This is a follow-form excess insurance policy. In consideration of the premium charged, and in reliance on the statements made and information provided to us, we will pay covered loss as defined in the primary policy, provided you properly notify us of claims or occurrences and meet your obligations to us in accordance with the terms of this policy and the primary policy.

Please note that, when the primary policy covers defense costs, any payments we make of defense costs will be part of, and not in addition to, this policy’s Limit of Liability. It is important that you understand the full extent of your and our rights and duties under this policy so we urge you to read the entire policy and the underlying policy(ies) carefully.

I. Insuring agreement

Except as otherwise stated below, this policy is subject to the same insuring agreements, definitions, conditions, exclusions, limitations, and all other terms as the primary policy.

We will not make any payment under this policy unless you notify us of claims or occurrences in accordance with Section V. Notice of claims or occurrences, you have paid or incurred loss exceeding any applicable retention, the applicable limits of liability of all underlying policies have been exhausted by the payment of covered amounts, and you have complied fully with Section IV. Your obligations.

II. Definitions

Terms in bold in this policy will have the following meanings:

Claim
will have the same meaning as in the primary policy.

Covered amounts
means those sums that the primary policy and any other underlying policies are obligated to pay in accordance with their respective limits of liability and other terms and conditions.

Defense costs
will have the same meaning as in the primary policy.

Loss
means judgments, settlements, or any other type of loss covered under the primary policy.

Occurrence
will have the same meaning as in the primary policy.

Policy period
means the period of time identified in Item 2 of the Declarations.

Primary policy
means the policy identified as such in Endorsement XML E3979 Schedule of Primary and Underlying Policy(ies).

Retention
means the retention or deductible applicable to each claim or occurrence covered under the primary policy.

Underlying insurer(s)
means the underwriters or insurance company or companies that have issued any underlying policy to you.

Underlying policy(ies)
means the policy or policies identified in Endorsement XML E3979 Schedule of Primary and Underlying Policy(ies), over which this policy is excess, including the primary policy.

We, us, or our
means the Company identified in the Declarations as issuing this policy.

You or your
means the entity identified in Item 1 of the Declarations, and any other person or entity that is an insured under the primary policy or any underlying policy.

III. Limits of liability

A. Limits for covered line(s) of insurance

This policy will apply excess of only the Line(s) of Insurance (“LOI”) indicated as a Covered LOI in Item 5 of the Declarations.
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With respect to each Line of Insurance you have purchased, the Limits of Liability of this policy will apply as follows:

1. If the Limit of Liability in Item 5 of the Declarations is designated as a Separate Limit, then such Limit of Liability will apply separately to that Line of Insurance.

2. If the Limit of Liability in Item 5 of the Declarations is designated as a Shared/Combined Limit, then such Limit of Liability will apply as a single combined limit to all such Lines of Insurance.

Our obligation to pay any loss under this policy will be in excess of the Attachment Point identified in Item 5 of the Declarations and any applicable retention.

B. Exhaustion/erosion of underlying policies

We will have no obligation to make any payment under this policy until all applicable underlying policy limits have been exhausted by the payment of covered amounts, whether by you, an underlying insurer, or any applicable DIC insurer.

In the event you enter into an agreement with any underlying insurer in which you agree to pay any part of the limits of liability of any underlying policy, or, in the case of the Crime coverage, you agree to accept payment of an amount less than the full applicable underlying policy limits, such payment (or waiver of payment) of covered amounts by you will be deemed to erode the underlying policy limits.

If the payment of covered amounts reduces the underlying policy limits, then this policy will apply in excess of the reduced limits. In the event of exhaustion of the primary policy and all other underlying policies, this policy will become the primary policy.

C. Our maximum payment

With respect to the DO, EPLI, FLI, and ELAW coverages, if purchased, the maximum amount we will pay for covered loss resulting from all claims first made against you during the policy period will be the applicable Excess Limit of Liability identified in Item 5 of the Declarations.

Regardless of how many coverages you have purchased, the maximum amount we will pay under this policy for the DO, EPLI, FLI, and ELAW coverages will be the Total Limit of Liability identified in Item 3 of the Declarations.

With respect to the Crime coverage, if purchased, the maximum amount we will pay for covered loss resulting from each occurrence during the policy period will be the Crime Excess Limits of Liability identified in Endorsement XML E4005. The Total Limit of Liability identified in Item 3 of the Declarations will not apply to any Crime coverage you have purchased.

IV. Your obligations

A. Maintenance of underlying policy(ies)

This policy is excess of all underlying policies. You agree to maintain the primary policy and any other underlying policy(ies) in full force during the policy period, at the same limits of liability and with the same terms and conditions as existed at the inception of the policy period.

You must notify us as soon as possible, but in any event, no later than 30 days after you become aware of the following:

1. the primary policy or any other underlying policy terminates or the limits of liability or any of the terms or conditions change during the policy period; or

2. any underlying insurer becomes insolvent.

If either 1 or 2 above occurs during the policy period and you fail to notify us in accordance with this section, we will have the right to terminate this policy, effective 30 days after either 1 or 2 above occurs.

This policy will not follow form to any new or different terms or conditions of the primary policy unless we agree in writing to follow form to such new or different terms and conditions, and we will have the right to charge reasonable additional premium for such new or different coverage.

We will have no obligation to pay any covered amounts not paid by any underlying insurer due to its insolvency, bankruptcy, conservatorship, rehabilitation, liquidation, or any similar condition or proceeding. Any such unpaid covered amounts will remain your responsibility and/or the underlying insurers' responsibility, and we will have no obligation to make any payments until
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the applicable limits of liability of all underlying policies have been fully paid and any applicable retention has been satisfied.

B. Satisfaction of retention

We will not make any payment under this policy until you have paid or have incurred loss exceeding the applicable retention under the primary policy.

V. Notice of claims or occurrences

You must give written notice to us of any claim or occurrence in accordance with the terms of the primary policy.

All such notifications must be in writing and submitted to us via the designated email address or mailing address identified in Item 6 of the Declarations.

VI. Claim participation

We will have no obligation to investigate or defend any claim against you, unless this policy has become primary. In such a case, we will conduct any investigation or defense only to the extent permitted or required by the terms and conditions of the primary policy.

We will have the right, but not the duty, to associate effectively with you and the underlying insurers in the defense and settlement of any claim that appears reasonably likely to involve this policy. We may exercise such rights at any point in the handling of the defense and settlement of a claim.