

## **FTQ Additional Terms 10/2014**

Wording Amendment for FTQ policies, being and forming part of AIG's Golden CG 11-2003. MODIFIED 032014 policy

- **WORLD WIDE JURISDICTION**

In consideration of the PREMIUM charged, it is hereby understood and agreed that the coverage under this policy shall apply to CLAIMS brought against the INSURED anywhere in the world.

- **PRIOR ACTS EXCLUSION**

**In consideration of the premium charged, it is hereby understood and agreed that this policy provides coverage for LOSS arising from CLAIMS by reason of WRONGFUL ACTS occurring on or after the Retroactive Date Noted in the schedule and before the cancellation date or expiration date of this policy. LOSS(ES) arising out of the same or related WRONGFUL ACT(S) shall be deemed to arise from the first such same or related WRONGFUL ACT.**

- **"NO LIABILITY" PROVISION DELETED**

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

1. The Definition of and all provisions referring to "no liability" are hereby deleted in their entirety.
2. General provision 5.4 RETENTION is deleted in its entirety and replaced by the following:

**5.4 RETENTION:**

The INSURER shall only be liable for the amount of LOSS arising from a CLAIM which is in excess of the retention amount specified in item 4 of the Schedule with regard to all LOSS under all insurance covers under this policy for which the COMPANY has indemnified or is permitted or required to indemnify the INSURED.

It is agreed that the company will be conclusively deemed to have indemnified the INSURED to the maximum extent that the COMPANY is permitted or required to grant such indemnification pursuant to law, common or statutory, or contract, or by the charter or by-laws or the Articles of Association of the COMPANY, which are hereby deemed to incorporate, for the purposes of this policy, the broadest of the law which determines or defines such rights of indemnity.

The retention amount is to be borne by the COMPANY and shall remain uninsured. A single retention amount shall apply to LOSS arising from all CLAIMS alleging a single WRONGFUL ACT.

- **US PUBLIC SECURITIES EXCLUSION**

**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 the insured under federal or state law enacted in the United States of America alleging, arising out of, based upon, or attributable to:**

- (i) the purchase or sale or offer or solicitation of an offer to purchase or sell any public security; or**
  - (ii) the violation of any of the provisions of the Securities Act of 1933 as amended, the Securities Exchange Act of 1934 as amended, Title IX of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced And Corrupt Organizations or RICO) as amended, or regulations promulgated there under, or any similar federal or state law (whether statutory, regulatory or common law);**
- including but not limited to actions brought by a governmental or regulatory or self regulatory entity or authority, or actions alleging damage to the outside company or its shareholders.**

- **Extension 4.4 DISCOVERY PERIOD is replaced by the following:**

If the INSURER refuses to offer any terms or conditions to renew this policy, then the POLICYHOLDER shall have the right to a DISCOVERY PERIOD of 12 months following the effective date of non-renewal:

- (i) provided the POLICYHOLDER cannot renew or replace this policy with or cannot purchase, effect or otherwise acquire, any other policy affording directors and officers liability or similar liability cover; and
- (ii) upon payment of an additional premium of 75% of the FULL ANNUAL PREMIUM .

The INSURED shall be entitled to a 60-day DISCOVERY PERIOD at no additional premium if this policy is not renewed by the INSURER and the POLICYHOLDER cannot renew or replace this policy with or cannot purchase any other policy affording directors and officers liability or similar liability cover. If the POLICYHOLDER elects to purchase a DISCOVERY PERIOD, this 60-day DISCOVERY PERIOD shall be part of and not in addition to the purchased DISCOVERY PERIOD.

To purchase the DISCOVERY PERIOD, the POLICYHOLDER must request its purchase in writing within 30 days of the termination date of the policy and must tender the additional premium within 60 days of the termination date.

The additional premium is not refundable and the DISCOVERY PERIOD is not cancellable.

If a TRANSACTION takes place, then the POLICYHOLDER shall not have the right to purchase a DISCOVERY PERIOD as set out above. However, the POLICYHOLDER shall have the right within 60 days of the end of the POLICY PERIOD to request an offer from the INSURER of a DISCOVERY PERIOD of up to 72 months. The INSURER shall [have the right but not the duty to] offer a DISCOVERY PERIOD with terms, conditions and premium as the INSURER may reasonably decide.

No DISCOVERY PERIOD of any length is available in the event of this policy being cancelled due to the nonpayment of premium.

- **Definition 2.22 (iv) - TRANSACTION - is amended to read as follows:**

- (iv) The insolvency, receivership, bankruptcy, stay of proceeds or liquidation of the POLICYHOLDER.

- **The following shall be added to Definition 2.6- DIRECTOR AND OFFICER -**

DIRECTOR AND OFFICER shall not mean any external auditor or insolvency office holder of a COMPANY.