NEW YORK CLAIMS-MADE DISCLOSURE

Important Notice to Applicant or Policyholder

This notice contains important information about the Liability Policy.
This Notice will be physically attached to all applications and Liability Policy declarations.
Please read this notice carefully.

1. This Liability Policy, subject to its terms, applies only to any Claim first made against the Insured during the Policy Period or any applicable Extended Reporting Period. This Liability Policy, subject to its terms, does not apply to any Claim first made against the Insured after the Policy Period or any applicable Extended Reporting Period or reported after the termination of coverage.

2. This Liability Policy provides no coverage for Claims arising out of incidents, occurrences or alleged Wrongful Acts which took place prior to any retroactive date stated in the Liability Policy.

3. The premium charge for an additional Extended Reporting Period, if purchased, will be stated in ITEM 8 of the Declarations. The cost for the Extended Reporting Period is based on rates in effect as of the Inception Date.

4. During the first several years of a claims-made relationship, claims made rates are comparatively lower than occurrence rates. The Named Insured can expect substantial annual premium increases, independent of overall rate level increases, until the claims made relationship reaches maturity.

5. All coverage for the Liability Policy ceases upon the Liability Policy termination date, except for the sixty (60) day automatic Extended Reporting Period, unless an additional Extended Reporting Period is purchased. The minimum Extended Reporting Period, including the automatic Extended Reporting Period, is one year from the Liability Policy termination date. Potential coverage gaps may arise upon expiration of the Extended Reporting Period. Within thirty (30) days after termination of coverage, the Company will advise the Named Insured in writing of the automatic Extended Reporting Period coverage and the availability of, the premium for, and the importance of purchasing additional Extended Reporting Period coverage.

6. The limit of liability contained in this Liability Policy shall be reduced, and may be completely exhausted, by Defense Expenses. The Company shall not be liable for Defense Expenses plus the amount of any judgment or settlement exceeding the limit of liability of this Liability Policy. Defense Expenses, however, will be applied against the deductible/retention amount.

7. The Insured shall have the option to: (1) select the defense attorney or to consent to the Company's choice of defense attorney, which consent shall not be unreasonably withheld; (2) participate in, and assist in the direction of, the defense of any Claim; (3) consent to a settlement, which consent shall not be unreasonably withheld.

8. The Insured has the right to obtain, upon written request, an accounting of legal defense costs actually expended in the event of Claim.

This notice is for information only and does not become a part or condition of the attached document.