

**CLAIMS-MADE AND DEFENSE EXPENSES
APPLICATION AND DECLARATIONS PAGE
DISCLOSURE ADDENDA
NEW YORK**

YOU SHOULD REVIEW YOUR ENTIRE POLICY CAREFULLY FOR COMPLETE INFORMATION ON THE COVERAGES PROVIDED AND TO DETERMINE YOUR RIGHTS AND DUTIES UNDER YOUR POLICY.

1. Any liability coverage contained in a policy that is subsequently issued and includes the words "claims-made" in the title of such coverage form is written on a claims-made basis.
2. Such claims-made liability coverage form will have a retroactive date and will not cover claims or suits that result from any damage that happens before the retroactive date. The retroactive date is the beginning date of the claims-made liability coverage issued as a result of this application unless we agree to a different date.
3. During the first several years of a claims-made coverage, claims-made rates are comparatively lower than occurrence rates, but you can expect substantial annual premium increases, independent of overall rate level increases, until the claims-made relationship reaches maturity.
4. Claims-made liability coverage will apply only to claims or suits first made or brought while such coverage is in effect, and such coverage ends if cancelled or not renewed and an extended reporting period endorsement is not purchased. Without such reporting endorsement, there is a very limited time, usually 90 days, but 60 days for some claims-made liability coverage, for claims or suits to be first made or brought. An extended reporting period endorsement will not change the ending date of the claims-made liability coverage, but will cover claims or suits first made or brought during the extended reporting period that would have been covered if such claims or suits had been made or brought before the claims-made liability coverage was cancelled or not renewed. The extended reporting period endorsement offers a reporting period extension for 12 months.
5. Claims-made liability coverage may include defense expenses within the limits of coverage and deductibles. If the insuring agreement does include defense expenses within the limits of coverage and deductibles, 100% of such limits and deductibles may be exhausted with the payment of judgments, settlements or defense expenses. Once the limit of coverage is exhausted no further obligation to pay any judgments, settlements or defense expenses will exist. Defense expenses are defined in the coverage form.