

LIBERTY INTERNATIONAL UNDERWRITERS

Excess Follow Form Insurance



Liberty
International
Underwriters™
Member of Liberty Mutual Group

Policy Number:

Renewal of:



Policy Expiry Date D&O

Item VI ENDORSEMENT(S)

1-Endorsement Count incl ManuscriptsN/A

This policy (consisting of this declaration, the applicable application, the attached policy terms and the endorsement(s) referred to in item VI) is valid only if, in addition to the facsimile signature of the President of Liberty Mutual Insurance Company, it is dated and signed below by a duly authorized representative of Liberty Mutual Insurance Company.

Authorized Representative of Liberty Mutual Insurance Company

Date

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Liberty Mutual Insurance Company's insurance business in Canada.

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POLICY TERMS

Relying upon the completeness and accuracy of the statements and disclosures in the application for this policy, in consideration of the payment of the premium as due and subject to the terms, provisions, limitations, conditions and exclusions of this policy, Liberty International Underwriters agrees as follows:

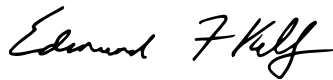
1. **INSURING AGREEMENT:** Liberty International Underwriters shall provide the Insureds with insurance during the Policy Period excess of the Underlying Insurance. Coverage hereunder shall attach only after such Underlying Insurance has been exhausted by payment of claim(s) and shall then apply in conformance with the terms, conditions, exclusions and endorsements of the Primary Policy, together with all limitations, restrictions or exclusions contained in or added by endorsements to any other Underlying Insurance, except as specifically set forth in the terms and conditions and endorsements of this policy. In no event shall this policy grant broader coverage than would be provided by any of the exhausted Underlying Insurance.
2. **MAINTENANCE OF UNDERLYING INSURANCE:**
 - 2.1 All of the underlying Policy(ies) scheduled in Item V of the Declarations shall be maintained during the Policy Period in full effect and affording coverage at least as broad as the Primary Policy, except for any reduction of the aggregate limit(s) of liability available under the Underlying Insurance solely by reason of payment of losses thereunder. Failure to comply with the foregoing shall not invalidate this policy but Liberty International Underwriters shall not be liable to a greater extent than if this condition had been complied with.
 - 2.2 In the event of any actual or alleged (a) failure by the Insureds to give notice or to exercise any extensions under any Underlying Insurance or (b) misrepresentation or breach of warranties by any of the Insureds with respect to any Underlying Insurance, Liberty International Underwriters shall not be liable hereunder to a greater extent than it would have been in the absence of such actual or alleged failure, misrepresentation or breach.
3. **DEPLETION OF UNDERLYING LIMIT(S):** In the event of the depletion of the limit(s) of liability of the Underlying Insurance solely as the result of payment of losses thereunder, this policy shall, subject to Liberty International Underwriters' limit of liability and to the other terms of the policy, continue to apply for subsequent losses as excess insurance over the amount of insurance remaining under such Underlying Insurance. In the event of the exhaustion of all of the limit(s) of liability of such Underlying Insurance solely as a result of payment of losses thereunder, the remaining limits available under this policy shall, subject to Liberty International Underwriters' limit of liability and to the other terms of this policy, continue for subsequent losses as primary insurance and any retention specified in the Primary Policy shall be imposed under this policy; otherwise no retention shall be imposed under this policy.
4. **LIMIT OF LIABILITY:** The amount set forth in Item IV of the Declarations is the limit of liability of Liberty International Underwriters and shall be the maximum liability of Liberty International Underwriters in each Policy Year.

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5. **CLAIM PARTICIPATION:** Liberty International Underwriters may, at its sole discretion, elect to participate in the investigation, settlement or defense of any claim against any of the Insureds for matters covered by this policy even if the Underlying Insurance has not been exhausted.
6. **SUBROGATION - RECOVERIES:**
- 6.1 In the event of any payment under this policy, Liberty International Underwriters shall be subrogated to all the Insureds' rights of recovery against any person or organization, as stated in the Primary Policy, and the Insureds shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.
- 6.2 Any amounts recovered after payment of loss hereunder shall be apportioned in the inverse order of payment to the extent of actual payment. The expenses of all such recovery proceedings shall be apportioned in the ratio of respective recoveries.
7. **NOTICE:**
- 7.1 Liberty International Underwriters shall be given notice in writing as soon as is practicable (a) in the event of the cancellation of any Underlying Insurance and (b) of any notice given or additional or return premiums charged or paid in connection with any Underlying Insurance.
- 7.2 Notice of any claim shall be given in writing to Liberty International Underwriters at 181 Bay Street, Suite 1000, Toronto, Ontario M5J 2T3 or any branch office of the Company.
8. **COMPANY AUTHORIZATION CLAUSE:** By acceptance of this policy, the Parent Organization named in Item I of the Declarations agrees to act on behalf of all the Insureds with respect to the giving and receiving of notice of claim or cancellations, the payment of premiums and the receiving of any return premiums that may become due under this policy; and the Insureds agreed that the Parent Organization shall act on their behalf.
9. **ALTERATION:** No change in or modification of this policy shall be effective except when made by written endorsement signed by an authorized employee of Liberty International Underwriters.
10. **POLICY TERMINATION:**
- 10.1 This policy may be terminated prior to the expiration of the policy period, as set forth in Item III of the Declarations, by any of the methods contained in the following paragraphs.
- 10.2 This policy may be cancelled by the Parent Organization any time by written notice or by surrender of this policy to Liberty International Underwriters. This policy may also be cancelled by or on behalf of the Liberty International Underwriters by delivery to the Parent Organization or by mailing to the Parent Corporation, by registered, certified or other first class mail, at the address shown in Item II of the Declaration, written notice stating when, not less than thirty days thereafter, the cancellation shall become effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this policy shall terminate at the date and hour specified in such notice.

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- 10.3 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.
- 10.4 Liberty International Underwriters shall refund the unearned premium computed at customary short rates if the policy is terminated in its entirety by the Parent Organization. Under any other circumstances the refund shall be computed pro rata.
11. **TERMINATION OF PRIMARY POLICY:** This policy shall terminate immediately upon the termination of the Primary Policy, whether by the Insureds or the primary insurer. Notice of cancellation or non-renewal of the Primary Policy duly given by the primary insurer shall serve as notice of the cancellation or non-renewal of this policy by Liberty International Underwriters.
12. **DEFINITIONS:**
- 12.1 Insureds mean those persons or organizations insured under the Primary Policy.
- 12.2 Primary Policy means the policy scheduled in Item V(A) of the Declarations.
- 12.3 Policy Year means the one year period between the anniversaries of the Primary Policy, provided that: (1) the first Policy Year of this policy shall be the period between the inception of this policy and the next subsequent anniversary of the Primary Policy, and (2) the last Policy Year of this policy shall be the period between the termination of this policy and the anniversary of the Primary Policy immediately preceding such termination. If any discovery period extension is exercised such extension shall be treated as set forth in the Primary Policy.
- 12.4 Underlying Insurance means all those policies scheduled in Item V of the Declarations.



President



Secretary