



**AMERICAN INTERNATIONAL
SPECIALTY LINES INSURANCE COMPANY**
(a Capital Stock Company)
175 Water Street, New York, NY 10038

NOTICE: THIS INSURER IS NOT LICENSED IN THE STATE OF NEW YORK
AND IS NOT SUBJECT TO ITS SUPERVISION.

HEDGE FUND PROTECTOR

NOTICES

NOTICE: THIS IS A CLAIMS-MADE POLICY. THE COVERAGE OF THIS POLICY IS GENERALLY LIMITED TO LIABILITY FOR CLAIMS THAT ARE FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. PLEASE READ THIS POLICY CAREFULLY AND REVIEW ITS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

NOTICE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE COSTS. AMOUNTS INCURRED FOR DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

NOTICE: THE INSURER HAS THE RIGHT, BUT NOT THE DUTY TO DEFEND THE INSURED, BUT WILL PAY DEFENSE COSTS AS THEY ARE INCURRED.

**Policy
Number:**

**Replacement
of Policy
Number:**

DECLARATIONS

ITEM 1. INSUREDS' REPRESENTATIVE:

MAILING ADDRESS:

ITEM 2. POLICY PERIOD: From: To:
(12:01 A.M. at the address stated in Item 1.)

ITEM 3. (a) LIMIT OF LIABILITY: \$ _____ For all Loss in the
aggregate under this policy, including **Defense Costs**

not (b) INVESTIGATION SUBLIMIT OF LIABILITY: \$ _____ Part of, and
to, the _____ in addition
Liability _____ Limit of
in 3(a)

ITEM 4. RETENTION (each Wrongful Act or related Wrongful Acts): \$ _____

ITEM 5. PREMIUM: \$ _____

ITEM 6. CONTINUITY DATE: _____

IN WITNESS WHEREOF, the Insurer has caused this policy to be signed on the Declarations by its President, a Secretary and a duly authorized representative of the Insurer.

PRESIDENT

SECRETARY

AUTHORIZED REPRESENTATIVE

COUNTERSIGNATURE

DATE

COUNTERSIGNED AT



AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY

In consideration of the payment of the premium, and in reliance upon the Application and all statements therein, which form a part of this policy, the Insurer agrees as follows:

1. INSURING AGREEMENT

Solely with respect to Claims first made against an Insured during the Policy Period or the Discovery Period (if applicable) and reported to the Insurer pursuant to the terms of this policy, and subject to the other terms, conditions and limitations of this policy, this policy shall pay on behalf of any Insured the Loss arising from a Claim for any Wrongful Act.

2. DEFINITIONS

- (a) "Advisory Board Member" means an individual serving on an advisory board or advisory committee of an Insured Fund, which advisory board or advisory committee was created pursuant to a limited partnership agreement or equivalent governing documents of such Insured Fund.
- (b) "Application" means each and every signed application, any attachments to such applications, other materials submitted therewith or incorporated therein and any other documents submitted in connection with the underwriting of this policy or the underwriting of any other managerial and/or professional (or equivalent) liability policy issued by the Insurer, or any of its affiliates, of which this policy is a renewal, replacement or which it succeeds in time; any public documents filed by an Insured prior to the inception date of this policy with any federal, state, local or foreign regulatory agency, including, but not limited to, the Securities and Exchange Commission ("SEC"); and the offering memorandum, private placement memorandum or equivalent disclosure document of each Insured Fund.
- (c) "Change Of Control" means any activity, event or transaction which would result in the assignment of an Insured Fund's investment advisory contract for purposes of the Investment Advisers Act of 1940, as amended (collectively, with the rules and regulations promulgated thereunder, the "Advisers Act").
- (d) "Claim" means the following when brought by an investor in an Insured Fund in their capacity as such:
 - (1) a written demand for monetary, non-monetary or injunctive relief; or

- (2) a civil, criminal, administrative, regulatory or arbitration proceeding for monetary, non-monetary or injunctive relief which is commenced by: (i) service of a complaint or similar pleading; (ii) return of an indictment, information or similar document (in the case of a criminal proceeding); or (iii) receipt or filing of a notice of charges.

The term "Claim" shall include any Investigation Claim.

- (e) "Continuity Date" means the date set forth in Item 6 of the Declarations.
- (f) "Defense Costs" means reasonable and necessary fees, costs and expenses consented to by the Insurer (including premiums for any appeal bond, attachment bond or similar bond arising out of a covered judgment, but without any obligation to apply for or furnish any such bond) resulting solely from the investigation, adjustment, defense and/or appeal of a Claim against an Insured, but excluding any compensation of any Insured. Defense Costs shall not include any fees, costs or expenses incurred prior to the time that a Claim is first made against an Insured.
- (g) "Entity Insured" means an Insured which is not a natural person.
- (h) "Foreign Jurisdiction" means any jurisdiction, other than the United States or any of its territories or possessions.
- (i) "Foreign Policy" means the standard hedge fund professional liability policy (including all mandatory endorsements, if any) of the Insurer or of any other company of American International Group, Inc. ("AIG") approved by the Insurer or other AIG company to be sold within a Foreign Jurisdiction that provides coverage substantially similar to the coverage afforded under this policy. If more than one such policy exists, then "Foreign Policy" means the standard policy most recently registered in the local language of the Foreign Jurisdiction, or if no such policy has been registered, then the policy most recently registered in that Foreign Jurisdiction, or if no such policy has ever been registered, then the policy currently offered. The term "Foreign Policy" shall not include any partnership managerial, commercial general, or pension trust liability coverage.
- (j) "Front Running" means the trading by brokers of mutual fund shares based on information received internally, before clients of the broker have received or been given the information.
- (k) "Fund" means a partnership, limited liability company, unit trust, company or corporation, other than a Plan Assets Fund, which: (1) is exempt from registration as an "Investment Company" under the Investment Company Act of 1940, as amended (collectively, with the rules and regulations promulgated thereunder, the "Investment Company Act"), by virtue of the exemptions from registration contained in Sections 3(c)(1) or 3(c)(7) thereof; or (2) is operated (A) by a "Commodity Pool Operator" within the meaning of Section 1a(5) of the Commodity Exchange Act, as amended

(collectively, with the rules and regulations promulgated thereunder, the "Commodity Exchange Act") and (B) pursuant to the exemptions from certain Commodity Exchange Act requirements contained in Rule 4.7 promulgated thereunder.

- (l) "General Partner" means the general partner of an Insured Fund that is organized as a partnership. Where the general partner is itself an entity, the members, partners and shareholders of the general partner (and their own respective members, partners and shareholders, if any) shall also be considered a "General Partner."
- (m) "Hedge Fund Services" means advice given or services performed in connection with the management or operation of an Insured Fund, including, but not limited to, the valuation, by any Insured Person, Investment Manager, General Partner, or Managing Member of an Insured Fund, of one or more portfolio positions of such Insured Fund.
- (n) "Improper Performance Representations" means the use of performance results (whether actual, hypothetical, or otherwise) in connection with the marketing of interests in an Insured Fund in violation of the requirements of Section 206(4) of the Advisers Act.
- (o) "Inconsistent Disclosure" means the disclosure of information by any Insured or any other person or entity to induce any person to purchase or sell an interest in an Insured Fund, where such information is inconsistent with information disclosed in the Insured Fund's most recent offering memorandum.
- (p) "Indemnifiable Loss" means Loss for which an Entity Insured has indemnified or is permitted or required to indemnify a natural person Insured pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of an Entity Insured.
- (q) "Insured" means:
 - (1) Insured Person;
 - (2) Insured Fund;
 - (3) the Investment Manager of each Insured Fund;
 - (4) the General Partner of each Insured Fund; and
 - (5) the Managing Member of each Insured Fund.
- (r) "Insured Fund" means any Fund: (1) listed by endorsement as an Insured Fund; or (2) that is newly established during the Policy Period as set forth in either subparagraph (i) or (ii) below:
 - (i) The insurance afforded hereunder shall automatically extend, from the date an interest in a Fund, newly-established during the Policy Period, is first sold until the expiration of the Policy Period or the effective date of cancellation of this policy, to any newly-established Fund sponsored

by an Investment Manager, General Partner or Managing Member; provided that the natural person or group of natural persons exercising ultimate investment discretion with respect to such Fund is/are the same natural person or group of natural persons at the Investment Manager, General Partner or Managing Member, as the case may be, exercising ultimate investment discretion with respect to any existing Insured Fund.

- (ii) The insurance afforded hereunder shall automatically extend, for a period of sixty (60) days from the date an interest in a Fund, newly-established during the Policy Period, is first sold, to any newly-established Fund sponsored by an Investment Manager, General Partner or Managing Member; provided that such Fund is not eligible for the extension of coverage in subparagraph (i) above. This extension shall expire sixty (60) days from the date an interest in a newly-established Fund is first sold unless the Insurer in its absolute discretion agrees to endorse the newly-established Fund as an additional Insured Fund under this policy. Nothing contained herein shall operate to extend the length of the Policy Period. With regard to the Funds to which coverage is extended by virtue of this subparagraph (ii), the Insured shall provide the Insurer with whatever underwriting information is requested, and pay whatever additional premium is required by the Insurer. It is agreed that the decision to extend the insurance beyond sixty (60) days is solely within the Insurer's absolute discretion.
- (s) "Insured Person" means any past, present, or future director, officer, trustee, chief investment officer, portfolio manager, chief operating officer, general counsel, chief compliance officer, Advisory Board Member, or employee (including, but not limited to, research analysts) of an Insured.
- (t) "Insureds' Representative" means the person or entity stated in Item 1 of the Declarations.
- (u) "Investigation Claim" means a civil, criminal, formal administrative or formal regulatory investigation of an Insured Person:
 - (1) once such Insured is identified in writing by such investigative authority as a person or entity against whom a proceeding described in Definition (d)(2) may be commenced; or
 - (2) in the case of an investigation by the SEC or a similar state or foreign government authority, after the receipt of a formal investigative order by such Insured Person;

and subject to the Investigation Sublimit of Liability stated in Item 3(b) of the Declarations.

- (v) "Investment Manager" means the person or entity authorized to direct the investment or trading activities of an Insured Fund. Where the Investment Manager is an entity, the members, partners and shareholders of the

managing member (and their own respective members, partners and shareholders, if any) shall also be considered an "Investment Manager."

- (w) "Late Allocation of Trades" means the allocation of securities purchased or sold among two or more Insured Funds other than on the trade date.
- (x) "Late Trading" means: (1) any transaction involving mutual fund shares made after the determination of the mutual fund's Current Net Asset Value (as defined in Rule 2a-4 of the Investment Company Act), including, but not limited to, the placement or confirmation of orders for, or the purchase or redemption of mutual fund shares, but made at a price based on the fund's previously determined Current Net Asset Value calculated that same day, in contravention of Rule 22c-1 of the Investment Company Act; or (2) any transaction defined as late trading by any state, federal or foreign statute or regulation, or any prospectus, policy, limitation, agreement or procedure of the mutual fund.
- (y) "Loss" means damages, settlements, judgments (including pre/post-judgment interest on a covered judgment) and Defense Costs; however, "Loss" (other than Defense Costs) shall not include: (1) civil or criminal fines or penalties; (2) taxes; (3) punitive or exemplary damages; (4) the multiplied portion of multiplied damages; (5) any amounts for which an Insured is not financially liable or which are without legal recourse to an Insured; (6) employment-related benefits, stock options, perquisites, deferred compensation, severance or any other type of compensation of any employee of any Insured; (7) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed; (8) non-monetary damages; and (9) the cost of compliance with any legal or regulatory requirement.

Notwithstanding the foregoing paragraph, Loss shall specifically include (subject to this policy's other terms, conditions and limitations, including, but not limited to, exclusions relating to profit or advantage, fraudulent or criminal acts, errors or omissions, or intentional or knowing violations of law): (1) civil penalties assessed against any Insured Person pursuant to Section 2(g)(2)(B) of the Foreign Corrupt Practices Act, 15 U.S.C. Sec. 78dd-2(g)(2)(B); and (2) punitive, exemplary and multiplied damages imposed upon an Insured, in an amount not greater than two times the amount of compensatory damages awarded. Enforceability of this paragraph shall be governed by the applicable law that most favors coverage for such penalties and punitive, exemplary and multiplied damages.

In the event of a Claim alleging that the price or consideration paid or proposed to be paid for the acquisition or completion of the acquisition of all or substantially all of the ownership interest in or assets of any entity is inadequate, Loss with respect to such Claim shall not include any amount of any judgment or settlement representing the amount by which such price or consideration is effectively increased; provided, however, that this paragraph shall not apply to Defense Costs.

- (z) "Managing Member" means the managing member of an Insured Fund that is organized as a limited liability company. Where the managing member is itself an entity, the members, partners and shareholders of the managing member (and their own respective members, partners and shareholders, if any) shall also be considered a "Managing Member."
- (aa) "Market Timing" means the making of short-term purchases or sales of mutual fund shares, contrary to or in violation of any mutual fund prospectus, policy, limitation, agreement or procedure, or contrary to or in violation of any state, federal or foreign statute or regulation, and the conduct associated therewith, including, but not limited to:
- (1) the waiver of redemption fees associated with Short-Term Trading contrary to the mutual fund's prospectus, policies, limitations, agreements or procedures;
 - (2) the failure to abide by written representations regarding the permissibility of Short-Term Trading, or written representations regarding the mutual fund's efforts to monitor or prevent Short-Term Trading;
 - (3) the receipt of fees or other compensation from certain investors in exchange for providing such investors with Short-Term Trading privileges not available to other investors; or
 - (4) the failure to monitor, detect, identify or remediate Short-Term Trading.
- (bb) "Non-Indemnifiable Loss" means Loss for which an Entity Insured has neither indemnified nor is permitted or required to indemnify a natural person Insured pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of an Entity Insured.
- (cc) "Plan Assets Fund" means a partnership, limited liability company, unit trust, company or corporation whose assets are deemed to be plan assets for the purposes of the Employee Retirement Income Security Act of 1974, as amended (collectively, with the rules and regulations promulgated thereunder, "ERISA").
- (dd) "Policy Period" means the period of time from the inception date shown in Item 2 of the Declarations to the earlier of the expiration date shown in such Item 2 or the effective date of cancellation of this policy.
- (ee) "Pollutants" means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and Waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
- (ff) "Short-Term Trading" means the redemption of shares of a mutual fund in a time period less than that provided by a mutual fund prospectus, by the

policies, limitations, agreements or procedures of a mutual fund, or by law, including, but not limited to, any so-called "in and out" trading of mutual fund shares or any other trade of mutual fund shares designed to take advantage of inefficiencies in the method the mutual fund uses to price its shares.

- (gg) "Side Pocket Investment" means an investment by a Fund which is designated for segregation for accounting purposes from the other assets of the Fund, where (1) performance-based compensation in respect of such investment is charged or allocated only after there is a realization or deemed realization; and (2) after such designation, investors in the Fund who participate in the profits and losses resulting from such investment cannot redeem or withdraw the portion of their interests in the Fund attributable to such investment until there is a realization or deemed realization.
- (hh) "Special Investor Benefits" means the grant or application of any benefit or disparate treatment, including, but not limited to, the disclosure of information, the waiver of lock-up or notice periods and the waiver of investor policies and procedures extended to some, but not all, investors in an Insured Fund.
- (ii) "Unprotected Soft Dollar Use" means using, paying, providing, receiving or accepting services or benefits from any person or entity (including any broker or dealer), in connection with the trading and investment activities of any Insured Fund or any other investment advisory client of any Insured Person, except as permitted pursuant to Section 28(e) of the Securities Exchange Act of 1934, as amended (collectively, with the rules and regulations promulgated thereunder, the "Exchange Act").
- (jj) "Wrongful Act" means any error, misstatement, act, omission, neglect or breach of duty actually or allegedly committed or attempted by any Insured in their capacity as such, solely in the rendering of or failing to render Hedge Fund Services.

Wrongful Act only includes conduct actually or allegedly committed or attempted by an Insured Person in their capacity as: (1) an Insured Fund, (2) an Investment Manager of an Insured Fund, (3) a General Partner of an Insured Fund, or (4) a Managing Member of an Insured Fund, even if such Insured Person's service in any other capacity was requested, directed, with the knowledge and consent of, or part of such Insured Person's regular duties with respect to, any Insured.

3. WORLDWIDE EXTENSION

Where legally permissible, this policy shall apply to any Claim made against any Insured anywhere in the world.

In regard to Claims brought and maintained solely in a Foreign Jurisdiction against an Insured entity formed and operating in such Foreign Jurisdiction or an Insured Person thereof for Wrongful Acts committed in such Foreign Jurisdiction, the Insurer shall apply to such Claim(s) those terms and conditions (and related provisions) of the Foreign Policy registered with the appropriate regulatory body in such Foreign Jurisdiction that are more favorable to such Insured Person than the terms and conditions of this policy. However, this paragraph shall apply only to Clauses 1-4, 9, 10, 12, 14-16, and 19 of this policy and the comparable provisions of the Foreign Policy. In addition, this paragraph shall not apply to the non-renewal or claims made and reported provisions of any policy.

All premiums, limits, retentions, Loss and other amounts under this policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or other elements of Loss are stated or incurred in a currency other than United States of America dollars, payment of covered Loss due under this policy (subject to the terms, conditions and limitations of this policy) will be made either in such other currency (at the option of the Insurer and if agreeable to the Insured) or, in United States of America dollars, at the rate of exchange published in The Wall Street Journal on the date the Insurer's obligation to pay such Loss is established (or if not published on such date, the next publication date of The Wall Street Journal).

4. EXCLUSIONS

The Insurer shall not be liable to make any payments for Loss in connection with any Claim made against an Insured:

- (a) arising out of or resulting, directly or indirectly, from any criminal or fraudulent act, error or omission, or any intentional or knowing violation of the law by an Insured, if any judgment, final adjudication, alternative dispute resolution proceeding, or any admission of the Insured if evidenced in a written form, establishes that such criminal or fraudulent act, error or omission occurred or any intentional or knowing violation of law was committed;
- (b) arising out of or resulting, directly or indirectly, from the gaining of any profit or advantage, if any judgment, final adjudication, alternative dispute resolution proceeding or admission of any Insured, if evidenced in written form, establishes that the Insured was not legally entitled to such profit or advantage;
- (c) alleging, arising out of, based upon or attributable to any allegation(s) that any Insured intentionally or negligently permitted, or aided or abetted others in using, was aware of others using, or was a participant or connected in any way in the use of: (1) Late Trading; (2) Market Timing; (3) Front Running related to a mutual fund; (4) Late Allocation of Trades; (5) Improper Performance Representations; (6) Inconsistent Disclosure; (7) Special Investor Benefits; (8) Unprotected Soft Dollar Use;

or (9) Side Pocket Investments; provided that this exclusion shall not apply to any Claim made against an Insured alleging, arising out of, based upon or attributable to any allegation(s) that such Insured negligently permitted, or negligently aided or abetted, others in Improper Performance Representations or Inconsistent Disclosure;

It is the intent of the parties that this policy shall exclude such Loss regardless of the form, style, or denomination of any such Claim, regardless of whether the Claim is criminal, administrative or civil, and shall specifically apply but not be limited to Claims alleging breach of contract, failure to supervise, negligent supervision or negligence of any kind, controlling person liability, breach of fiduciary duty, personal profiting, criminal activity, market manipulation, violation of any law related to mutual funds, misrepresentation, estoppel or repudiation of any commitment and any other theory of liability;

- (d) alleging, arising out of, based upon or attributable to the facts alleged, or to the same or related Wrongful Acts alleged or contained in any Claim which has been reported, or in any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (e) alleging, arising out of, based upon or attributable to, as of the Continuity Date, any pending or prior: (1) litigation; or (2) administrative or regulatory proceeding or investigation of which any Insured had notice, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation or administrative or regulatory proceeding or investigation;
- (f) for any Wrongful Act occurring prior to the Continuity Date if any Insured, as of such Continuity Date, knew or could have reasonably foreseen that such Wrongful Act could lead to a Claim under this policy;
- (g) brought by or on behalf of, or in the name or right of, any other Insured or any affiliate thereof, including, but not limited to, shareholders' derivative suits and/or representative class action suits; unless, however, only with respect to suits brought by or on behalf of the shareholders of an Insured, such suit(s) is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or participation of, or intervention of, any other Insured or any affiliate thereof. However, this exclusion does not apply to:
 - (1) any Claim brought by an Insured Person 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 that is covered by this policy; or
 - (2) any Claim brought by an Insured Fund with respect to which, in the opinion of independent legal counsel selected by and at the expense of an Insured (selection of such counsel being subject to written

approval by the Insurer), failure to make such Claim would result in liability upon the directors, officers, partners or trustees of such Insured Fund(s) for failure to do so;

- (h) for bodily injury, sickness, disease, or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof, or for emotional distress of any person;
- (i) alleging, arising out of, based upon or attributable to, directly or indirectly: (i) the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants; or (ii) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize Pollutants (including, but not limited to, a Claim alleging damage to an Insured or its securities holders, purchasers or sellers);
- (j) for injury from libel, slander, defamation or disparagement, or for injury from a violation of a person's right of privacy;
- (k) alleging, arising out of, based upon, attributable to or in any way connected with any actual or alleged accessing, misappropriation, infringement or violation of any copyright, patent, trademark, service mark, trade name, trade secret, computer programs, any other intellectual property rights, or confidential information, including, but not limited to, customer information or processing information;
- (l) alleging, arising out of, based upon or attributable to any pension or employee benefit plan or trust sponsored or established by any Insured for the benefit of the employees of any Insured, including, but not limited to, any violation(s) of any of the responsibilities, obligations or duties imposed upon fiduciaries by ERISA, or any similar provisions of any state, local or foreign statutory or common law;
- (m) alleging, arising out of, based upon, or attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, discrimination, sexual harassment, violation of an individual's civil rights, employment of any individual or any employment practice (including but not limited to wrongful dismissal, discharge or termination, discrimination, harassment, retaliation or other employment-related claim);
- (n) alleging, arising out of, based upon or attributable to any failure or omission on the part of any Insured to effect or maintain adequate insurance; provided, however, that this exclusion shall not apply to Defense Costs;
- (o) alleging, arising out of, based upon or attributable to any Hedge Fund Services as an Underwriter, Broker or Dealer as those terms are defined respectively in Section 2(11) of the Securities Act of 1933, as amended and Sections 3(a)(4) and 3(a)(5) of the Exchange Act;

- (p) alleging, arising out of, based upon or attributable to any investment banking services, including services as an underwriter, consultant, adviser or specialist, providing or rendering of, or failure to provide or render any financial, economic or investment advice relating to, or in connection with, a fairness opinion regarding the valuation of any assets or business entity, or any aspect of mergers, acquisitions, leveraged buyouts, going private transactions, tender offers, proxy contests, securities offerings, market making, restructurings, recapitalizations, divestitures or other forms of investment banking;
- (q) for the return or reimbursement of fees, commissions, or other compensation or that portion of any settlement or award in an amount equal to such fees, commissions, or other compensation, or the cost of correcting or re-performing or completing any services; provided, however that solely in the event that such Claim triggers an otherwise covered Claim, this exclusion shall not apply to Defense Costs; or
- (r) for any:
 - (1) actual or alleged use by any Insured of, or
 - (2) actual or alleged aiding or abetting by any Insured of, or
 - (3) actual or alleged participating after the fact by any Insured in the use of;

non-public information in a manner prohibited by the laws of the United States, including, but not limited to, the Insider Trading and Securities Fraud Enforcement Act of 1988, as amended, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, any state, commonwealth, territory or subdivision thereof, or the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing.

For the purpose of determining the applicability of the foregoing Exclusions 4(a) and 4(b): (1) the facts pertaining to and knowledge possessed by any Insured shall not be imputed to any other natural person Insured; and (2) the facts pertaining to and knowledge possessed by any past, present or future chief executive officer, chief investment officer or chief compliance officer of an Investment Manager, General Partner or Managing Member shall be imputed to all Entity Insureds.

5. LIMIT OF LIABILITY (FOR ALL LOSS, INCLUDING DEFENSE COSTS)

The Limit of Liability stated in Item 3(a) of the Declarations is the aggregate limit of the Insurer's liability for all Loss combined arising out of all Claims first made against each and every Insured during the Policy Period and the Discovery Period (if applicable). The Limit of Liability for the Discovery Period shall be part of, and not in addition to, the Limit of Liability for the Policy Period. Further, a Claim which is made subsequent to the Policy Period or Discovery Period (if applicable) and which, pursuant to Clause 7(b) or 7(c), is considered made

during the Policy Period or Discovery Period, shall also be subject to the one aggregate Limit of Liability stated in Item 3(a) of the Declarations.

The Investigation Sublimit of Liability stated in Item 3(b) of the Declarations is the aggregate limit of the Insurer's liability for all Loss combined arising out of all Investigation Claims first made against each and every Insured during the Policy Period and the Discovery Period (if applicable). The Investigation Sublimit of Liability is part of and not in addition to, the Limit of Liability stated in Item 3(a) of the Declarations and in no way shall be deemed to increase the Limit of Liability as stated therein.

Defense Costs are not payable by the Insurer in addition to the Limit of Liability. Defense Costs are part of Loss and as such are subject to the Limit of Liability for Loss.

6. RETENTION

For each Claim, the Insurer shall only be liable for the amount of Loss arising from a Claim which is in excess of the retention amount stated in Item 4 of the Declarations, and such retention amount shall be borne by the Insured and remain uninsured with regard to all Loss other than Non-Indemnifiable Loss. A single retention amount shall apply to all amounts payable hereunder arising from all Claims alleging the same Wrongful Act or related Wrongful Acts.

In the event that more than one retention amount exists and a Claim triggers more than one retention amount, then, as to that Claim, the highest of such retention amounts shall be deemed the retention amount applicable to Loss (to which a retention is applicable pursuant to the terms of this policy) arising from such Claim.

No retention amount is applicable to Non-Indemnifiable Loss.

7. NOTICE

Notice hereunder shall be given in writing to AIG Domestic Claims, Inc., Financial Lines, 175 Water Street, New York, NY 10038. If mailed, the date of mailing of such notice shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

(a) The Insureds shall, as a condition precedent to the obligations of the Insurer under this policy, give written notice to the Insurer of a Claim made against an Insured as soon as practicable after the earliest date the Insured's chief executive officer, chief operating officer, chief investment officer, chief financial officer and/or general counsel become aware of such Claim, but in all events no later than:

(1) the end of the Policy Period or the Discovery Period (if applicable); or

- (2) within sixty (60) days after the end of the Policy Period or Discovery Period (if applicable), as long as such Claim was first made against an Insured within the final sixty (60) days of the Policy Period or the Discovery Period (if applicable).
- (b) If written notice of a Claim has been given to the Insurer pursuant to Clause 7(a) above, then a Claim which is subsequently made against the Insureds and reported to the Insurer alleging, arising out of, based upon or attributable to the facts alleged in the Claim for which such notice has been given, or alleging any Wrongful Act which is the same as or related to any Wrongful Act alleged in the Claim of which such notice has been given, shall be considered made at the time such notice was given.
- (c) If during the Policy Period or during the Discovery Period (if applicable) the Insureds shall become aware of any circumstances which may reasonably be expected to give rise to a Claim being made against the Insureds and shall give written notice to the Insurer of the circumstances and the reasons for anticipating such a Claim, with full particulars as to dates, persons and entities involved, then a Claim which is subsequently made against the Insureds and reported to the Insurer alleging, arising out of, based upon or attributable to such circumstances or alleging any Wrongful Act which is the same as or related to any Wrongful Act alleged or contained in such circumstances, shall be considered made at the time such notice of such circumstances was given.

8. DEFENSE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENSE COSTS)

With respect to any such Wrongful Act for which insurance is afforded by this policy, the Insurer shall advance, excess of any applicable retention amount, covered Defense Costs no later than ninety (90) days after the receipt by the Insurer of such defense bills. Such advance payments by the Insurer shall be repaid to the Insurer by each and every Insured, severally according to their respective interests, in the event and to the extent that any such Insured shall not be entitled under this policy to payment of such Loss.

The Insurer shall at all times have the right, but not the duty, to assume the defense of any Claim against the Insured. The Insured shall give the Insurer such information and cooperation as it may reasonably require. In the event the Insurer does not assume the defense of the Insured, the Insurer shall, nevertheless, have the right to fully and effectively associate with the Insured in the defense and prosecution of any Claim that is reasonably likely to trigger coverage under this policy, including, but not limited to, the right to fully and effectively associate in the negotiation of a settlement.

The Insureds shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any Defense Costs without the prior written consent of the Insurer. Only those settlements, stipulated judgments and Defense Costs which have been consented to by the Insurer shall

be recoverable as Loss under the terms of this policy. The Insurer's consent shall not be unreasonably withheld, provided that the Insurer shall be entitled to fully and effectively associate in the defense, the prosecution and the negotiation of any settlement of any Claim that involves or appears reasonably likely to trigger coverage under this policy.

9. PRE-AUTHORIZED DEFENSE ATTORNEYS

Affixed as Appendix A hereto and made a part of this policy is a list of Panel Counsel law firms ("Panel Counsel Firms"). The list provides the Insureds with a choice of law firms from which a selection of legal counsel shall be made to conduct the defense of any Claims made against the Insureds.

With the express prior written consent of the Insurer, an Insured may select a Panel Counsel Firm different from that selected by another Insured defendant if such selection is required due to an actual conflict of interest. The list of Panel Counsel Firms may be amended from time to time by the Insurer. However, no firm shall be removed from the specific list attached to this policy during the Policy Period without the consent of the Insured.

10. DISCOVERY CLAUSE

Except as indicated below, if the Insurer or the Insureds' Representative shall cancel, the Insurer shall non-renew or the Insureds' Representative shall decline to renew this policy, the Insured shall have the right to a period of one year following the effective date of such cancellation, non-renewal or declination to renew (herein referred to as the "Discovery Period") upon payment of an additional premium, as shall be determined by the Insurer in its sole and absolute discretion, in which to give to the Insurer written notice pursuant to Clause 7(a) and 7(c) of the policy of (i) Claims first made against an Insured; and (ii) circumstances of which an Insured shall become aware, in either case during said Discovery Period and solely with respect to a Wrongful Act occurring prior to the end of the Policy Period and otherwise covered by this policy.

The rights contained in this Clause 10 shall terminate, however, unless written notice of such election together with the additional premium due is received by the Insurer no more than ten (10) days after the effective date of cancellation, non-renewal or declination to renew. The additional premium for the Discovery Period shall be fully earned at the inception of the Discovery Period. The Discovery Period is not cancelable. This Clause 10 and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

11. CANCELLATION CLAUSE

The Insurer may not cancel this policy except for non-payment of premium when due. In such event, the Insurer may cancel this policy by providing the Insureds' Representative written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective.

This policy may be cancelled by the Insured at any time only by mailing written prior notice to the Insurer or by surrender of this policy to the Insurer or its authorized agent. If this policy shall be cancelled by the Insured, the Insurer shall retain the customary short rate proportion of the premium hereon.

If this policy shall be cancelled by the Insurer, the Insurer shall retain the pro rata proportion of the premium hereon.

If the 30-day period of limitation in this clause relating to the giving of notice of cancellation by the Insurer 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.

12. TERMINATION OF COVERAGE FOR WRONGFUL ACTS AFTER CERTAIN TRANSACTIONS

If, during the Policy Period, there shall occur a Change Of Control of any entity Investment Manager, General Partner or Managing Member which is an Insured under this policy, then coverage (including, but not limited to, Clause 10, DISCOVERY CLAUSE), for any and all Insureds hereunder shall not apply to Wrongful Acts occurring subsequent to such Change Of Control unless the Insurer in its absolute discretion gives its consent in writing by endorsement to this policy. Written notice of such event must be given to the Insurer as soon as practicable, but not later than fifteen (15) days after the occurrence thereof.

If, during the Policy Period, there shall be a change in the majority of the directors, trustees and/or officers of any Insured Fund, or if any Insured Fund shall be merged, consolidated or otherwise combined with any other entity or liquidated, or if the Investment Manager of any Insured Fund(s) ceases to act as such and/or any Insured Fund(s) ceases to exist, terminates operations and/or liquidates, then coverage (including, but not limited to, Clause 10, DISCOVERY CLAUSE), for any and all Insureds hereunder, with respect to the Insured Fund which underwent such event, shall not apply to Wrongful Acts occurring subsequent to such event unless the Insurer in its absolute discretion gives its consent in writing by endorsement to this policy. Written notice of such event must be given to the Insurer as soon as practicable, but not later than fifteen (15) days after the occurrence thereof.

13. SUBROGATION

In the event of any payment under this policy, the Insurer shall be subrogated to the extent of such payment to all of each and every Insured's rights of recovery thereof, and each such Insured shall execute all papers required and shall do everything that may be necessary to secure such rights including the execution of any and all documents necessary to enable the Insurer effectively to bring suit in the name of each such Insured. In no event, however, shall the Insurer exercise its rights of subrogation against an Insured under this policy unless such Insured has been convicted of a criminal act, or been determined by a judgment or final adjudication or an alternative dispute resolution proceeding

or any admission of any Insured if evidenced in a written form adverse to the Insured to have committed a fraudulent act, or been determined by a judgment or final adjudication or an alternative dispute resolution proceeding or any admission of any Insured if evidenced in a written form adverse to the Insured to have obtained any profit or advantage to which such Insured was not legally entitled.

14. OTHER INSURANCE AND INDEMNIFICATION

Such insurance as is provided by this policy shall apply only as excess over any other valid and collectible insurance, unless such other insurance is written only as specific excess insurance over the Limit of Liability provided by this policy. This policy shall specifically be excess of any other valid and collectible insurance pursuant to which any other insurer has a duty to defend a Claim for which this policy may be obligated to pay Loss.

15. NOTICE AND AUTHORITY

It is agreed that the Insureds' Representative shall act on behalf of all Insureds with respect to the giving and receiving of notice of Claim and cancellation, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy and the exercising or declining to exercise any right to a Discovery Period.

16. ASSIGNMENT

This policy and any and all rights hereunder are not assignable without the written consent of the Insurer.

17. ALTERNATIVE DISPUTE RESOLUTION PROCESS

A. General Terms

(1) It is hereby understood and agreed that all disputes or differences which may arise under or in connection with this policy, including any determination of the amount of Loss (but excluding any dispute or difference regarding the existence or validity of the policy), shall be submitted to the alternative dispute resolution process set forth in this Clause 17. The Insureds and Insurer shall, in the first instance, seek to resolve all such disputes and differences through non-binding mediation administered by the American Arbitration Association ("AAA"). It shall be a condition precedent to the right(s) of the Insureds and Insurer to commence an arbitration, as described below, or judicial proceeding that the Insurer and Insured(s) first seek to resolve all such disputes by non-binding mediation.

(2) After the date on which the mediation terminates pursuant to the terms of paragraph B.(1) of this Clause 17, the Insureds and Insurer shall wait at least ninety (90) days prior to filing an arbitration or judicial proceeding. Either the

Insureds or Insurer may elect to file arbitration or a judicial proceeding; provided, however, that the Insureds shall have the right to reject the Insurer's choice of either arbitration or a judicial proceeding prior to or after such proceeding is commenced, but only so long as such rejection shall be in writing and mailed to the Insurer at the Insurer's address indicated on the Declarations within fourteen (14) days from the date on which the Insurer provides notice to the Insureds' Representative. If such notice by the Insurer is mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

- (3) Any mediation or arbitration held pursuant to the terms of this Clause 17, or judicial proceeding commenced by the Insureds or Insurer after such mediation, shall be conducted in New York, New York; Atlanta, Georgia; Chicago, Illinois; Denver, Colorado; or in the state designated in Item 1 of the Declarations as the mailing address of the Insureds' Representative.
- (4) All expenses of the mediation or arbitration shall be borne equally by the parties to the mediation or arbitration, including any filing fee or mediator's or arbitrator's fee; provided, however, that each party shall be responsible for its own defense fees, costs, and expenses, and the fees, costs and expenses of its own witnesses.
- (5) In all instances under this Clause 17 where the Insureds are provided with a choice of alternatives and cannot unanimously agree, the right of election on behalf of the Insureds shall rest with the Insureds' Representative, and such election shall be binding on all Insureds.

B. Non-Binding Mediation

- (1) The Insureds and Insurer shall attempt in good faith to settle their disputes by mediation in accordance with the AAA's then-prevailing Commercial Mediation Rules (hereinafter "Mediation Rules"). If any inconsistency exists between the Mediation Rules and the provisions of this Clause 17, or if the Mediation Rules are silent on an issue addressed in this Clause 17, then the provisions of this Clause 17 will control, and in the case of any such inconsistency, supersede the Mediation Rules. The mediation shall be terminated upon the occurrence of any one of the following events:
 - (a) the execution of a final settlement agreement by the Insureds and Insurer;
 - (b) a written statement of the mediator that further efforts are unlikely to result in a settlement agreement;
 - (c) a written agreement of the Insureds and Insurer that further efforts are unlikely to result in a settlement agreement; or

- (d) if within thirty (30) days after the last day of mediation, a settlement agreement has not been reached and the parties have not otherwise agreed to extend the time for the mediation.
- (2) Notwithstanding any rule governing the conduct of the mediation, the parties shall attempt in good faith to mutually agree to the appointment of a mediator. In the event the parties cannot agree, the mediator shall be appointed pursuant to the Mediation Rules. A condition precedent to the selection of any mediator is that he or she be "disinterested" as that term is defined in paragraph C.(1) of this Clause 17 and be an active or retired attorney who has practiced law for at least ten (10) years in the area of commercial litigation, and has mediated commercial disputes for at least five years.

C. Arbitration

- (1) Upon termination of the mediation process pursuant to paragraph B.(1) of this Clause 17, either the Insureds or the Insurer may submit their dispute for arbitration to the AAA. The arbitration shall be conducted in accordance with the then-prevailing Commercial Arbitration Rules (hereinafter "Arbitration Rules"). If any inconsistency exists between the Arbitration Rules and the provisions of this Clause 17, or if the Arbitration Rules are silent on an issue addressed in this Clause 17, then the provisions of this Clause 17 will control, and in the case of any such inconsistency, supersede the Arbitration Rules. The arbitration shall be conducted by a panel of three disinterested individuals. The Insureds shall select one disinterested arbitrator and the Insurer shall select one disinterested arbitrator. The arbitrators selected by the Insureds and Insurer shall mutually select a third disinterested arbitrator. "Disinterested" for purposes of this paragraph shall mean:
 - (a) an individual who, in the five years preceding the date on which he or she is selected to be an arbitrator, has not:
 - (1) represented any Insured or the Insurer (or any parent, subsidiary or affiliate of any Insured or the Insurer), or represented an adversary of any Insured or the Insurer (or any parent, subsidiary or affiliate of any Insured or the Insurer) in any civil, criminal, administrative, regulatory or arbitration proceeding or investigation;
 - (2) been an adversary of any Insured or the Insurer (or any parent, subsidiary or affiliate of any Insured or the Insurer) in any civil, criminal, administrative, regulatory or arbitration proceeding or investigation; and
 - (3) made any demand for monetary or non-monetary relief on any Insured or the Insurer (or any parent, subsidiary or affiliate of any Insured or the Insurer) that such Insured or the Insurer disputed;
 - (b) an individual who has no financial or personal interest, direct or indirect, in the outcome of the arbitration; and

- (c) an individual who provides a written, signed statement representing that the above circumstances apply to such individual. The individual will also state in writing that he or she is aware of no circumstances that would interfere with his or her ability to render a fair, unbiased decision in the arbitration.
- (2) If the arbitrators selected by the Insureds and Insurer cannot agree upon a third disinterested arbitrator, then the Insureds and Insurer shall exchange lists of three proposed disinterested arbitrators. The Insureds' Representative and Insurer shall then flip a coin and the loser of the coin toss shall choose an arbitrator from the winner's list.
- (3) A condition precedent to the selection of the third disinterested arbitrator is that he or she be an active or retired attorney with at least ten (10) years aggregate experience practicing in insurance coverage law, which experience must include directors and officers liability insurance coverage, at a law firm or law firms, and/or as in-house counsel at an insurance company or reinsurance company, insurance broker or agent, or other company; provided, however, that the third disinterested arbitrator shall not be, at the time he or she is selected or at any time during the arbitration, employed (whether full or part time, seasonally or temporarily) by any insurance or reinsurance company, or any insurance broker or agent.
- (4) The arbitrators shall have no power to require that depositions of witnesses be taken in the arbitration and no such depositions shall be taken unless otherwise agreed to by the Insureds and Insurer. The arbitrators' decision at the conclusion of the arbitration shall be final and binding and provided in writing to the Insureds and Insurer, and the arbitrators' award shall not include attorneys fees or other costs. The arbitrators shall not have the power to award punitive, exemplary or multiple damages, or interim relief or measures (including injunctive relief and measures for the protection or conservation of property), and any such award shall be automatically null and void and unenforceable.

18. ACTION AGAINST INSURER

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Insurer.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Insurer as a party to any action against the Insured to determine the Insured's liability, nor shall the Insurer be impleaded by the Insured or his legal representative.

Bankruptcy or insolvency of the Insured or of his estate shall not relieve the Insurer of any of its obligations hereunder

19. BANKRUPTCY

Bankruptcy or insolvency of any Insured shall not relieve any Insured shall not relieve the Insurer of any of its obligations hereunder.

It is further understood and agreed that the coverage provided under this policy is intended to protect and benefit the Insured Persons. Further, if a liquidation or reorganization proceeding is commenced by any Entity Insured (whether voluntarily or involuntarily) under Title 11 of the United States Code (as amended), or any similar state, local or foreign law (collectively "Bankruptcy Law") then, in regard to a covered Claim under this policy, the Insureds hereby:

- (a) waive and release any automatic stay or injunction to the extent it may apply in such proceeding to the proceeds of this policy under such Bankruptcy Law; and
- (b) agree not to oppose or object to any efforts by the Insurer or any Insured to obtain relief from any stay or injunction applicable to the proceeds of this policy as a result of the commencement of such liquidation or reorganization proceeding.

20. SPOUSAL AND LEGAL REPRESENTATIVE EXTENSION

If a Claim against an Insured includes a Claim against: (i) the lawful spouse or other legally recognized domestic partner of such Insured; or (ii) a property interest of such spouse or domestic partner, and such Claim arises from any actual or alleged Wrongful Act of such Insured, this policy shall cover Loss arising from the Claim made against that spouse or domestic partner or the property of that spouse or domestic partner to the extent that such Loss does not arise from a Claim for any actual or alleged act, error or omission of such spouse or domestic partner. This policy shall cover Loss arising from a Claim made against the estates, heirs, or legal representatives of any deceased Insured, and the legal representatives of any Insured, in the event of incompetency, insolvency or bankruptcy, who was an Insured at the time the Wrongful Acts upon which such Claim is based were committed.

21. SEVERABILITY

In granting coverage under this policy, it is agreed that the Insurer has relied upon the statements, warranties and representations contained in the Application as being accurate and complete. All such statements, warranties and representations are the basis for this policy and are to be considered as incorporated into this policy.

The Insureds agree that in the event that the particulars and statements contained in the Application are not accurate and complete and materially affect either the acceptance of the risk or the hazard assumed by the Insurer under

the policy, then the coverage provided by this policy shall be deemed void *ab initio* solely with respect to any of the following Insureds:

- (a) solely with respect to all Loss other than Non-Indemnifiable Loss, any Insured Person who knew, as of the inception date of the Policy Period, facts which were not accurately and completely disclosed in the Application;
- (b) any Entity Insured, whether or not such Entity Insured was aware that the facts they knew were not accurately and completely disclosed in the Application, to the extent it indemnifies any Insured Person referenced in (a), above;
- (c) any Insured Fund(s), whether or not such Insured Fund(s) was aware that the facts they knew were not accurately and completely disclosed in the Application, if any past or present chief executive officer, chief investment officer or chief compliance officer of an Investment Manager, General Partner or Managing Member knew, as of the inception date of the Policy Period, facts which were not accurately and completely disclosed in the Application; and
- (d) any Investment Manager, General Partner or Managing Member, whether or not such Insured was aware that the facts they knew were not accurately and completely disclosed in the Application, if any past or present chief executive officer, chief investment officer or chief compliance officer of such entity knew, as of the inception date of the Policy Period, facts which were not accurately and completely disclosed in the Application.

Solely with respect to any Non-Indemnifiable Loss of any Insured Person, under no circumstances shall the coverage provided by this policy be deemed void, whether by rescission or otherwise, but such coverage will be subject to all other terms, conditions and exclusions of the policy.

22. SERVICE OF SUIT

Subject to Clause 17, it is agreed that in the event of failure of the Insurer to pay any amount claimed to be due hereunder, the Insurer, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this Clause 22 constitutes, or should be understood to constitute, a waiver of the Insurer's rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon General Counsel, Legal Department, American International Specialty Lines Insurance Company, 70 Pine Street New York, NY 10270, or his or her representative, and that in any suit instituted against the Insurer upon this

contract, the Insurer will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Insurer hereby designates the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above-named General Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

23. ORDER OF PAYMENTS

In the event of Loss arising from a covered Claim for which payment is due under the provisions of this policy, then the Insurer shall in all events:

- (a) first, pay Non-Indemnifiable Loss of the Insured Persons; then
- (b) only after payment of Non-Indemnifiable Loss has been made pursuant to Clause 23(a) above, with respect to whatever remaining amount of the Limit of Liability is available after such payment, at the written request of the Insureds' Representative, either pay or withhold payment of the Indemnifiable Loss of the Entity Insureds; and then
- (c) only after payment of Loss has been made pursuant to Clause 23(a) and Clause 23(b) above, with respect to whatever remaining amount of the Limit of Liability is available after such payment, at the written request of the Insureds' Representative, either pay or withhold payment of the Loss of the Entity Insureds.

In the event the Insurer withholds payment pursuant to Clause 23(b) and/or Clause 23(c) above, then the Insurer shall at such time and in such manner as shall be set forth in written instructions of the Insureds' Representative remit such payment to an Entity Insured or directly to or on behalf of an Insured Person.

The bankruptcy or insolvency of any Entity Insured or any Insured Person shall not relieve the Insurer of any of its obligations to prioritize payment of covered Loss under this policy pursuant to this Clause 23.

24. HEADINGS

The descriptions in the headings of this policy are solely for convenience, and form no part of the terms and conditions of coverage.