

TRUST SERVICES LIABILITY INSURING AGREEMENT

Policy Number: [POLICYNBR]

In consideration of the premium paid and in reliance upon all statements made and information contained in the Declarations and **Application**, the **Insurer** and the **Insured** agree that coverage will be provided subject to all of the terms, conditions and limitations of this Insuring Agreement, as follows:

1. The attached **Policy** is amended by adding an additional Insuring Agreement as follows:

TRUST SERVICES LIABILITY INSURING AGREEMENT

The **Insurer** will pay on behalf of the **Insured**, **Loss** resulting from **Claims** first made during the **Policy Period** or the Discovery Period against the **Insured** for which the **Insured** is legally obligated to pay for **Wrongful Acts** in rendering or failing to render **Trust Services**.

2. For the purpose of the coverage afforded by this Insuring Agreement, all of the terms and conditions set forth in the **Policy** and any amendments thereto shall apply except:

- A. Section II (B), entitled "Not-for-Profit Directorships", is deleted.
- B. All of the exclusions set forth in Section V, entitled "Exclusions Applicable to all Insuring Agreements", shall apply except the "Foreclosed Property Exclusion", "Short Swing Profit Exclusion" and the "Trust Services Exclusion" which are deleted.
- C. Section V, entitled "Exclusions Applicable to all Insuring Agreements", is further amended to delete and replace the "Brokerage/Advisory Services Exclusion", "Illegal Profit/Payment Exclusion" and "Insured vs. Insured Exclusion" as follows:

Brokerage/Advisory Services Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving the rendering or failing to render **Brokerage/Advisory Services**, except to the extent such services are provided in connection with the **Insured** rendering or failing to render **Trust Services**.

Illegal Profit/Payment Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving:

- (1) any **Insured** gaining, in fact, any profit, remuneration, or financial advantage to which the **Insured** was not legally entitled; or
- (2) conflicts of interest, engaging in self-dealing, or acting in bad faith.

Insured vs. Insured Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** by, on behalf of, or at the behest of the **Company**, any affiliate of the **Company** or any **Insured Person** in any capacity, except where such **Claim** is brought and maintained by an **Insured Person**:

- (1) in the form of a cross claim or third-party claim for contribution or indemnity which is part of and results directly from a **Claim** which is not otherwise excluded by the terms of the **Policy**; or
- (2) solely as a customer of the **Company**; provided such **Claim** is brought independently of, and totally without the solicitation, assistance, participation, or intervention of any other **Insured**.

- D. Section V, entitled "Exclusions Applicable to all Insuring Agreements", is further amended to add the following:

Contract Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving the assumption of any liability to defend, indemnify, or hold harmless any person or entity, other than an **Insured Person**, under any written contract or agreement, unless such liability would be imposed regardless of the existence of such contract or agreement.

Failure to Maintain Insurance Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving any actual or alleged failure to effect or maintain any policy of insurance.

Fee Dispute Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving disputes over fees, commissions, or charges for the **Company's** services.

Insolvency Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving the bankruptcy of or suspension of payment by any bank, banking firm, broker or dealer in securities or commodities or any other financial institution.

Receivership Exclusion - The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** arising out of or in any way involving the **Company's** function or activity as receiver, trustee in bankruptcy, or assignee for the benefit of creditors.

- E. Section XI, entitled "Mergers, Acquisitions and Changes in Business Activities", is deleted and replaced as follows:

SECTION XI - MERGERS AND ACQUISITIONS

- A. If during the **Policy Period**, the **Company** acquires or merges with another entity or creates or acquires a **Subsidiary**, with trust assets under management that equals or exceeds twenty-five percent (25%) of the **Company's** total trust assets under management at the time of the transaction, then no coverage shall be afforded under this **Policy** for any **Loss** incurred by the **Insured** or such entity resulting from any **Claim** arising out of or in any way involving such trust assets, prior to:

- (1) the **Company** providing written notice and any requested information regarding the transaction to the **Insurer** as soon as practicable;
- (2) the **Insurer**, at its sole discretion, agreeing in writing to provide such coverage; and
- (3) the **Company** accepting any special terms, conditions and/or Exclusions and paying any additional premium required by the **Insurer**.

However, this provision shall not apply until ninety (90) days after the acquisition, merger or creation.

- B. If during the **Policy Period**, the **Company** creates or acquires trust assets representing less than twenty-five percent (25%) of the **Company's** total trust assets under management at the time of the transaction, the **Insurer** agrees to provide automatic coverage for such trust assets for the remainder of the **Policy Period**.

C. Any coverage otherwise afforded under this **Policy** for a **Loss** in any way involving trust assets described in (A) or (B) above shall not apply to any **Claim** arising out of or directly or indirectly resulting from:

- (1) any **Wrongful Act** or any fact, circumstance or situation committed or allegedly committed prior to the effective date of such acquisition, merger or creation; or
- (2) any other **Wrongful Act**, which, together with a **Wrongful Act** committed or allegedly committed prior to effective date of such acquisition, merger or creation constitute **Interrelated Wrongful Acts**.

3. This Insuring Agreement shall be effective as of 12:01 a.m. on [ENDORSEMENTEFFECT].

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the **Policy** other than as above stated.

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