witnesses; and
- (b) taking such actions which, in such **Insured's** judgment, are deemed necessary and practicable to prevent or limit **Loss** arising from any **Wrongful Act**.

Additionally, the **Insured** shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any **Defence Costs** without the prior written consent of the **Insurer**. If the **Insured** admits or assumes any liability in connection with any **Claim** without the consent of the **Insurer**, then the **Insurer** shall not have any obligation to pay **Loss** with respect to such **Claim**. Only those settlements, stipulated judgments and **Defence Costs** which have been consented to by the **Insurer** shall be recoverable as **Loss** under the terms of this D&O Coverage Section. The **Insurer** shall not unreasonably withhold any consent required under this D&O Coverage Section, provided that the **Insurer**, when it has not assumed the defence of a **Claim** pursuant to this Clause 5, shall be entitled to effectively associate in the defence and the negotiation of any settlement of any **Claim**, and provided further that in all events the **Insurer** may withhold consent to any settlement, stipulated judgment or **Defence Costs**, or any portion thereof, to the extent such **Loss** is not covered under the terms of this D&O Coverage Section. In addition, the **Insured** shall not take any action, without the **Insurer's** written consent, which prejudices the **Insurer's** rights under this D&O Coverage Section.

This Clause 5 shall not be applicable to **Crisis Management Loss**. Nevertheless, the **Insurer** does not, under this policy, assume any duty to defend.

III. AMENDMENTS TO THE EPL COVERAGE SECTION

- 1. In Clause 2. "DEFINITIONS" of the EPL Coverage Section, Paragraphs (a) and (c) are deleted in their entirety and replaced with the following:
 - (a) "**Claim**" means:
 - (i) a written demand for monetary or non-monetary relief (including any request to toll or waive any statute of limitations);
 - (ii) a civil, criminal, administrative, regulatory or arbitration proceeding for monetary or non-monetary relief which is commenced by:
 - (1) issuance of a notice of action, statement of claim, writ of summons, complaint or similar pleading;
 - (2) return of an indictment, laying of an information, the filing of a notice of charges or the issuance or filing of a similar legal document (in the case of a criminal proceeding); or

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END 005

- (3) receipt or filing of a notice of charges; or
- (iii) an administrative or regulatory investigation when conducted by the Human Rights Commission or Tribunal, Equal Employment Opportunity Commission ("EEOC") or Office of Federal Contract Compliance Program ("OFCCP"), or similar state, provincial, territorial, local or foreign agency, which is commenced by the filing of a notice of charges, service of a writ of summons or complaint, statement of claim, petition or similar document of which notice has been given to the **Insured**.

However, in no event shall the term "**Claim**" include any labour or grievance proceeding which is subject to a collective bargaining agreement.

- (c) "**Employment Practices Violation**" means any actual or alleged:
 - (1) wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract;
 - (2) harassment (including sexual harassment, whether "quid pro quo", hostile work environment or otherwise);
 - (3) discrimination (including, but not limited to, discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy, or disability);
 - (4) Retaliation;
 - (5) employment-related misrepresentation(s) to an **Employee** or applicant for employment with the **Organization**;
 - (6) employment-related libel, slander, humiliation, defamation or invasion of privacy;
 - (7) wrongful failure to employ or promote;
 - (8) wrongful deprivation of career opportunity with the **Organization**, wrongful demotion or negligent **Employee** evaluation, including the giving of negative or defamatory statements in connection with an **Employee** reference;
 - (9) wrongful discipline;
 - (10) failure to grant tenure or practice privileges;
 - (11) failure to provide or enforce adequate or consistent **Organization** policies or procedures relating to any **Employment Practices Violation**;
 - (12) with respect to any of the foregoing items (1) through (11) of this definition: negligent hiring, retention, training or supervision, infliction of emotional distress or mental anguish, failure to provide or enforce adequate or consistent corporate policies and procedures, or violation of an individual's civil rights;

but only if the **Employment Practices Violation** relates to an **Individual Insured**, or applicant for employment with the **Organization** or an

Outside Entity, whether committed directly, indirectly, intentionally or unintentionally.

2. In Clause 3. "EXCLUSIONS" of the EPL Coverage Section, Exclusion (b) is deleted in its entirety and replaced with the following:
 - (b) alleging, arising out of, based upon or attributable to any actual or alleged contractual liability of an **Insured** under any express contract or agreement; provided, however, that this exclusion shall not apply to (1) liability which would have attached in the absence of such express contract or agreement; or (2) **Loss** constituting **Defence Costs**.
3. In Clause 4. "DEFENSE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENSE COSTS)" of the EPL Coverage Section the last paragraph is deleted in its entirety and replaced with the following:

Furthermore, in the event the **Insureds** do not consent to the first **Settlement Opportunity** within the time prescribed above, then, subject to the **Policy Aggregate Limit of Liability** and **Separate Limit of Liability** or **Shared Limit of Liability**, if any, the **Insurer's** liability for all Loss on account of such Claim shall not exceed: (1) the amount for which the **Insurer** could have settled such **Claim** plus **Defence Costs** incurred as of the date such settlement was proposed in writing by the **Insurer** ("**Settlement Opportunity Amount**"), plus (2) 70% of covered **Loss** in excess of such **Settlement Opportunity Amount**, it being a condition of this insurance that the remaining 30% of such **Loss** excess of the **Settlement Opportunity Amount** shall be carried by the **Organization** and the **Insureds** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the **Settlement Opportunity Amount** exceeds the applicable Retention amount stated in Item 3 of the Declarations.

IV. AMENDMENTS TO THE FLI COVERAGE SECTION

1. In Clause 2. "DEFENSE AGREEMENTS" of the FLI Coverage Section, paragraph (c), "GENERAL PROVISIONS" is deleted in its entirety and replaced with the following:
 - (c) **GENERAL PROVISIONS (applicable to 2(a) and 2(b) above)**

The **Insurer** shall advance **Defence Costs** prior to the final disposition of a **Claim**, subject to the other provisions of this policy. Such advance payments by the **Insurer** shall be repaid to the **Insurer** by the **Insureds**, severally according to their respective interests, in the event and to the extent that the **Insureds** shall not be entitled under the terms and conditions of this policy to payment of such **Loss** under the terms of this FLI Coverage Section.

The **Insureds** shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any **Defence Costs** without the prior written consent of the **Insurer**. Only those settlements, stipulated judgments and **Defence Costs** which have been consented to in writing by the **Insurer** shall be recoverable as **Loss** under the terms of this FLI Coverage Section.

The **Insureds** shall give the **Insurer** full cooperation and such information as the **Insurer** may reasonably require.

ENDORSEMENT# 5 (continued)

Selection of counsel to defend the **Claim** made against the **Insureds** shall be governed by Clause 6 of this FLI Coverage Section (if applicable).

2. In Clause 4. "EXCLUSIONS" of the FLI Coverage Section, paragraph (c) is deleted in its entirety and replaced with the following:
 - (c) for failure to fund a **Plan** in accordance with **Employee Benefit Law** or the **Plan** instrument or the failure to collect contributions owed to the **Plan**; provided, however, this exclusion shall not apply to: (1) **Defence Costs**; or (2) the portion of **Loss** that is payable as a personal obligation of an **Individual Insured**;

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 6

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**ORGANIZATION PATENT EXCLUSION
(D&O COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, solely with respect to **Loss** as may have otherwise been covered under Coverage C "ORGANIZATION ENTITY COVERAGE" of the D&O Coverage Section, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim(s)** made against an **Organization** alleging, arising out of, based upon or attributable to or any actual or alleged infringement of any patent.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 7

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**GENERAL ERRORS & OMISSIONS EXCLUSION
(D&O COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, solely with respect to coverage as is otherwise provided under the D&O Coverage Section, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured** alleging, arising out of, based upon or attributable to the **Organization's** or any **Individual Insured(s)**' performance of or failure to perform professional services for others, or any act(s), error(s) or omission(s) relating thereto.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 8

This endorsement, effective *12:01 am February 26, 2012* forms a part of policy number *01-593-83-55* issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**NON-EMPLOYMENT DISCRIMINATION CLAIMS
SEPARATE RETENTION
(GENERAL TERMS AND CONDITIONS AMENDMENT)**

In consideration of the premium charged, it is hereby understood and agreed that paragraph (a) of Clause 6. "RETENTION CLAUSE/DEDUCTIBLE CLAUSE" of the General Terms and Conditions, as amended by any other endorsement amending said paragraph (a), is amended by adding the following paragraph at the end thereof:

Notwithstanding the foregoing, with regard to any **Non-Employment Discrimination Claim**, the **Insurer** shall only be liable for the amount of **Loss** arising from such **Non-Employment Discrimination Claim** which is in excess of a Retention amount of *\$25,000*, such Retention amount to be borne by the **Organization** and/or the **Insureds** and shall remain uninsured, with regard to: (i) all **Indemnifiable Loss**; and (i) **Loss** of the **Organization**. A single Retention amount shall apply to **Loss** arising from all **Claims** alleging the same **Wrongful Act** or **Related Wrongful Acts**. In the event a **Claim** triggers more than one applicable retention amount, only the highest such amount shall apply, which amount shall apply to all **Loss** under such **Claim**.

For purposes of this endorsement only, the term "**Non-Employment Discrimination Claim**" shall mean any **Claim(s)** under the EPL Coverage Section alleging **Non-Employment Discrimination**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 9

This endorsement, effective *12:01 am February 26, 2012* forms a part of
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by *Chartis Insurance Company of Canada*

**ANTITRUST EXCLUSION
(D&O COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, solely with respect to **Loss** as may have otherwise been covered under the D&O Coverage Section, the **Insurer** shall not be liable to make any payment for any **Loss** in connection with any **Claim(s)** alleging, arising out of, based upon or attributable to, or in any way involving, either directly or indirectly, antitrust violations, price fixing, price discriminations, unfair competition, deceptive trade practices and/or monopolies, including any actions, proceedings, claims or investigations related thereto.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 10

This endorsement, effective *12:01 am February 26, 2012* forms a part of
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issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**PUBLISHING LIABILITY EXCLUSION
(D&O COVERAGE SECTION)**

In consideration of the premium charged, it is hereby understood and agreed that, solely with respect to **Loss** as may have otherwise been covered under the D&O Coverage Section, the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim(s)** made against any **Insured(s)** alleging, arising out of, based upon or attributable to publishing or advertising activities or activities incidental thereto, including but not limited to claims alleging: plagiarism; infringement of copyright, patent, title or slogan; piracy, unfair competition or idea misappropriation under an implied contract; false arrest, detention, imprisonment or malicious prosecution; wrongful entry, eviction or other invasion of the right of private occupancy; the publication or utterance of a libel or slander or of other defamatory or disparaging material; or a publication or utterance in violation of an individual's right of privacy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 11

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**SEVERABILITY OF THE APPLICATION ENDORSEMENT
(FULL INDIVIDUAL SEVERABILITY; TOP 3 ORGANIZATION POSITIONS IMPUTED TO
ORGANIZATION; NON- RESCINDABLE)
(D&O & EPL COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that Clause
15. **REPRESENTATIONS AND SEVERABILITY** of the General Terms and Conditions is
deleted in its entirety and replaced with the following:

15. REPRESENTATIONS AND SEVERABILITY

Solely with respect to the D&O Coverage Section and the EPL Coverage Section, the
following shall apply:

In granting coverage under this policy, it is agreed that the **Insurer** has relied upon
the statements and representations contained in the application for this policy
(including materials submitted thereto and, if this is a renewal application, all such
previous policy applications for which this policy is a renewal) as being accurate
and complete. All such statements and representations are the basis of this policy
and are to be considered as incorporated into this policy.

With respect to any statements, warranties and representations contained in the
application, and solely with respect to the issue of whether coverage shall be
afforded under this endorsement pursuant to subparagraphs (1), (2) and (3) below,
no knowledge possessed by an **Individual Insured** shall be imputed to any other
Individual Insured. However, in the event that any of the statements, warranties or
representations is not accurately and completely disclosed in the application, no
coverage shall be afforded for any **Claim** alleging, arising out of, based upon,
attributable to or in consequence of the subject matter of any incomplete or
inaccurate statements, warranties or representations with respect to the following
Insureds:

- (1) any **Individual Insured** who knew as of the inception date of the **Policy Period** the facts that were not accurately and completely disclosed in the application;
- (2) any **Organization** to the extent it indemnifies any **Individual Insured** referenced in subparagraph (1) above; and
- (3) any **Organization** if any past or present chief executive officer, chief operating officer or chief financial officer of the **Organization** knew of such inaccurate or incomplete statements, warranties or representations,

whether or not such **Individual Insured** knew that such facts were not accurately and completely disclosed in the application.

ENDORSEMENT# 11 (continued)

The **Insurer** shall not be entitled under any circumstances to rescind coverage under this policy with respect to any **Insured**, but such coverage will be subject to all other terms, conditions and exclusions of this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 12

This endorsement, effective *12:01 am February 26, 2012* forms a part of policy number *01-593-83-55* issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**STATUTORY ENDORSEMENT COVERAGE
(D&O and EPL Coverage Sections)**

In consideration of the premium charged, and solely with respect to the coverage afforded by this policy for any **Claims** with respect to any entity created, located or formed or incorporated in Canada, it is hereby understood and agreed that the coverage as is afforded by the D&O and EPL Coverage Sections of this policy is extended to a **Statutory Claim** as defined below, subject to the terms, conditions and exclusions of this endorsement and policy.

Coverage A: Directors, Officers or Trustees Insurance

This policy shall pay the **Loss** of each and every **Executive** of the **Organization** arising from a **Statutory Claim** first made against the **Executives** during the **Policy Period** or the **Discovery Period** (if applicable) and reported to the **Insurer** pursuant to the terms of the D&O and EPL Coverage Sections of this policy for any actual or alleged **Wrongful Act** in their respective capacities as **Executive(s)** of the **Organization**, except when and to the extent that the **Organization** has indemnified the **Executive(s)**. The **Insurer** shall advance **Defence Costs** of the **Statutory Claim** prior to its final disposition.

DEFINITIONS

It is further understood and agreed that solely with respect to the coverage afforded by this endorsement for a **Statutory Claim(s)**, Clause 2. **DEFINITIONS** of the D&O and EPL Coverage Sections are amended with the following:

- (a) **Claim** is deleted in its entirety and replaced with the following:
- (1) any demand, action, proceeding or investigation by the Minister of National Revenue, against an **Executive** arising out of, based upon or attributable to the failure to deduct, withhold, or remit tax from a payment of salary or wages of an **Employee**;
 - (2) any demand, action, proceeding, or investigation by an **Employee** against a **Executive**.
- (b) **Employee** is deleted in its entirety and replaced with the following:
- Employee** means a person in receipt of or entitled to wages for labour or services performed for the **Organization**. **Employee** shall not include an independent contractor or an employee who is on probation.
- (c) **Loss** is amended to include the following paragraphs:
- (1) For the purposes of a **Statutory Claim** arising from the **Insured's** failure to deduct, withhold or remit tax, unemployment insurance contributions, or pension plan contributions from a payment of salary or wages of the **Organization's Employees**, **Loss** shall mean:
 - (i) taxes and related penalties and interest actually assessed against the **Insured** pursuant to the Income Tax Act, R.S.C. 1985 (5th Supp.);

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END 012

ENDORSEMENT# 12 (continued)

- (ii) any amount including related penalties and interest assessed against the Insured pursuant to the Unemployment Insurance Act, R.S.C. 1985, c. U- 1;
 - (iii) any amount including related penalties and interest assessed against the Insured pursuant to the Canada Pension Plan, R.S.C. 1985, c. 8.
- (2) For the purposes of a **Statutory Claim** arising from the Insured's failure to pay wages of the **Organization's Employees** properly due and owing, **Loss** shall mean any amount constituting wages pursuant to the Canada Business Corporations Act, R.S.C. 1985, c. C- 44 and the Business Corporations Act, R.S.O. 1990, c. B.16, the regulations promulgated thereunder and amendments thereto or any similar provisions of any provincial law.
- (d) The following definitions shall be added to the end thereof:
- (aa) **Executives** means directors, officers, trustees, and *de facto* directors, officers or trustees of the **Organization**.
 - (bb) **Statutory Claim** means a **Claim** made against the **Insured** which alleges a violation of the Income Tax Act, R.S.C 1985, c. C.1 (5th supp.), the Canada Business Corporations Act, R.S.C. 1985, c. C- 44, the Business Corporations Act, R.S.O. 1990, c. B.16, the Unemployment Insurance Act, R.S.C. 1985, c. U- 1, or the Canada Pension Plan, R.S.C. 1985, c. 8, the regulations promulgated thereunder and amendments thereto or any similar provisions of any provincial law, alleging, arising out of, based upon or attributable to:
 - (1) the failure to deduct, withhold or remit tax from a payment of salary or wages of the **Organization's Employees**;
 - (2) the failure to deduct, withhold or remit unemployment insurance contributions from a payment of salary or wages of the **Organization's Employees**;
 - (3) the failure to deduct, withhold or remit pension plan contributions from a payment of salary or wages of the **Organization's Employees**;
 - (4) the failure to pay wages of the **Organization's Employees** properly due and owing.

EXCLUSIONS

It is further understood and agreed that for the purposes of this endorsement, exclusion 4(c) of the **General Terms and Conditions** is deleted in its entirety and replaced with the following:

- (c) "alleging, arising out of, based upon or attributable to any pending or prior litigation as of *February 22, 2010* , or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation."

SUBROGATION

Clause 10 of the **General Terms and Conditions** is deleted in its entirety and replaced with the following:

In no event shall the coverage afforded by this endorsement be extended to grant coverage to the **Organization**.

In the event of any payment under this endorsement, the **Insurer** shall be subrogated to the extent of such payment to the **Insured's** rights of recovery thereof, and the **Insured** shall execute all papers required and shall do everything that may be necessary to secure

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END 012

ENDORSEMENT# 12 (continued)

such rights including the execution of such documents necessary to enable the **Insurer** to effectively bring suit in the name of the Insured.

It is agreed and accepted that the **Insured** expressly grants the Insurer the right of subrogation to bring suit against the **Organization** for any payments that the **Insurer** has made under this endorsement.

It is further agreed and accepted that the **Organization** will indemnify the **Insured** and save the **Insured** harmless from **Loss** alleging, arising out of, based upon or attributable to a **Statutory Claim**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 13

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**PUNITIVE DAMAGES SUBLIMIT OF LIABILITY
(D&O AND EPL COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that in Clause 2. DEFINITIONS of both the D&O Coverage Section and the EPL Coverage Section, the Definition of "Loss" is amended by adding the following paragraph at the end thereof:

It is further understood and agreed that the maximum aggregate limit of the **Insurer's** liability for all **Loss** (including **Defence Costs**) constituting punitive, exemplary and multiple damages shall be *\$1,000,000* (hereafter termed the "**Punitive Damages Sublimit of Liability**"). This **Punitive Damages Sublimit of Liability** shall be part of, and not in addition to, any applicable **Separate Limit of Liability, Shared Limit of Liability** or **Policy Aggregate Limit of Liability** stated in Item 3 or Item 7 of the Declarations and will in no way serve to increase the **Insurer's** limit of liability as stated therein.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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ENDORSEMENT# 14

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**ADDITIONAL INSUREDS - LISTED AFFILIATES
(SPECIFIED COVERAGE SECTIONS)**

In consideration of the premium charged, it is hereby understood and agreed that solely with respect to the **Coverage Section(s)** listed below, Clause 2. Definition (r), "**Organization**" of the GENERAL TERMS AND CONDITIONS shall include the following entity(ies), which are "**Affiliates**" as defined in Clause 2. Definition (a), "**Affiliate**" of the GENERAL TERMS AND CONDITIONS, subject to each **Affiliate(s)**' respective **Continuity Date**:

APPLICABLE COVERAGE SECTIONS:

DO, EPL

AFFILIATE(S):

INTERNATIONAL GAME WARDEN MAGAZINE

CONTINUITY DATE:

May 27, 2004

For the purpose of the applicability of the coverage provided by this endorsement, the **Affiliate(s)** listed above and the **Organization** will be conclusively deemed to have indemnified the **Individual Insureds** of the respective **Affiliate(s)** listed above to the extent that such **Affiliate(s)** or the **Organization** is permitted or required to indemnify such **Individual Insureds** pursuant to law, common or statutory, or contract, or its charter or by-laws. The **Affiliate(s)** listed above and the **Organization** hereby agree to indemnify the **Individual Insureds** to the fullest extent permitted by law, including the making in good faith of any required application for court approval.

Furthermore, for the purpose of the applicability of the coverage provided by this endorsement, the Insurer shall not be liable for any **Loss** in connection with any **Claim(s)**, made against any **Affiliate(s)** listed above or any **Insured(s)** thereof:

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ENDORSEMENT# 14 (continued)

- (1) alleging, arising out of, based upon or attributable to as of such **Affiliate's** respective **Continuity Date**, any pending or prior: (1) litigation; or (2) administrative or regulatory proceeding or investigation of which an **Insured** had notice, or alleging any **Wrongful Act** which is the same or **Related Wrongful Act** to that alleged in such pending or prior litigation or administrative or regulatory proceeding or investigation; or
- (2) alleging any **Wrongful Act** occurring prior to such **Affiliates'** respective **Continuity Date**, if any **Insured** knew or could have reasonably foreseen that such **Wrongful Act** could lead to a **Claim** under this policy.

In all events, coverage as is afforded under this endorsement with respect to a **Claim** made against each respective **Affiliate(s)** listed above or any **Individual Insureds** thereof shall only apply for **Wrongful Acts** committed or allegedly committed after the respective entity's **Continuity Date** and prior to the time that such **Affiliate(s)** ceased to be an **Affiliate**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 014

ENDORSEMENT# 15

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

ADDITIONAL LIMIT OF LIABILITY FOR DEFENCE COSTS

1. Item 7. of the Declarations is amended to include the following at the end thereof:

(e) **ADDITIONAL LIMIT OF LIABILITY FOR DEFENCE COSTS:** \$1,000,000

2. Clause 5. **LIMIT OF LIABILITY** of the **General Terms And Conditions** is amended by inserting the following at the end of paragraph (a) thereof:

Additional Limit of Liability For Defence Costs:

Notwithstanding the foregoing, the **Additional Limit of Liability for Defence Costs** is an additional limit of liability available only for covered **Defence Costs** incurred in connection with any **Claim** first made against an **Insured** during the **Policy Period** or the **Discovery Period** (if applicable) under any **Purchased Coverage Section**. The **Additional Limit of Liability for Defence Costs** for the Discovery Period shall be part of and not in addition to the **Additional Limit of Liability for Defence Costs** for the **Policy Period**. There is only one **Additional Limit of Liability for Defence Costs** under the policy and it applies all **Defence Costs** in the aggregate under all **Purchased Coverage Sections**. The **Additional Limit of Liability for Defence Costs** shall be in addition to and not part of any **Separate Limit of Liability** or **Shared Limit of Liability** stated in item 3 of the declarations for the **Purchased Coverage Sections**. Loss constituting **Defence Costs** shall first reduce the **Additional Limit of Liability for Defence Costs**. Should the **Additional Limit of Liability for Defence Costs** become exhausted, then subsequent **Defence Costs** will reduce the other applicable **Separate Limit of Liability** or **Shared Limit of Liability**. In no event shall the **Additional Limit of Liability for Defence Costs** be available once the applicable **Separate Limit of Liability** or **Shared Limit of Liability** set forth in Item 3 of the Declarations for such **Claim** has been completely exhausted.

3. As used in this endorsement:

" **Additional Limit of Liability for Defence Costs**" means the amount stated in Item 7(e) of the Declarations.

" **Purchased Coverage Section(s)**" means any **Coverage Section** purchased under this policy other than the **Crime Coverage Section** or the **KRE Coverage Section**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

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END 15

ENDORSEMENT# 16

This endorsement, effective *12:01 am February 26, 2012* forms a part of
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

**CANADIAN CRIME CODE SECTION 217.1 (BILL C- 45) DEFENCE COSTS COVERAGE FOR
INDIVIDUAL INSURED**

1. In Clause 2. **DEFINITIONS** of the **D&O Coverage Section**, the definition of "**Loss**" is amended by adding the following at the end thereof:

Loss shall also mean **Canadian Criminal Code 217.1 Defence Costs**, provided they arise out of a **Claim**.

2. Exclusion (d) of the **General Terms and Conditions** is deleted and replaced with the following:

(d) alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly, **Bodily Injury** or **Property Damage**; provided, however, that with respect to the FLI Coverage Section only, this exclusion shall not apply to **Defense Costs** incurred in the defense of a **Claim** alleging a **Breach of Fiduciary Duty**; provided, however, this exclusion shall not apply to **Canadian Criminal Code 217.1 Defence Costs**;

As used in this endorsement, "**Canadian Criminal Code 217.1 Defence Costs**" means **Defence Costs** incurred by an **Individual Insured** that result solely from the investigation, adjustment, defence and/or appeal of a **Claim** against an **Organization** for violation of Section 217.1 in the Criminal Code of Canada or of any similar provision of any criminal code in any jurisdiction.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

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END 16

MNSCPT

ENDORSEMENT# 17

This endorsement, effective *12:01 am February 26, 2012* forms a part of policy number *01-593-83-55* issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

by *Chartis Insurance Company of Canada*

TWO YEAR POLICY PERIOD ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that the policy is amended as follows:

1. In Items 3. and 4. of the Declarations, the column entitled "**Premium**," is deleted in its entirety and replaced with the following:

3	COVERAGE SUMMARY			
	Liability Coverage Section		1st Year Premium	2nd Year Premium
	D&O	D&O and Not-For-Profit Organization	<i>\$2,203</i>	<i>\$2,203</i>
	EPL	Employment Practices	<i>\$47</i>	<i>\$47</i>
	FLI	Fiduciary		
	CCP	Employed Lawyers		
	Crime	Crime	Coverage Section Not Purchased	Coverage Section Not Purchased
	KRE	Kidnap And Ransom/Extortion	Coverage Section Not Purchased	Coverage Section Not Purchased
4(a)	TWO YEAR PREMIUM FOR ALL COVERAGES COMBINED:		<i>0</i>	
4(b)	TWO YEAR INSTALLMENTS FOR ALL COVERAGES COMBINED (payable each anniversary subject to this endorsement):		1st Year: <i>\$2,250</i>	inception <i>0</i>
			2nd Year: <i>\$2,250</i>	

2. Clause 2. **DEFINITIONS** of the **GENERAL TERMS AND CONDITIONS** is amended to include the following definitions at the end of that Clause:

- (aa) "**Policy Year**" means **Policy Year One** or **Policy Year Two**, as applicable.
- (bb) "**Policy Year One**" means the period time commencing *February 26, 2012* and ending on *February 26, 2013* at 12:01 A.M. standard time at the address of the **Named Organization** as stated in Item 1 of the Declarations.
- (cc) "**Policy Year Two**" means the period time commencing *February 26, 2013* and ending on *February 26, 2014* at 12:01 A.M. standard time at the address of the **Named Organization** as stated in Item 1 of the Declarations.

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END 017

3. In Clause 5. **LIMIT OF LIABILITY** of the **GENERAL TERMS AND CONDITIONS**, paragraph (a) is deleted in its entirety and replaced with the following:

- (a) With respect to all **Coverage Sections**, other than the **Crime Coverage Section**, the following shall apply:

LIMITS OF LIABILITY (FOR ALL LOSS IN THE AGGREGATE UNDER THIS POLICY AND UNDER EACH COVERAGE SECTION - INCLUDING DEFENSE COSTS)

The **Policy Aggregate Limit of Liability** stated in Item 7(a) of the Declarations is the maximum limit of the **Insurer's** liability for all **Loss** under all coverages combined, arising out of all **Claims** first made against the **Insureds** during the **Policy Period** and the **Discovery Period**, if applicable; however, the **Policy Aggregate Limit of Liability** for the **Discovery Period** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** for the **Policy Period**.

If **Separate Limits of Liability** are stated in Item 3 of the Declarations:

- (i) the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during **Policy Year One** (and the **Discovery Period**, if applicable) with respect to the applicable **Coverage Section** shall be fifty percent (50%) of the **Separate Limit of Liability** stated in the Declarations for such **Coverage Section** (each a "**Year One Separate Limit of Liability**"). Each **Year One Separate Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** as stated in Item 7(a) of the Declarations, and shall in no way serve to increase the **Insurer's** Limit of Liability as therein stated; and
- (ii) the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during **Policy Year Two** (or **Discovery Period**, if applicable) with respect to the applicable **Coverage Section** shall be fifty percent (50%) of the **Separate Limit of Liability** stated in the Declarations for such **Coverage Section** (the "**Year Two Separate Limit of Liability**"). Each **Year Two Separate Limit of Liability** shall be part of, and not in addition to, the the **Policy Aggregate Limit of Liability** as stated in Item 7(a) of the Declarations, and shall in no way serve to increase the **Insurer's** Limit of Liability as therein stated;

If **Shared Limits of Liability** are stated in Item 3 of the Declarations:

- (i) the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during **Policy Year One** (or **Discovery Period**, if applicable) with respect to all **Coverage Sections** for which such **Shared Limit of Liability** is applicable, as indicated on the Declarations, shall be fifty percent (50%) of the **Shared Limit of Liability** stated in the Declarations for such **Coverage Sections** (the "**Year One Shared Limit of Liability**"). Each **Year One Shared Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** as stated in Item 7(a) of the Declarations, and shall in no way serve to increase the **Insurer's** Limit of Liability as therein stated; and
- (ii) the maximum limit of the **Insurer's** liability for all **Loss** arising out

of all **Claims** first made against the **Insureds** during **Policy Year Two** (or **Discovery Period**, if applicable) with respect to all **Coverage Sections** for which such **Shared Limit of Liability** is applicable, as indicated on the Declarations, shall be fifty percent (50%) of the **Shared Limit of Liability** stated in the Declarations for such **Coverage Sections** ("**Year Two Shared Limit of Liability**"). Each **Year Two Shared Limit of Liability** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** as stated in Item 7(a) of the Declarations, and shall in no way serve to increase the **Insurer's Limit of Liability** as therein stated;

Notwithstanding the foregoing, in the event that the **Named Organization** purchases a **Discovery Period** pursuant to the Discovery Clause of any **Coverage Section**, the **Limit of Liability** for the **Discovery Period** for such **Coverage Section** shall be determined as follows:

- (i) If **Separate Limits** are stated in Item 3 of the Declarations, then the **Year One Separate Limit of Liability** or the **Year Two Separate Limit of Liability** in effect for such **Coverage Section** at the time the **Named Organization** purchases such **Discovery Period** shall also apply to the **Discovery Period**; however, the **Year One Separate Limit of Liability** or **Year Two Separate Limit of Liability** applicable to the **Discovery Period** shall be part of, and not in addition to, the **Year One Separate Limit of Liability** or **Year Two Separate Limit of Liability** for the **Policy Year** in which the **Discovery Period** was elected; or
- (ii) If **Shared Limits** are stated in Item 3 of the Declarations, then the **Year One Shared Limit of Liability** or the **Year Two Shared Limit of Liability** in effect for such **Coverage Section** at the time the **Named Organization** purchases such **Discovery Period** shall also apply to the **Discovery Period** for all **Coverage Sections** to which such **Year One Shared Limit of Liability** or the **Year Two Shared Limit of Liability** applied during the **Policy Year**; however, the **Year One Shared Limit of Liability** or **Year Two Shared Limit of Liability** applicable to the **Discovery Period** shall be part of, and not in addition to, the **Year One Shared Limit of Liability** or **Year Two Shared Limit of Liability** for the **Policy Year** in which the **Discovery Period** was elected.

Further, a **Claim** which is made subsequent to a **Policy Year** or **Discovery Period** (if applicable) which pursuant to Clause 7(b) or 7(c) is considered made during such **Policy Year** or **Discovery Period**, shall also be subject to the applicable **Policy Aggregate Limit of Liability** and subject to any applicable **Separate Limit of Liability**, **Shared Limit of Liability**, **Year One Separate Limit of Liability**, **Year Two Separate Limit of Liability**, **Year One Shared Limit of Liability** or **Year Two Shared Limit of Liability**.

Defence Costs are not payable by the **Insurer** in addition to the **Policy Aggregate Limit of Liability** or any applicable **Year One Separate Limit of Liability**, **Year Two Separate Limit of Liability**, **Year One Shared Limit of Liability** or **Year Two Shared Limit of Liability**. **Defence Costs** are part of Loss and as such are subject to the **Policy Aggregate Limit of Liability** and any applicable **Year One Limit of Liability**, **Year Two Limit of Liability**, **Year**

One Separate Limit of Liability, Year Two Separate Limit of Liability, Year One Shared Limit of Liability or Year Two Shared Limit of Liability. Amounts incurred for **Defence Costs** shall be applied against the Retention amount.

4. In Clause 4. **LIMITS OF LIABILITY** of the D&O Coverage Section, the second paragraph thereof is deleted in its entirety and replace with the following:

The maximum limit of the **Insurer's** liability for **Crisis Management Loss** arising from all **Crisis Management Events** combined occurring during any **Policy Year** or the **Discovery Period** (if applicable), in the aggregate, shall be the amount set forth in Item 7(b) of the Declarations as the **Crisis Management Fund**. The **Crisis Management Fund** shall be the aggregate limit of the **Insurer's** liability under this policy for any one **Policy Year** for all **Crisis Management Events** regardless of the number of **Crisis Management Events** occurring during such **Policy Year** or the **Discovery Period** (if applicable). The **Crisis Management Fund** for each **Policy Year** shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** stated in Item 7(a) of the Declarations of this policy and any **Year One Separate Limit of Liability, Year Two Separate Limit of Liability, Year One Shared Limit of Liability or Year Two Shared Limit of Liability** applicable to this **Coverage Section** for such **Policy Year**, and will in no way serve to increase the **Policy Aggregate Limit of Liability** or any **Year One Separate Limit of Liability, Year Two Separate Limit of Liability, Year One Shared Limit of Liability or Year Two Shared Limit of Liability** applicable for such **Policy Year**.

5. Clause 7. **NOTICE/CLAIM REPORTING PROVISIONS** of the **GENERAL TERMS AND CONDITIONS** is amended as follows:

(a) subparagraph 7(1)(a) is deleted in its entirety and replaced with the following:

(a) The **Insureds** shall, as a condition precedent to the obligations of the **Insurer** under this policy, give written notice to the **Insurer** of any **Claim** made against an **Insured** or any **Crisis Management Event** (as defined in the **D&O Coverage Section**) as soon as practicable and either:

- (1) anytime during the **Policy Year** in which the **Claim** was made or during the **Discovery Period** for such **Policy Year** (if applicable); or
- (2) within thirty (30) days after the end of the **Policy Year** in which the **Claim** was made or the **Discovery Period** for such **Policy Year** (if applicable), as long as such **Claim** was first made against an **Insured** within the final thirty (30) days of such **Policy Year** or the **Discovery Period** (if applicable).

(b) paragraph 7(c) is deleted in its entirety and replaced with the following:

(c) If during a **Policy Year** or **Discovery Period** (if applicable), the **Insureds** shall become aware of any circumstances which may reasonably be expected to give rise to a **Claim** being made against the **Insureds** and shall give written notice to the **Insurer** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to dates, persons and entities involved, then any **Claim** which is subsequently made against the **Insureds** and reported to the **Insurer** alleging, arising out of, based upon or attributable to such circumstances or alleging any **Wrongful Act** which is the same as or is a **Related Wrongful Act** to that alleged or contained in such circumstances, shall be considered made at the time such notice of such circumstances was given.

6. The last sentence of the second paragraph in Clause 8. **CANCELLATION CLAUSE** of the **GENERAL TERMS AND CONDITIONS** is deleted in its entirety and replaced with the following:

The **Insurer** shall have the right to the premium amount for the portion of the **Policy Year** during which the policy was in effect.

7. The third paragraph of Clause 11. **OTHER INSURANCE AND INDEMNIFICATION** of the **GENERAL TERMS AND CONDITIONS** is deleted in its entirety and replaced with the following:

Further, in the event other insurance is provided to an **Outside Entity** or leasing company referenced in the above paragraph, or is provided under any pension trust or employee benefit plan fiduciary liability insurance policy, and such other insurance is provided by the **Insurer** or any member company of Chartis, Inc. ("**Chartis**") (or would be provided but for the application of a retention amount or exhaustion of the limit of liability under such other policy or failure to submit a notice of a **Claim** under such other policy), then the **Insurer's** maximum aggregate **Limit of Liability** for all **Loss** combined in connection with a **Claim** covered, in part or in whole, by this policy and such other insurance policy issued by **Chartis**, shall not exceed the greater of any applicable **Limit of Liability** of this policy or the limit of liability of such other **Chartis** insurance policy.

8. The **GENERAL TERMS AND CONDITIONS** is amended to include the following paragraph at the end thereof:

TY- 1. PREMIUM

If a premium amount is provided for in Item 4(a) of the Declarations, as set forth in paragraph 1 of this endorsement, payment of such premium amount shall be remitted within thirty (30) days of the inception of this policy.

If a premium amount is provided for in item 4(b) of the Declarations, as set forth in paragraph 1 of this endorsement, payment of such premium amounts shall be remitted as follows:

- (a) the first year instalment shall be remitted within thirty (30) days of the inception date of this policy;
- (b) the second year instalment shall be remitted within thirty (30) days of the inception of **Policy Year Two**.

9. The last sentence of the second paragraph of Clause 5. **DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENCE COSTS)** of the D&O Coverage Section (if purchased) is deleted in its entirety and replaced with the following:

However, the **Insurer** shall not be obligated to defend such **Claim** after any applicable **Limit of Liability** has been exhausted, or after an **Insured's** rejection of (or failure or refusal to accept within the time prescribed herein) a **Settlement Opportunity**.

10. The last sentence of the second paragraph of Clause 4. **DEFENCE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENCE COSTS)** of the EPL Coverage Section (if purchased) is deleted in its entirety and replaced with the following:

ENDORSEMENT# 17 (continued)

However, the **Insurer** shall not be obligated to defend such **Claim** after any applicable **Limit of Liability** has been exhausted, or after an **Insured's** rejection of (or failure or refusal to accept within the time prescribed herein) a **Settlement Opportunity**.

11. The last sentence of the second paragraph of Clause 2 (a), **DEFENCE COSTS, INSURER'S DUTY TO DEFEND**, of the FLI Coverage Section is deleted in its entirety and replaced with the following:

However, the **Insurer** shall not be obligated to defend any **Claim** after any applicable **Limit of Liability** has been exhausted, or pursuant to subparagraph (c) below, after the rejection of a settlement offer.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



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END 017

ENDORSEMENT# 18

This endorsement, effective *12:01 am February 26, 2012*
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

forms a part of

by *Chartis Insurance Company of Canada*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
94106 CAN	02/07	NOT-FOR-PROFIT RISK PROTECTOR CANADIAN DEC. PAGE
94204 CAN	03/07	GENERAL TERMS AND CONDITIONS (NPRP) (CAN)
94207 CAN	03/07	DO COVERAGE SECTION (NPRP) (CAN)
94210 CAN	03/07	EPL COVERAGE SECTION (NRPR) (CAN)
99545	07/08	APPENDIX A NOT FOR PROFIT PANEL COUNSEL ADDENDUM
94830	06/07	APPENDIX B CRISIS MANAGEMENT COVERAGE FOR D&O COVERAGE SECTION
96338	10/07	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (ALL COVERAGE SECTIONS)
94654 CAN	05/07	COMMISSIONS EXCLUSION (ALL COVERAGE SECTIONS)
94657	05/07	CAPTIVE INSURANCE COMPANY EXCLUSION (D&O COVERAGE SECTION)
101329	03/09	PRESUMPTIVE INDEMNIFICATION ENDORSEMENT (D&O COVERAGE SECTION AND/OR EPL COVERAGE SECTION)
99500 CAN	06/08	NOT-FOR-PROFIT RISK PROTECTOR AMENDATORY ENDORSEMENT (NO BI/PD EXCLUSION AMENDMENT) (D&O, EPL & FLI COVERAGE SECTIONS)
100045	09/08	ORGANIZATION PATENT EXCLUSION (D&O COVERAGE SECTION)
99808	08/08	GENERAL E&O EXCLUSION (D&O COVERAGE SECTION)
94851	06/07	NON-EMPLOYMENT DISCRIMINATION CLAIMS SEPARATE RETENTION (GENERAL TERMS AND CONDITIONS AMENDMENT)
101321	03/09	ANTITRUST EXCLUSION (D&O COVERAGE SECTION)
94688	06/07	PUBLISHING LIABILITY EXCLUSION (D&O COVERAGE SECTION)
97427	02/08	SEVERABILITY OF THE APPLICATION ENDORSEMENT (FULL INDIVIDUAL SEVERABILITY; TOP 3 ORGANIZATION POSITIONS IMPUTED TO ORGANIZATION; NON-RESCINDABLE) (D&O & EPL COVERAGE SECTIONS)
C0009 CAN	01/08	STATUTORY ENDORSEMENT COVERAGE (D&O and EPL Coverage Sections)
94419 CAN	04/07	PUNITIVE DAMAGES SUBLIMIT OF LIABILITY (D&O AND EPL COVERAGE SECTIONS)

END 018

ENDORSEMENT# 18

This endorsement, effective *12:01 am February 26, 2012*
policy number *01-593-83-55*
issued to *NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC*

forms a part of

by *Chartis Insurance Company of Canada*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
94164	03/07	ADDITIONAL INSUREDS - LISTED AFFILIATES (SPECIFIED COVERAGE SECTIONS)
MNSCPT		ADDITIONAL LIMIT OF LIABILITY FOR DEFENCE COSTS
MNSCPT		CANADIAN CRIME CODE SECTION 217.1 (BILL C-45) DEFENCE COSTS COVERAGE FOR INDIVIDUAL INSUREDS
97430 CAN	02/08	TWO YEAR POLICY PERIOD ENDORSEMENT (ALL COVERAGE SECTIONS)
78859	10/01	FORMS INDEX ENDORSEMENT

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 018

CLAIM REPORTING FORM

Issuing Company: *Chartis Insurance Company of Canada*

Reported under Policy/Bond Number: 01-593-83-55 Date: _____

Type of Coverage: D&O _____ E&O _____ Fidelity _____ (complete the Fidelity Supplemental on the next page)

Insured's Name, as given on Policy Declarations (Face Page):

NORTH AMERICAN WILDLIFE ENFORCEMENT OFFICERS ASSOC

Contact Person: _____

Title: _____

Phone: (_____) _____ - _____ Ext _____

eMail: _____ @ _____

Case or Claimant Name: _____

If the party involved is different from "Insured" Name (as given on Policy Declarations) state relationship:

Insurance Broker/Agent: BUTLER BYERS INSURANCE LTD

Address: 301 4TH AVE N, SASKATOON, SK S7K 2L8

Address: _____

Contact: HERNARD CHAN Phone: _____

eMail: hchan@butlerbyers.com

Send Notice of Claims to: Chartis
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225
Phone: (888) 602- 5246
Fax: (866) 227- 1750
Email: [c- Claim@chartisinsurance.com](mailto:c-Claim@chartisinsurance.com)

**CLAIM REPORTING FORM
FIDELITY SUPPLEMENTAL**

(Only complete this supplemental if the Claim is being reported under Fidelity Coverage)

Issuing Company: *Chartis Insurance Company of Canada*

Reported under Policy/Bond Number: 01-593-83-55

Date of Discovery: _____ Estimated Amount of loss: _____

Cause of Loss:	Employee Dishonesty	_____	Computer Fraud	_____
	Funds Transfer	_____	Robbery/Burglary	_____
	ID Theft	_____	Forgery	_____
	Client Property	_____	In Transit	_____
	ERISA	_____	Credit Card Forgery	_____
	Other	_____	if Other, describe:	_____

Send Notice Of Claims To: Chartis
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225

Phone: (888) 602- 5246
Fax: (866) 227- 1750
Email: [c- Claim@chartisinsurance.com](mailto:c-Claim@chartisinsurance.com)

CUSTOMER ADVISORY REGARDING THE ENFORCEMENT OF ECONOMIC EMBARGOES AND TRADE SANCTIONS

Your rights as a policyholder and payments to you, any insured or claimant, for loss under this policy may be affected by the administration and enforcement of economic embargoes and trade sanctions applicable to you, any insured, claimant and/or to the insurer and their respective controlling entities (hereinafter "Trade Sanctions").

WHAT IS AN ECONOMIC EMBARGO AND/OR TRADE SANCTION

Trade Sanctions involve the imposition by a country of legal measures to restrict or prohibit trade, services or other economic activity with a target country, entity or individual. For example, the Parliament of Canada has enacted legislation authorizing the imposition of Trade Sanctions through the *United Nations Act*, the *Special Economic Measures Act* and some provisions of the *Export and Import Permits Act*.

Depending upon the identity, domicile, place of incorporation or nationality of the policyholder, insured, claimant, insurer, or the parent company and ultimate controlling entity of the policyholder, insured, claimant or insurer, or the country where the claim arises, Trade Sanctions of foreign countries, including the United States of America, may be applicable. The application of sanctions could necessitate the seizure or freezing of property, including but not limited to the payment of a claim.

Existing Trade Sanctions can be amended, and new Trade Sanctions can be imposed, at any time.

OBLIGATIONS PLACED ON US AS A RESULT OF TRADE SANCTIONS

If we determine that you or any insured, additional insured, loss payee, or claimant are on a prohibited list or are connected to a sanctioned country, entity or individual, or a prohibited activity, as designated by the relevant Trade Sanction, we may be required to comply with the requirements of the applicable Trade Sanction, which by way of example, may include blocking or "freezing" property and payment of any funds and the reporting of such occurrences to the relevant authorities within the prescribed time periods, if any.

POTENTIAL ACTIONS BY US

Depending upon the requirements of the relevant Trade Sanction:

1. We may be required to immediately cancel your coverage effective on the day that we determine that we have transacted business with an individual or entity associated with your policy on a prohibited list or connected to a sanctioned country as described in the relevant Trade Sanction.
2. If we cancel your coverage, you may not receive a return premium unless permitted pursuant to the relevant Trade Sanction. All blocked or frozen funds will be placed in an interest bearing blocked account established on the books of a financial institution.
3. We may not pay a claim, accept premium or exchange monies or assets of any kind to or with individuals, entities or companies (including a bank) on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction. Furthermore, we may not defend or provide any other benefits under your policy to individuals, entities or companies on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction.

This Trade Sanction Advisory is part of Chartist's comprehensive compliance program and is meant to serve as a reminder of the existing applicable legal requirements with respect to Trade Sanctions.