



REGISTERED INVESTMENT ADVISOR

PROFESSIONAL LIABILITY INSURANCE POLICY

THIS IS A CLAIMS-MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS AND CONDITIONS, THIS POLICY ONLY COVERS **CLAIMS** FIRST MADE AGAINST THE **INSURED** AND REPORTED TO THE INSURER DURING THE **POLICY PERIOD**, BUT IN NO EVENT LATER THAN SIXTY (60) DAYS AFTER EXPIRATION OR TERMINATION OF THIS POLICY, OR DURING THE **EXTENDED REPORTING PERIOD**, IF APPLICABLE. **CLAIMS EXPENSES** ARE INCLUDED WITHIN, AND WILL REDUCE, THE LIMITS OF LIABILITY. PLEASE READ THE ENTIRE POLICY CAREFULLY, AND CONSULT WITH YOUR BROKER/AGENT OR OTHER PROFESSIONAL TO THE EXTENT YOU DO NOT UNDERSTAND ANY TERMS OR CONDITIONS OF THIS POLICY.

WORDS THAT APPEAR IN BOLD PRINT HAVE SPECIAL MEANINGS AND ARE DEFINED SEPARATELY. WHENEVER A SINGULAR FORM OF A WORD IS USED, THE SAME WILL INCLUDE THE PLURAL WHEN REQUIRED BY CONTEXT.

In consideration of the payment of the premium, and in reliance upon the **Application** which shall be the basis of this Policy and deemed to be incorporated herein, and subject to all the terms and conditions of this Policy, the Insurer and the **Insured** agree as follows:

I. INSURING AGREEMENTS

The Insurer shall pay on behalf of the **Insured** all sums in excess of the Deductible amount identified in the Declarations which the **Insured** shall become legally obligated to pay as **Damages** resulting from **Claims** first made against the **Insured** during the **Policy Period**, or **Extended Reporting Period**, if applicable, as a result of a **Wrongful Act** by an **Insured** or an entity for whom the **Insured** is legally liable, provided that:

- A. The **Wrongful Act** or **Interrelated Wrongful Acts** were first committed on or after the **Retroactive Date** and before the end of the **Policy Period**;
- B. No **Insured** gave notice to any prior insurer of such **Wrongful Act** or **Interrelated Wrongful Acts**;
- C. There is no other policy or policies which provide insurance for such **Wrongful Act** or **Interrelated Wrongful Acts**;
- D. The **Insured** has reported such **Claim** in writing to the Insurer, as soon as practicable, during the **Policy Period**, but in no event later than sixty (60) days after expiration or termination of this Policy, or during the **Extended Reporting Period**, if applicable; and
- E. Prior to the inception date of this Policy, no **Insured** knew or could have reasonably foreseen that any **Wrongful Act, Interrelated Wrongful Acts**, circumstance or fact might give rise to a **Claim**.

II. EXTENSIONS OF COVERAGE

A. Disciplinary Proceedings Coverage Extension

If a **Disciplinary Proceeding** is commenced against an **Insured**, the Insurer shall reimburse the **Insured** for reasonable attorney's fees and costs incurred in responding to such **Disciplinary Proceeding**. The maximum payment made by the Insurer pursuant to this Extension shall be \$15,000 for each **Policy Period** regardless of the number of **Disciplinary Proceedings** or the number of **Insureds** subject to **Disciplinary Proceedings**. Any payment made by the Insurer under this Extension shall not apply to the Deductible and shall not reduce the Limits of Liability. The Insurer shall not pay any **Damages** pursuant to this Extension.

B. Subpoena Compliance Coverage Extension

If the **Insured** receives a subpoena, during the **Policy Period**, for documents or testimony related to **Professional Services**, but with respect to which the **Insured** is not party to a lawsuit, the Insurer will pay for reasonable attorney's fees and costs in connection with the **Insured's** document production or representation in giving sworn testimony. Coverage afforded by this Extension will not by itself be considered notice under Section V.A.CLAIMS. The maximum payment made by the Insurer pursuant to this Extension shall be \$15,000 for each **Policy Period** regardless of the number of subpoenas or the number of **Insureds** subject to subpoenas. Any payment made by the Insurer under this Extension shall not apply to the Deductible and shall not reduce the Limits of Liability.

C. Privacy Breach Coverage Extension

The Insurer shall pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as **Damages** and/or **Claims Expenses** as a result of a violation of a **Privacy Regulation** or right of privacy, arising solely from the performance of **Professional Services**. This violation may occur as a result of a breach of the **Insured's** network security, the mismanagement of computer hardware or software, or the loss, theft or unauthorized disclosure or dissemination of **Personal Information**. It is agreed that a sub-Limit of Liability of \$25,000 each **Claim** and in the aggregate shall apply to this coverage. A \$5,000 Deductible shall apply to this coverage. This sub-Limit of Liability is part of and not in addition to the Limits of Liability stated in the Declarations.

III. DEFINITIONS

- A. "**Application**" means all signed Applications, including any attachments and materials submitted therewith or as apart thereof, or incorporated therein, and whether submitted and signed electronically or in paper format with an original signature, for this Policy or for any policy in an uninterrupted series of policies issued by the Insurer of which this Policy is a direct or indirect renewal or replacement. All such applications, attachments, and materials are deemed attached and incorporated into this Policy.
- B. "**Associated Person**" means a "Person Associated with an Investment Advisor" as that term is defined in the Investment Advisors Act of 1940, and any amendments thereto.
- C. "**Claim**" means a written demand for monetary relief alleging a **Wrongful Act**, including a complaint, arbitration proceeding, or civil lawsuit.
- D. "**Claims Expenses**" means reasonable and necessary fees (including attorneys' fees and experts' fees) and expenses incurred by the Insurer, or by the **Insured** with the prior written consent of the Insurer, in the defense of a **Claim** and the cost of attachment or similar bonds; however the Insurer shall not be obligated to apply for or furnish such bonds. "**Claims Expenses**" shall not include the wages, salaries, benefits or expenses of any directors, officers or employees of the **Insured**.
- E. "**Damages**" means a compensatory monetary amount for which an **Insured** may be held legally liable solely as a result of any **Claim** insured by this Policy, including settlements and judgments. (Including any pre- or post-judgment interest.)

"**Damages**" shall not include:

- 1) Fines, penalties, or taxes unless such fines, penalties or taxes are used as a measure of damages incurred by the claimant;
- 2) Compensation or interest charged to or due from clients or customers of an **Insured**, unless such compensation is used as a measure of damages incurred by the claimant;
- 3) Equitable relief, or the fees, costs or expenses of complying with any settlement for, or award of, non-monetary relief;
- 4) Amounts for which there is no legal recourse against the **Insured**; or
- 5) Punitive, exemplary, and the multiplied portion of any multiplied damage award; or

- 6) Other matters uninsurable pursuant to any applicable law.
- F. “**Disciplinary Proceeding**” means any proceeding by a regulatory or disciplinary official, board or agency to investigate charges of professional misconduct arising solely from the performance of **Professional Services**.
- G. “**Extended Reporting Period**” means the applicable period of time after the end of the **Policy Period** for reporting **Claims** arising out of **Wrongful Acts** committed prior to the end of the **Policy Period** and on or subsequent to the **Retroactive Date**, and otherwise covered by this Policy.
- H. “**Insured**” means:
- 1) A **Registered Investment Advisor** affiliated with the **Sponsoring Organization**, provided it has been listed on the roster of the **Sponsoring Organization** as a participating insured under this program and has paid the applicable premium;
 - 2) An **Associated Person** of the **Registered Investment Advisor**;
 - 3) Any past, present or future director, officer, partner or employee of 1., above, solely while performing **Professional Services** on behalf of the **Registered Investment Advisor**,
 - 4) The lawful spouse or domestic partner of any individual which qualifies as an **Insured** under Sub-section 1. or 2., above, for a **Claim** arising solely out of spousal or domestic partner status, and not out of any alleged independent **Wrongful Acts**, of such individual; or
 - 5) An entity owned and controlled by a **Registered Investment Advisor** or **Associated Person**, but solely in connection with **Professional Services** provided by the **Registered Investment Advisor** or **Associated Person**.
- I. “**Interrelated Wrongful Acts**” means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, or event, or which are the same, related or continuous acts, regardless of whether the **Claim** or **Claims** alleging such acts involve the same or different claimants, **Insureds** or legal causes of action.
- J. “**Junk Bonds (or High Yield Bonds)**” mean bonds which at the time of their purchase or sale were unrated or rated as below investment grade by any rating agency including, but not limited to, Moody’s rated bonds of Ba or lower or S&P rated bonds of BB or lower.
- K. “**Personal Information**” means an individual’s identity with any one or more of the following: social security number; medical or healthcare data, or other protected health information; drivers license number or state identification number; credit card number or debit card number in combination with any required security code, access code or password that would permit access to that individual’s financial account; or any other **Personal Information** as defined in a **Privacy Regulation**.
- L. “**Personal Injury**” means false arrest, detention or imprisonment, or malicious prosecution; the publication or utterance of a libel or slander or other defamatory or disparaging material; wrongful entry or eviction; or invasion of the right of private occupancy.
- M. “**Policy Period**” means the period identified in Item 2. of the Declarations or any shorter period that may occur as a result of a cancellation of this Policy, and specifically excludes any **Extended Reporting Period** hereunder.
- N. “**Privacy Regulation**” means any statute or regulation associated with the control, use, disclosure and/or dissemination of personally identifiable financial, medical or other sensitive information; including identity theft and privacy protection legislation that requires commercial entities that collect **Personal Information** to post privacy policies, adopt specific privacy controls, or notify individuals in the event that **Personal Information** has potentially been compromised.

- O.** “**Professional Services**” means:
- 1) Financial, economic and/or investment advice;
 - 2) Financial planning services including but not limited to advice regarding personal risk management or planning for insurance, savings, investments or retirement;
 - 3) Investment management services including the execution of the purchase or sale of **Securities** pursuant to a valid Power-of-Attorney agreement;
 - 4) Services rendered as a licensed Life or Health Insurance Agent or as an Insurance Consultant as designated by the state of Oregon;
 - 5) Products sold or serviced provided as a **Registered Representative** while previously affiliated with a Broker-Dealer that has approved these services and products;
 - 6) Bill-Paying Services.
- P.** “**Registered Investment Advisor**” means an entity, registered with the Securities and Exchange Commission and/or all applicable state governmental or quasi-governmental regulatory authorities, which provides investment advice or management services for a fixed fee, an hourly fee, or a fee based upon a percentage of assets under management.
- Q.** “**Registered Representative**” means a person who is or was properly registered with the Financial Industry Regulatory Authority and all state governmental or quasi-governmental regulatory authorities as Registered Representative affiliated with a Broker-Dealer.
- R.** “**Retroactive Date**” means the effective date of the first claims made professional liability policy from which date coverage has been maintained by the **Insured** without interruption; however, with respect to coverage based upon, arising out of, directly or indirectly, or in any way involving, products sold or services provided as a **Registered Representative**, there is no coverage for any **Wrongful Acts** or **Interrelated Wrongful Acts** occurring on or after the inception date of the first Policy issued to the **Insured** under this sponsored program.
- S.** “**Securities**” shall have the same meaning as the term used by the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, or the Investment Advisors Act of 1940, as amended.
- T.** “**Sponsoring Organization**” means the entity named in Item 1. of the Declarations.
- U.** “**Trade Error**” means negligence in the clearance, settlement or execution of trades as specifically directed by a client.
- V.** “**Unregistered Security**” means any Limited Partnerships, Private Placements, Hedge Funds, or Real Estate Investment Trusts. “**Unregistered Security**” shall also mean Registered, non-traded, Real Estate Investment Trusts or TICS/IRS Section 1031 Exchanges.
- W.** “**Wrongful Act**” means any actual or alleged negligent act, error or omission solely while performing **Professional Services**, for others.

IV. EXCLUSIONS

This Policy does not apply to any **Claim**:

- A.** based upon, arising from, or in any way related to any deliberately dishonest, intentional, malicious or fraudulent act or omission or any willful violation of law by any **Insured** if a judgment or other final adjudication adverse to the **Insured** establishes such an act, omission or willful violation. The Insurer shall continue to defend the **Insured**, if these allegations arise out of acts otherwise covered under this Policy, but the **Insured** shall reimburse the Insurer for **Claims Expenses** if such conduct is established as a matter of fact in a civil, arbitration, criminal or other proceeding, or is admitted to by the **Insured**;
- B.** based upon, arising out of, directly or indirectly, or in any way involving any:
- 1) **Unregistered Security**;
 - 2) Leveraged Exchange or Inverse Exchange Traded Funds; however, this Exclusion shall not apply to services as a **Registered Investment Advisor** and coverage is subject to a sub-limit of liability of \$250,000 Each **Claim** and \$250,000 Each **Registered Investment Advisor** in the Aggregate. However, as a condition precedent to coverage, all of the following must be met:
 - a. Inverse Exchange Traded Funds may only be used to hedge a portfolio managed by the **Insured**; and
 - b. Leveraged Exchange Traded Funds cannot comprise more than 10% of a client's portfolio at any one time; and cannot be in excess of one (1) times leverage.
 - 3) Private equity investments;
 - 4) Derivatives including, but not limited to, any type of option contract (except Covered Call and Protective Put options), warrants, futures contracts (including but not limited to commodities and currency) forward contracts, Exchange Traded Notes, or interest rate swaps; however, this Exclusion shall not apply to FDIC-Insured Equity Linked Certificates of Deposit and coverage is subject to a sub-limit of liability of \$250,000 Each **Claim** and \$250,000 Each **Registered Investment Advisor** in the Aggregate.
 - 5) Structured financial products including, but not limited to, structured notes, asset-backed or mortgage-backed securities, collateralized mortgage or debt obligations, or credit-linked notes;
 - 6) Promissory notes; Issuer callable, or step-up or step down Certificates of Deposits; or Auction Rate Securities;
 - 7) Viatical or Life settlements, reverse mortgages, or any similar transaction in which the present value of a conditional contract is exchanged or sold;
 - 8) Structured Settlements;
 - 9) Proprietary investment products of an **Insured**;
 - 10) Tangible personal property, whether directly or indirectly including, but not limited to, any precious metals, gemstones, stamps, sports or other cards, antiques, jewelry, coins, or other collectibles; however, this exclusion shall not apply to gold or silver;
 - 11) **Securities** traded exclusively outside of the U.S., its territories or possessions, or Canada;
 - 12) **Securities** priced under \$5.00 at the time of sale; however, this Exclusion shall not apply if the securities are approved for registration upon issuance on a national securities exchange in the U.S. or authorized for quotation in the NASDQ National Market System or Small Cap Market or issued by a mutual fund.;
 - 13) **Junk Bonds** or **High Yield Bonds**; or
 - 14) **Trade Error**.
- C.** based upon, arising from, or in any way related to bodily injury, sickness, disease, death, emotional distress, mental anguish, false arrest or imprisonment, abuse of process, malicious prosecution, libel, slander, defamation, violation or invasion of any right of privacy or private occupancy, trespass, nuisance or wrongful entry or eviction, or for damage to or destruction of any tangible property, including loss of use thereof;

- D. based upon, arising from, or in any way related to any fact, circumstance or **Wrongful Act** which has been reported or has been the subject of any notice under any insurance policy of which this Policy is a renewal or replacement or under any other policy which this Policy may succeed in time;
 - E. based upon, arising from, or in any way related to (a) any demand, suit, or other proceeding against an **Insured** which existed or was pending prior to the effective date of this Policy; or (b) the same or substantially the same facts, circumstances or allegations involved in such demand, suit, or other proceeding;
 - F. brought or maintained by or on behalf of any **Insured**; however, this Exclusion shall not apply to **Claims** involving **Professional Services**;
 - G. based upon, arising from, or in any way related to any **Insured** gaining in fact any profit, remuneration or financial advantage to which they are not legally entitled; or any disputes involving an **Insured's** fees, charges, entitlements, or other compensation, or client lists or information;
 - H. based upon, arising from, or in any way related to the financial inability to pay or to effect any transaction, insolvency, receivership, bankruptcy, or liquidation of any entity; however, this exclusion shall not apply to a **Claim** involving the insurance products of insurance companies rated A- or better by A.M. Best at the time such insurance products were placed;
 - I. based upon, arising from, or in any way related to any pension, profit sharing, health and welfare or other employee benefit plan or trust sponsored, established or maintained for the purpose of providing benefits to employees of an **Insured**;
 - J. based upon, arising from, or in any way related to (a) the **Insured** giving advice or performing services with respect to any aspect of mergers, acquisitions, leveraged buy-outs, tender offers, proxy contests, recapitalizations, financial restructurings, divestitures or investment banking activities; (b) the **Insured** forming, syndicating, operating, administering, advising, or rolling up a limited partnership or real estate investment trust, or any type of charitable enterprise or entity or (c) the **Insured** acting as a "broker" or "dealer" in securities, as those terms are defined in Sections 3(a)(4) and 3(a)(5), respectively, of the Securities Exchange Act of 1934, as amended;
 - K. based upon, arising out of, directly or indirectly, or in any way involving services as, or which may only be performed by, an accountant, actuary, lawyer, life insurance general or managing general agent, real estate agent/broker, property/casualty insurance agent, or third-party claims administrator;
 - L. based upon, arising out of, directly or indirectly, or in any way involving the sale, servicing, or administration of, or advice or planning with respect to, any **Multiple Employer Welfare Arrangement** or any IRS Section 412 or 419 plans;
 - M. based upon, arising from, or in any way related to the liability of others assumed by an **Insured** under any contract or agreement, unless such liability would have attached to an **Insured** even in the absence of such an agreement; or any guarantees or warranties;
 - N. Any commingling or misuse of client funds or accounts, or to the illegal use of non-public information; however, this Exclusion shall not apply to the extent it is inconsistent with the coverages provided in Sections II.A. and C.
- EXTENSIONS OF COVERAGE.**

V. CLAIMS

A. **Notice of Claims and Potential Claims**

In the event of a **Claim**, the **Insured** shall, as a condition precedent to the coverage afforded by this Policy:

- 1) Immediately forward to the Insurer every demand, notice, summons and/or pleading received by an **Insured**;

- 2) Notice shall be forwarded to Lancer Claims Services, 681 South Parker, Suite 300, Orange, CA, 92868, Attention: Financial Services Professional Liability Department. All other notices under this Policy shall be given to Aspen Specialty Insurance Management Co., Attention: Professional Liability Department, 590 Madison Avenue, 7th Floor, NY, NY 10022;
- 3) If notices are mailed, the date of mailing of such notice shall constitute the date such notice was given and proof of mailing shall be sufficient proof of notice;
- 4) If notice of a **Claim** is provided pursuant to this Section, any **Claim** subsequently made and reported to the Insurer arising out of the prior noticed **Claim**, **Wrongful Acts** or **Interrelated Wrongful Acts**, shall be considered related to the prior **Claim** and deemed to have been made at the time notice of the prior **Claim** was provided; and
- 5) If an **Insured** becomes aware of a **Wrongful Act** that may reasonably be expected to give rise to a **Claim**, and if the **Insured** reports such **Wrongful Act** to the Insurer during the **Policy Period** in writing, then any **Claim** subsequently arising from such **Wrongful Act** duly reported in accordance with this paragraph shall be deemed under this Policy to be a **Claim** made during the **Policy Period** in which such written notice of a **Wrongful Act** is received by the Insurer. Such written notice to the Insurer shall include the specific facts and circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** and clients involved; the date and circumstances by which the **Insured** became aware of such **Wrongful Act**; and the **Damages** that may reasonably result therefrom.

B. Defense, Consent, and Settlement

- 1) The Insurer has the sole right to appoint defense counsel and the right and duty to defend any **Claim** made against an **Insured**.
- 2) As a condition precedent to coverage under this Policy, the **Insured** shall not admit liability for, or settle, any **Claim** or incur any **Claims Expenses**, without the prior written consent of the Insurer. However, the **Insured** must take all reasonable actions within its ability to prevent or mitigate any **Claim** which would be covered under this Policy. The Insurer has the right to make such investigation and conduct negotiations and, with the written consent of the **Insured**, effect settlement of any **Claim** as the Insurer deems reasonable.
- 3) If the **Insured** refuses to consent to a settlement or compromise recommended by the Insurer and elects to contest or continue to contest the **Claim**, the Insurer's liability shall not exceed the amount for which the Insurer would have been liable for **Damages** and/or **Claims Expenses** if the **Claim** had been so settled when and as so recommended, and the Insurer shall have the right to withdraw from the further defense of the **Claim** by tendering control of the defense thereof to the **Insured**.
- 4) The Insurer shall not be obligated to pay any **Damages** or **Claims Expenses**, or to undertake or continue the defense of any **Claim**, after the applicable limit of the Insurer's liability has been exhausted by payment of **Damages** and/or **Claims Expenses** or after deposit of the applicable limit of the Insurer's liability with or subject to control of a court of competent jurisdiction.

C. Cooperation and Subrogation

- 1) The **Insured** shall provide the Insurer with such cooperation, assistance and information as the Insurer may request, all without charge to the Insurer.
- 2) In the event of any payment under this Policy, the Insurer shall be subrogated to all of the **Insured's** rights of recovery, and the **Insured** shall preserve and secure, and not prejudice, such rights.

D. Territory

This Policy applies to **Wrongful Acts** committed by an **Insured** anywhere in the world; provided, however, that any **Claim** made as a result of such **Wrongful Acts** must be brought and held against the **Insured** in the United States of America, its territories or possessions.

VI. GENERAL CONDITIONS**A. Limits of Liability, Deductible, and Claims First Made****1) Limits of Liability**

The Insurer's maximum liability for each **Claim** arising from a **Wrongful Act** or **Interrelated Wrongful Acts** shall be the Limits of Liability for Each **Claim** identified in Item 3.a. of the Declarations. The Insurer's maximum aggregate Limits of Liability for all **Damages** and **Claims Expenses** resulting from all **Claims** made against any one **Insured Registered Investment Advisor** covered by this Policy shall be the Aggregate identified in Item 3.b. of the Declarations. The Insurer's maximum aggregate Limits of Liability for all **Damages** and **Claims Expenses** resulting from all **Claims** covered by this Policy shall be the Master Policy Aggregate, if applicable, identified in Item 3.c. of the Declarations. The Limits of Liability of the Insurer for any **Extended Reporting Period** shall be part of, and not in addition to, the Limits of Liability of the Insurer for the **Policy Period**. Amounts incurred as **Claims Expenses** shall reduce the Limits of Liability.

2) Deductible

The Insurer shall only be liable for **Damages** and/or **Claims Expenses** which are in excess of the Deductible(s) identified in Item 4. of the Declarations. This Deductible shall apply separately to each **Claim** and shall be borne by the **Insured** and remain uninsured. For purposes of the Deductible, **Claims** arising out of one **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered as arising out of one **Wrongful Act**, and only one Deductible amount shall apply thereto. The Deductible shall not reduce or increase the Limits of Liability.

3) Claims First Made

All **Claims** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed one **Claim**, and such **Claim** shall be deemed to be first made on the earliest date that:

- a) Any of the **Claims** is first made against an **Insured** under this Policy or any prior policy issued by the Insurer or any other insurer; or
- b) Valid notice was given by the **Insured** under this Policy or any prior policy of any **Wrongful Act** or any fact, circumstance, situation, event, transaction or cause which underlies such **Claim**.

B. Extended Reporting Periods**1) Group Extended Reporting Period**

- a) **Automatic Extended Reporting Period.** The **Insured** shall have a period of sixty (60) days after the expiration of the **Policy Period** to report in writing to the Insurer any **Claim** which is first made during said sixty (60) day period, and that arises out of a **Wrongful Act** committed on or after the **Retroactive Date** and prior to the end of the **Policy Period**.

- b) Optional Extended Reporting Period. In the event of cancellation or non-renewal of this Policy by the Insurer, for reasons other than non-payment of premium, the **Sponsoring Organization** may purchase, on behalf of all **Insureds**, for an additional premium to be determined by the Insurer, an Optional **Extended Reporting Period** for a period of one (1) year after the date of such cancellation or non-renewal to report to the Insurer any **Claim** which is first made during said one (1) year period and which arises out of a **Wrongful Act** committed prior to cancellation or non-renewal and on or after the **Retroactive Date**.
- c) The right to purchase the Optional **Extended Reporting Period** must be exercised by notice in writing not later than thirty (30) days following the non-renewal or cancellation date of this Policy, and must include payment of premium for the applicable Optional **Extended Reporting Period**, as well as payment of all premiums due the Insurer. If such notice is not so given to the Insurer, the **Sponsoring Organization** shall not, at a later date, be entitled to exercise such right.

2) Individual Insured Extended Reporting Period

If, during the **Policy Period**, an **Insured** retires, or becomes disabled or deceased, the **Insured** or its legal representative may elect to purchase an **Extended Reporting Period** for a period of (3) years or five (5) years for an additional premium equal to 200% or 300%, respectively, of the **Insured's** last annual premium, to report to the Insurer any **Claim** which is first made during the applicable **Extended Reporting Period** and which arises out of a **Wrongful Act** committed on or after the **Retroactive Date** and prior to the expiration of the **Policy Period**.

3) Extended Reporting Periods – Other Terms and Conditions

- a) The offer by the Insurer of renewal terms, conditions, limits of liability and/or premiums different from those of the expiring Policy shall not constitute refusal to renew.
- b) Any coverage for the Extended Reporting Period is specifically excess of any other insurance maintained by the Insured during the **Extended Reporting Period**.
- c) The Optional **Extended Reporting Period** shall extend any applicable Automatic **Extended Reporting Period**.
- d) At the commencement of any Optional **Extended Reporting Period**, the entire premium thereafter shall be deemed earned.
- e) The fact that this Policy may be extended by virtue of an **Extended Reporting Period** shall not in any way increase the Limits of Liability as set forth in the Declarations.

C. Allocation

If in any **Claim** the **Insured** who is afforded coverage under this Policy for such **Claim** incurs **Damages** jointly with others (including another **Insured**) who are not afforded coverage under this Policy for such **Claim**, or incur an amount consisting of both **Damages** covered by this Policy and damages not covered by this Policy because such **Claim** includes both covered and uncovered matters, then the **Insured** and the Insurer shall allocate such amount between covered **Damages** and uncovered loss based upon the relative legal exposure of the parties to such matters.

If there can be an agreement on an allocation of **Claims Expenses**, the Insurer shall advance on a current basis **Claims Expenses** allocated to covered **Damages**. If there can be no agreement on an allocation of **Claims Expenses** the Insurer shall advance on a current basis **Claims Expenses** which the Insurer believes to be covered under this Policy until a different allocation is negotiated, arbitrated or judicially determined. Any advancement of **Claims Expenses** shall be subject to, and conditioned upon receipt by the Insurer of, a written undertaking by the **Insured** that such advanced amounts shall be repaid to the Insurer by the **Insured** severally according to their respective interests if and to the extent

it is determined the **Insured** shall not be entitled under the terms and conditions of this Policy to coverage for such **Claims Expenses**.

Any negotiated, arbitrated or judicially determined allocation of **Claims Expenses** on account of a **Claim** shall be applied retroactively to all **Claims Expenses** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Claims Expenses** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Damages** on account of such **Claim** or any other **Claim**.

D. Reimbursement of the Insurer

If the Insurer has paid any **Damages** and/or **Claims Expenses** in excess of the applicable Limits of Liability or within the amount of the applicable Deductible, the **Insured** shall be liable to the Insurer for any and all such amounts and, upon demand, shall pay such amounts to the Insurer promptly. If it is negotiated or determined that any **Claims Expenses** are not covered under this Policy, the **Insured** agrees to repay the Insurer the amount of such **Claims Expenses** not covered.

E. Entire Contract

By acceptance of this Policy, the **Insured** agrees that the statements in the Declarations and **Application** are its agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insured** and the Insurer.

F. Notice of Cancellation

This Policy may be cancelled by the **Sponsoring Organization** by surrender of this Policy to the Insurer or by giving written notice to the Insurer stating when thereafter such cancellation shall be effective. If this Policy shall be cancelled by the **Sponsoring Organization**, the Insurer shall retain the customary short rate proportion of the premium hereon. This Policy may also be cancelled by the Insurer by mailing to the **Sponsoring Organization** by registered, certified, or other first class mail, at the **Sponsoring Organization's** address referenced in Item 1. of the Declarations, written notice stating when, not less than sixty (60) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in such notice. If this Policy shall be cancelled by the Insurer, the Insurer shall retain the pro-rata proportion of the premium hereon. Premium adjustments and returns shall be made at the time cancellation is effective or as soon as possible after that time. Payment or tender of unearned premium shall not be a condition of cancellation.

G. Alteration and Assignment

No change in, modification of, or assignment of, interest under this Policy shall be effective except when made by written endorsement signed by an authorized representative of the Insurer.

H. Action Against the Insurer

No action shall be taken against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, or 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.

No person or **Registered Investment Advisor** shall have the right under this Policy to join the Insurer as a party to any action against an **Insured**, nor shall the Insurer be impleaded by the **Insured** or their legal representatives.

I. Authorization

By acceptance of this Policy, the **Sponsoring Organization** agrees to act on behalf of the **Insureds** with respect to the agreement to and acceptance of endorsements, and the giving or receiving of any notice provided for in this Policy, and the **Insureds** agree that the **Sponsoring Organization** shall act on their behalf.

J. Dispute Resolution Process

In the event a dispute arises out of this Policy, the Insurer and the **Insured** shall participate in a non-binding mediation. The parties shall share costs, but bear their own legal fees and expenses. Either the Insurer or the **Insured** may commence a judicial proceeding or binding arbitration proceeding after ninety (90) days has passed from the termination of the mediation. In the event of a binding arbitration, such proceeding shall be pursuant to such rules and procedures as the parties may agree. If the parties cannot agree, the arbitration shall be administered by the American Arbitration Association in accordance with its then prevailing Commercial Arbitration Rules. The arbitration panel shall consist of one arbitrator selected by the **Insured**, one selected by the Insurer, and the third independent arbitrator selected by the two party-appointed arbitrators. In any such arbitration, each party will bear its own legal fees and expenses. The arbitration or any court proceeding shall take place in New York, New York and New York law shall apply, without application of any applicable conflict of law analysis.

K. Titles

The titles of paragraph Sections or any endorsements to this Policy are intended solely for convenience and reference, and are not deemed in any way to modify the provisions to which they relate.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be executed and attested, but this Policy shall not be valid unless countersigned by a duly authorized representative of the Insurer, to the extent required by applicable law.



Aspen Specialty Insurance Company

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its President and Secretary and countersigned where required by law on the Declarations page by its duly Authorized Representative.

A handwritten signature in black ink, appearing to be "J. M. [unclear]".

Secretary

A handwritten signature in black ink that reads "Bruce Eady".

President

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CLAIM/ENTITY EXCLUSION ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that Section IV.**EXCLUSIONS**, of the referenced Policy, is hereby amended by the addition of the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

- Bernard L. Madoff or Bernard L. Madoff Investment Services, LLC.
- Stanford International Bank, Stanford Group Company, or Stanford Capital Management.
- DBSI, Inc.
- Land America Financial Group, Inc.
- Medical Capital Corporation, Medical Capital Holdings, Inc., or Medical Provider Funding Corporation VI.
- Provident Royalties, LLC, Provident Asset Management, LLC, Provident Energy 1, LP, Provident Resources 1, LP, Provident Energy 2, LP, Provident Energy 3, LP, or Provident Operating Company, LLC.
- Shale Royalties, Inc., Shale Royalties II, Inc, or Shale Royalties 3-22.
- Somerset Lease Holdings, Inc. or Somerset Development, Inc.
- MetCap Securities, LLC.
- Reserve Fund – Primary Fund.
- IMH Secured Loan Fund, LLC.
- GEM Financial Associates, Inc.
- CRI Securities, LLC.
- Advantus Capital Management, Inc.
- Acorn Capital Management.
- Maximum Return Investments, Inc.
- Market Street Advisors.
- Gemini Fund 1, LP.
- DISP, LLC.
- North Hills Fund.
- WG Trading Company, WG Trading Investors Co.
- Westridge Capital Management, Inc.
- Core Realty Holdings, LLC.
- TNP Strategic Retail Trust, Inc.
- The Woodbridge Group of Companies and any past or present insured or applicant that has sold any products issued by these companies.
- Smartt Wealth Solutions, LLC.
- LJM Growth and Preservation Fund.
- Luke Financial Company LLC.
- Elevated Asset Management LLC.
- PGH Advisors LLC.
- McNamara Capital Investment Group.
- KNR Consulting and Wealth Management.
- M3 Six Advisors, LLC.

Or any related or affiliated entity of any of the foregoing.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK AMENDATORY
ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that Section VI.A.1.**GENERAL CONDITIONS**, of the referenced Policy, is hereby amended to add the following:

1) Limits of Liability

However, the Limits of Liability for Each **Claim** identified in Item 3.a. of the Declarations and the **Insured Registered Investment Advisor** Aggregate identified in Item 3.b. of the Declarations, available under this Policy to an **Insured Registered Investment Advisor** who is domiciled or who has his/her principal place of business in New York, shall only be reduced by the payment of **Damages** and/or **Claims Expenses** on behalf of such **Insured Registered Investment Advisor**, and shall not otherwise be affected by any exhaustion of the Maximum Policy Aggregate identified in Item 3.c. of the Declarations or payment on behalf of any other **Insured Registered Investment Advisor**.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:2

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OFAC ENDORSEMENT

In consideration of the premium charged, it is agreed that any payment under this Policy shall only be made in full compliance with all U.S.A. economic or trade sanctions or other laws or regulations, including sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:3

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSOLVENCY EXCLUSION AMENDMENT
ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that Section IV.W.**EXCLUSIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, in whole or in part, or in any way involving:

- W.** Any, insolvency, receivership, bankruptcy, liquidation of any entity or financial inability to pay of a natural person, any company, organization, entity, insurer, reinsurer, benefit plan, risk retention group, captive, vehicle or arrangement of any nature in which any **Insureds** placed or recommended to be placed funds; however, this Exclusion shall not apply to a **Claim** in connection with the investment of stock in any such entity, or with respect to any insurer, self-insurer, insurance plan, trust or any other vehicle or instrumentality which provides coverage or benefits or in which an **Insured** has placed or obtained insurance coverage, or placed the funds of a client, provided at the time the **Insured** placed or obtained insurance coverage or placed the funds of a client, the insuring entity was rated B+/B++ or better by A. M. Best.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:4

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVER OREGON
INCREASED LIMITS OF LIABILITY ENDORSEMENT

In consideration of the premium paid, it is agreed that:

1. Cover Oregon is the State of Oregon's public corporation which operates the Oregon Health Insurance Exchange (hereinafter "OHIE"), as provided for under the laws of the State of Oregon.
2. The State of Oregon and Cover Oregon require that all insurance agents transacting business with the OHIE maintain minimum errors and omissions insurance coverage of \$1,000,000 each Claim and \$3,000,000 in the aggregate.
3. The Limits of Liability afforded to Registered Investment Advisors insured under this Policy shall operate to comply with the OHIE (hereinafter "OHIE Limits of Liability"), but solely with respect to Claims made arising out of business transacted involving Professional Services with the OHIE.
4. Such OHIE Limits of Liability are part of and not in addition to the Limits of Liability otherwise provided by the Policy.
5. Section IV. EXCLUSIONS is hereby amended to include the following exclusions:
 - Activities of an Insured, or any other individual or entity, as a Navigator or Assister as defined under the Affordable Care Act, unless such Navigator or Assister is appropriately certified under the Act.
 - Transactions which, with regard to OHIE and/or Cover Oregon, do not include commercially reasonable written disclosures and signed acknowledgements from the client.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:5

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TAX PREPARATION SERVICES COVERAGE ENDORSEMENT

1. In consideration of the premium charged, it is agreed that Section III.O.**DEFINITIONS**, of the referenced Policy, is hereby amended by the addition of the following:

O. Professional Services means:

- **Tax Preparation Services.**

2. It is further agreed and understood that Section III.O.**DEFINITIONS**, of the referenced Policy, is hereby amended by the addition of the following:

- **Tax Preparation Services** means the preparation of individual state and federal tax returns for a client for a fee by a properly certified **Insured**.

3. Solely with respect to the coverage afforded under this Endorsement, it is further agreed and understood that Section IV.K.**EXCLUSIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

- K.** Any services as, or which may only be performed by, an accountant, actuary, lawyer, life insurance general or managing general agent, real estate agent/broker, property/casualty agent or third-party claims administrator; however, this Exclusion shall not apply to **Tax Preparation Services**.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:6

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIDUCIARY COVERAGE ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that Section IV.V.**EXCLUSIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, in whole or in part, or in any way involving:

- V. Any pension, profit sharing, health/welfare or other employee benefit plan, insurance plan or trust, sponsored by an **Insured** or **Affiliated Entity** or in which an **Insured** or **Affiliated Entity** is a participant, trustee or named fiduciary, as defined under the Employee Retirement Income Security Act of 1974, as amended; however this Exclusion shall not apply to services:
 - 1. As defined in the Pension Protection Act of 2006, and any amendments thereto, which are otherwise covered under this Policy;
 - 2. As a fiduciary in recommending securities, as described in Section 3(21)(A)(ii) of ERISA; or
 - 3. Acting as a Registered Investment Advisor for a qualified plan as described in Section 3(38) of ERISA.

Provided, however, that this Coverage applies solely to defined contribution plans where the **Insured** had an industry accreditation/certification relative to such services at the time of providing these services; proof of such accreditation/certification to be established by **Insured** upon request.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:7

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIVACY AND NETWORK SECURITY
COVERAGE ENDORSEMENT

In consideration of the premium charged, it is agreed that the coverages provided herein apply to each **Register Investment Advisor**:

1. SECTION II. **EXTENSIONS OF COVERAGE**, subsection C. is deleted in its entirety.
2. SECTION II. **EXTENSIONS OF COVERAGE** is amended to include the following subsections C. and D.:

C. Incident Response Expense Coverage

The Company shall pay, on behalf of the **Insured**, **Expense** incurred in connection with a **Privacy and Network Security Incident** that first takes place during the **Policy Period**, and that is reported to the Company in accordance with the terms of this Policy.

D. Funds Transfer Coverage

The Company shall pay on behalf of the **Insured**, amounts incurred due to the transfer or loss of funds, monies or securities in response to fraudulent instructions from a third-party that first takes place during the **Policy Period**, and that is reported to the Company consistent with the terms of this Policy. The maximum payment made by the Company for the transfer or loss of funds, monies or securities shall be \$50,000 each **Claim** and \$250,000 in the Policy Aggregate for each **Policy Period**, regardless of the number of fund transfer incidents. Any payment made by the Company under this Extension shall not reduce the Limits of Liability. The **Insured** shall be responsible for the first \$5,000, in transferred or lost funds, monies or securities.

3. SECTION III. **DEFINITIONS**, subsection D., **Claim**, is amended to include the following:

Solely with respect **Privacy and Network Security Wrongful Acts**, any:

- a) administrative or regulatory proceeding, inquiry, or investigation against the **Insured**, or any regulatory response to incident reporting received by or on behalf of the **Insured**;
- b) written demand for non-monetary relief;
- c) an **Extortion** event.

4. SECTION III. **DEFINITIONS**, subsection G., **Damages**, is deleted in its entirety and replaced as follows:

G. Damages means:

- 1) A monetary amount for which an **Insured** is legally liable, including judgments (inclusive of any pre- or post-judgment interest), awards, settlements negotiated with the prior approval of the Company (except where such prior approval is not necessary as provided elsewhere in the Policy), or taxes, fines or penalties incurred by a third-party and included in such third-party's **Claim**;
- 2) Amounts paid to a consumer redress fund due to a **Privacy and Network Security Incident**;
- 3) Fines and penalties levied by a governmental or regulatory authority due to a **Privacy and Network Security Incident**. However, this coverage is subject to a Sub-Limit of Liability of \$100,000, which amount is part of and not in addition to the Limits of Liability set forth in the Declarations and which shall reduce such Limits of Liability;
- 4) Payment amounts, including the actual, reasonable and necessary costs to execute such payment, of an **Extortion** demand whether in digital currency or traditional currency. However, this coverage is subject to a Sub-Limit of Liability of \$25,000, which amount is part of and not in addition to the Limits of Liability set forth in the Declarations and which shall reduce such Limits of Liability.

It is understood and agreed that with respect to **Damages** resulting from **Claims** for **Privacy and Network Security Wrongful Acts**, the maximum Sub-Limit applicable for sub-sections 1 through 4, above, is \$250,000, combined.

Damages shall not include any:

- 5) Fines, sanctions, taxes, or penalties deemed uninsurable pursuant to any applicable law; other than those fines and penalties set forth in Paragraph 3) above;
- 6) Punitive, exemplary, treble damages or any other damages resulting from the multiplication of compensatory damages;
- 7) Non-pecuniary or equitable relief, or fees, costs or expenses incurred by an **Insured** to comply with any such relief;
- 8) The return or withdrawal of fees, commissions or brokerage charges;
- 9) Judgments or awards from acts deemed uninsurable by law; or
- 10) **Extortion** payment made without prior consent of the Company.

5. **SECTION III. DEFINITIONS**, subsection **P., Personal Information**, is deleted in its entirety and replaced as follows:

P. Personal Information means:

- 1) any non-public information that could allow an individual to be uniquely identified; and
- 2) the definition provided in any federal, state, local or foreign privacy protection law or regulation governing the control and use of an individual's confidential or protected information.

6. **SECTION III. DEFINITIONS**, subsection **S., Privacy Regulations**, is deleted in its entirety.

7. **SECTION III. DEFINITIONS**, subsection **DD., Wrongful Act**, is amended to include the following:

Wrongful Act also means a **Privacy and Network Security Wrongful Act**.

8. **SECTION III. DEFINITIONS**, is amended to include the following definitions:

Affected Population means one or more individuals whose **Personal Information** was or may have been impacted as a result of a **Privacy and Network Security Incident**.

Breach Notification Law means any governmental statute, regulation, rule or guidance that requires notice to an **Affected Population** or governmental or regulatory authority.

Call Center Services means establishing and operating a call center in response to a **Privacy and Network Security Incident**.

Data Forensics means investigation and analysis of the **Insured's Network** to determine the source and breadth of a **Privacy and Network Security Incident**.

Executive Officer means the CEO, CFO, CISO, CIO, GC, Director of Risk Management, or any individual in a functionally equivalent position of the **Named Insured**.

Expense means the necessary and reasonable amounts paid to a third party service provider for:

- 1) **Data Forensics**; However, this coverage is subject to a Sub-Limit of Liability of \$25,000;
- 2) **Public Relations**; However, this coverage is subject to a Sub-Limit of Liability of \$25,000;

Such amounts are in addition to, and not part of the Limit of Liability set forth in Item 3. of the Declarations. There shall be no Deductible applicable to Items 1) and 2) above.

- 3) **Notification**;
- 4) **Fraud Monitoring and Resolution Services**;
- 5) **Call Center Services**; or
- 6) **Incident Response Consultation**; However, this coverage is subject to a Sub-Limit of Liability of \$150,000.

10,000 individuals is the maximum number of individuals for which the Company shall provide the coverage set forth in Items 3) through 5) above, whatever the monetary amount. Such amount is in addition to, and not part of the Limit of Liability set forth in Item 3. of the Declarations. A single Deductible of \$5,000 shall apply to any and all **Expense** incurred related to Items 3) through 5). Item 6) above shall be subject to a Deductible in the amount of three (3) hours of **Incident Response Consultation** or \$1,200, whichever amount is greater. This Deductible shall apply to each and every **Privacy and Network Security Incident**.

Extended Network means all desktops, laptops, servers, peripheral devices, mobile devices or other nodes not under the **Insured's** direct operational control.

Extortion means actual or threatened malicious activity directed at an **Insured's Network** or data, where payment or other action from the **Insured** is demanded by a third party.

Fraud Monitoring and Resolution Services means credit monitoring, identity monitoring, and identity restoration services provided to an **Affected Population**.

Incident Response Consultation means services provided by an external law firm to:

- 1) determine the applicability of and facilitate compliance with **Breach Notification Laws**;
- 2) draft content for **Notification** or reports to governmental or regulatory authorities;
- 3) coordinate service providers approved by the Company to provide **Data Forensics, Public Relations, Service Restoration, Notification, Fraud Monitoring and Resolution Services, and Call Center Services**.

Network includes all desktops, laptops, servers, peripheral devices, mobile devices or other nodes under the **Insured's** direct operational control, whether owned or leased.

Network and Information Security Controls means all controls, whether policy or technology based, implemented by the **Insured** in order to prevent intrusions of, or unauthorized access to, the **Network** or **Extended Network, Personal Information** or other data, whether residing thereon or in any other form.

Notification means communication to an **Affected Population**.

Privacy and Network Security Incident means any of the following:

- 1) An actual or suspected breach of **Personal Information** due to a circumvention of the **Insured's Network and Information Security Controls**, or the violation of a **Breach Notification Law**;
- 2) An actual or suspected breach of the **Insured's** commercial, non-personal information due to a circumvention of the **Insured's Network and Information Security Controls**;
- 3) An actual or suspected unauthorized access to, or usage of, the **Insured's Network** due to a circumvention of the **Insured's Network and Information Security Controls**;
- 4) An **Extortion** event; or
- 5) A transmission of malicious code due to circumvention of the **Insured's Network and Information Security Controls**.

Privacy and Network Security Wrongful Act means any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty committed by an **Insured**, solely while performing **Professional Services**, which leads to a **Privacy and Network Security Incident**.

Public Relations means services provided by an external public relations firm, crisis management firm or law firm to minimize the reputational impact on an **Insured** resulting from a **Privacy and Network Security Incident**; provided, however, that no other **Expense** or element of **Damages** will be construed as **Public Relations** services.

Service Restoration means the actual, necessary and reasonable amounts paid to a third party service provider, incurred with the Company's prior written approval, following a **Privacy and Network Security Incident**, in order to restore the operational capacity of an **Insured's Network** to the level immediately preceding such **Privacy and Network Security Incident**.

9. **SECTION IV. EXCLUSIONS**, is amended to include the following:

Solely with respect to **Claims** for **Privacy and Network Security Wrongful Acts**, this Policy does not apply to any **Claim**:

- 1) for the failure to transfer funds, monies or securities;
- 2) for any derivative suit or any actual or alleged violation of the Employee Retirement Income Security Act of 1974, as amended, the Securities Act of 1933, the Securities Exchange Act of 1934, or any other federal, state or local securities laws or regulations;
- 3) based upon or arising out of any actual or alleged discharge, dispersal, release or escape of toxic chemicals, liquids or gases, waste materials or other contaminants, or pollutants, however caused;
- 4) based upon or arising out of any suspension or reduction in utilities or telephone communications services not under the **Insured's** control;
- 5) based upon or arising out of declared war;
- 6) based upon or arising out of any infringement of copyright; plagiarism, piracy or misappropriation of ideas; or infringement of title, slogan, trademark, trade name, trade dress, service mark or service name; or
- 7) based upon or arising out of any actual or alleged unfair competition, deceptive trade practices, restraint of trade, or antitrust.

Provided however, that Exclusions **1)** through **7)** above shall not apply to that portion of an otherwise covered **Claim** for a **Privacy and Network Security Wrongful Act**.

Solely with respect to **Claims** for **Privacy and Network Security Wrongful Acts** and **Privacy and Network Security Incidents** based upon or arising out of any actual or alleged matter that prior to the **Policy Period** an **Executive Officer** knew or reasonably should have known would likely to lead to a **Claim** or **Expense**.

10. **SECTION V. CLAIMS** the preamble is deleted in its entirety and replaced as follows:

In the event of a **Claim** or a **Privacy and Network Security Incident**, the **Insured** shall, as a condition precedent to the coverage afforded by this Policy:

11. **SECTION VI. GENERAL CONDITIONS** subsection **A.2)** is deleted in its entirety and replaced as follows:

The Insurer shall only be liable for **Damages** and/or **Claims Expenses** which are in excess of the Deductible(s) identified in the Declarations. This Deductible shall apply separately to each **Claim** or **Privacy and Network Security Incident** and shall be borne by the **Insured** and remain uninsured. For purposes of the Deductible, **Claims** or **Privacy and Network Security Incidents** arising out of one **Wrongful Act** or **Interrelated Wrongful Acts** shall be considered as arising out of one **Wrongful Act**, and only one Deductible amount shall apply thereto. The Deductible shall not reduce or increase the Limits of Liability. If a **Claim** or **Privacy and Network Security Incident** is made against both a Named Insured and a **Registered Representative**, the applicable Deductible shall be the greater of the amounts identified in the Declarations.

12. **SECTION VI. GENERAL CONDITIONS** is amended to include the following:

1) Incident Response

The third party service providers (each a "Preferred Provider") and their respective services described in this endorsement are pre-approved by the Company to assist the **Insured** in the event of a **Privacy and Network Security Incident**. Preferred Providers are not affiliated with the Company and are solely responsible for all services.

2) Incident Response Consultation Hotline

The Incident Response Consultation Hotline (IRCH), 1-844-844-0103, is provided to assist the **Insured** with responding rapidly, and consistent with industry best practices, to a **Privacy and Network Security Incident**. An **Insured** calling the IRCH will be prompted to leave a voicemail, including return contact information and their Aspen Policy number. The voice message will then be automatically forwarded to the Company, as well as to the **Incident Response Consultation Preferred Provider** identified in this endorsement. The **Insured** will typically receive a response from either the **Incident Response Consultation Preferred Provider** or the Company within four (4) business hours from the time such voicemail was received; however, longer response times may occur.

Calling the IRCH is not a substitute for the **Insured's** reporting and notice obligations under the Policy. As a condition precedent to coverage, the **Insured** must comply with all obligations under the Policy, including without limitation, providing the Company notice of any incident in accordance with Section V.A. **CLAIMS** of this Policy.

3) Incident Response Consultation Services

Mullen Coughlin, LLC is the exclusive Preferred Provider pre-approved by the Company to provide **Incident Response Consultation** services in connection with a **Privacy and Network Security Incident**. Any decision to engage the services of Mullen Coughlin, LLC is solely at the **Insured's** discretion.

If the **Insured** does elect to retain the services of Mullen Coughlin, LLC, the **Insured** agrees to execute an engagement letter outlining the services to be provided. The Company's liability will only apply to **Incident Response Consultation** services provided by Mullen Coughlin, LLC, regardless of any other services that may be stated in the engagement letter between the **Insured** and Mullen Coughlin, LLC or otherwise provided by Muller Coughlin, LLC.

4) Incident Response Services:

Data Forensics:

The Company has a list of Preferred Providers pre-approved to provide **Data Forensics** to the **Insured** in connection with a **Privacy and Network Security Incident**. Please contact the Company's Claims Department at professionalliabilityclaims@aspen-insurance.com to obtain consultation as to hiring a consultant. Any decision to engage the services of such a Preferred Providers pre-approved to provide **Data Forensics** is solely at the **Insured's** discretion.

These services include:

- a) Evaluation and analysis of the **Insured's Network** to gather and preserve evidence for determining the breadth and source of a **Privacy and Network Security Incident**; and
- b) Data mining to identify the **Affected Population**; and
- c) Remediation of a **Privacy and Network Security Incident** on the **Insured's Network**.

Notification, Fraud Monitoring and Resolution Services, and Call Center Services:

AllClear ID is the Preferred Provider pre-approved by the Company to provide **Notification, Fraud Monitoring and Resolution Services** and **Call Center Services** on behalf of the **Insured** in connection with a **Privacy and Network Security Incident**. AllClear ID's services include:

- a) Management of notification letter printing, mailing (via first class mail) and return mailing processing;
- b) Change of address lookup and address verification;

- c) Social Security Number verification and death registry lookup;
- d) Enrollment in Triple Bureau Credit Monitoring for a period up to 12 months from the date of enrollment;
- e) Enrollment in ChildScan for individuals under the age of 18, with continuous service until they reach the age of majority;
- f) Automatic enrollment in Identity Protection, Repair and Resolution Services for a period of 12 months from the date of enrollment; and
- g) **Call Center Services** for a period of up to 12 months following notification of a **Privacy and Network Security Incident**.

Nothing in this Section is meant nor will it be construed as a guarantee that the Preferred Providers will be available to provide the services described herein. The Company reserves the right to substitute a provider of like qualifications and competency in the event that a Preferred Provider is unavailable to perform the services. The Company may also change, amend or supplement its Preferred Providers from time to time for any reason. Both the Company and the **Insured** will agree in writing prior to retaining any vendor that is not a Preferred Provider.

Without the prior written consent of the Company, no coverage will be available under this Policy for any services performed by, or any engagement of, any third party service providers that are not specifically identified in this endorsement or pre-approved by the Company.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:8

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIC PRODUCTS AND ACTIVITIES EXCLUSION ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that Section IV.**EXCLUSIONS**, of the referenced Policy, is hereby amended to add the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

1. Any Stranger Owned Life Insurance (STOLI), Speculator Initiated Life Insurance (SPINLIFE), or any other type of policies where the purchaser of the life product does not have an insurable interest in the insured under such life product.
2. Any unauthorized access to, or breach of, an **Insured's** computers or network security, including the loss, theft or unauthorized disclosure or dissemination of Personal Information, or the damage, destruction, or theft of confidential information of any **Insured**, except as otherwise provided in Section II. C. Extensions of Coverage, Privacy Breach Coverage Extension.
3. Any loss of client or customer funds in reliance upon fraudulent instructions.
4. Any life insurance policy with respect to which the premium was paid for in whole or in part by or through any premium finance mechanism or any premium finance company; however, this Exclusion shall not apply to any Life Settlements that may be otherwise covered under this Policy.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:9

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTACTUAL LIABILITY EXCLUSION AND BICE COVERAGE ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that:

1. Section IV.M.**EXCLUSIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

M. based upon, arising from, or in any way related to the liability of others assumed by an **Insured** under any contract or agreement, unless such liability would have attached to an **Insured** even in the absence of such an agreement; or any guarantees or warranties.

2. The coverage provided by the carve-back to this Exclusion includes, but is not limited to, liability resulting from the US Department of Labor's Rules regarding Best Interest Contracts including, but not limited to, DOL Section DOL 84-24.
3. Coverage under this Endorsement pursuant to sub-section 2. is subject to the following Sub-Limit of Liability (which is part of and not in addition to the Limits of Liability):

Each **Claim**: \$1,000,000

Insured Aggregate: \$1,000,000

4. Further as respects coverage under this Endorsement pursuant to sub-section 2., coverage based upon, arising out of, directly or indirectly, or in any way involving, products sold or services provided as a **Registered Representative** pursuant to DEFINITION O.5., is subject to the following Sub-Limit of Liability (which is part of and not in addition to the Limits of Liability):

Each **Claim**: \$500,000

Insured Aggregate: \$500,000

5. It is understood and agreed that the maximum Each **Claim** sub-limit is \$1,000,000 for any and all products covered by this Endorsement and the Aggregate for all **Claims** covered by sub-sections 3. And 4. Of this Endorsement is \$1,000,000.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE THEFT COVERAGE ENROSEMENT

In consideration of the premium paid, it is agreed and understood that:

1. Section II. **EXTENSIONS OF COVERAGE** is amended by adding the following:

Employee Theft Coverage Extension

The Insurer shall pay the **Insured** for loss due to **Employee Theft** that first is **Discovered** and reported to the Insurer during the **Policy Period**; and only for loss arising from **Employee Theft** that occurs on or after the **Retroactive Date**. The maximum payment made by the Insurer pursuant to this Extension shall be \$50,000 for each **Registered Investment Advisor** for each **Policy Period** regardless of the number of **Employee Thefts** or the number of **Registered Investment Advisors** subject to **Employee Thefts**. A \$5,000 per **Claim** Deductible shall apply to this coverage. This Extension of Coverage is part of and not in addition to the Limits of Liability set forth in the Declarations.

2. For the purposes of this Endorsement, Section III. **DEFINITIONS** is amended by adding the following:

“Discovery” or **“Discovered”** means knowledge acquired by an **Insured** which would cause a reasonable person to believe a covered loss has occurred or an occurrence has arisen that may subsequently result in a covered loss, including loss:

- 1) Sustained prior to the inception date of this Policy specified in Item 2 of the Declarations;
- 2) Not exceeding the \$5,000 per **Claim** deductible set forth herein; or
- 3) For which the exact details are unknown,

provided that **Discovery** or **Discovered** shall not include knowledge acquired by an **Insured** acting alone or in collusion with anyone else, or the knowledge possessed by any **Insured** who is a participant in the **Employee Theft**.

“Employee Theft” means the unlawful taking of money or financial instruments by an employee of a **Registered Investment Advisor** affiliated with the **Sponsoring Organization**.

3. Solely regarding the coverage provided under this Endorsement, Section IV. **EXCLUSIONS**, paragraph N. is deleted in its entirety and replaced with the following:

N. Any commingling or misuse of client funds or accounts, or to the illegal use of non-public information; however, this Exclusion shall not apply to the extent it is inconsistent with the coverages provided in this Endorsement and Sections II.A. and C. **EXTENSIONS OF COVERAGE**.

4. Solely regarding the coverage provided under this Endorsement, Section VI. **GENERAL CONDITIONS**, paragraph B. **Extended Reporting Period** shall not apply.

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:11

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE ERROR/COST OF CORRECTIONS
COVERAGE ENDORSEMENT

In consideration of the premium paid, it is agreed and understood that:

1. Section IV.I.**EXCLUSIONS**, precluding coverage for claims involving Trade Errors, is hereby deleted in its entirety.
2. It is further agreed and understood that solely with respect to coverage under this Endorsement, Section III.D.**DEFINITIONS**, is hereby deleted in its entirety and replaced with the following:
 - D. Claim** means a written demand for **Damages** alleging a **Wrongful Act** including a complaint, arbitration proceeding or civil lawsuit, or the **Insured's** correction of a **Trade Error**.
3. It is further understood and agreed that this Policy shall apply to the **Insured's** correction of a **Trade Error**, provided that:
 - a.** Such **Trade Error** arises solely out of a transaction made at the specific direction or approval of the client;
 - b.** Such **Trade Error** is reported to the Insurer within forty-eight (48) hours of its discovery;
 - c.** If such **Trade Error** had not been corrected, it would have resulted in a **Claim** by a client; and
 - d.** The **Insured** provides a sworn proof of loss setting forth all the circumstances of the loss and explaining why it believes the **Insured** is entitled to coverage under this Section of the Policy. If the transaction is executed by a non-professional of the firm, coverage shall only apply if documentary evidence is provided that a supervisory professional of the firm reviewed and approved the transaction within twenty-four (24) hours of its execution. At the request of the Insurer, the **Insured** shall make its officers and employees available for an examination under oath.
4. The **Insured** and the Insurer agree that it is their mutual intention that the coverage afforded under this Endorsement operates to reduce or avoid in an expeditious and economic fashion monetary liability from a **Claim** which would have been made against an **Insured** and that it does not afford coverage to the extent that any sum paid by an **Insured** constitutes an ex-gratia settlement or a commercial settlement for the primary purpose of supporting an **Insured's** reputation or business relationship.
5. It is further agreed and understood that Section IV.**EXCLUSIONS**, of the referenced Policy, is hereby amended by addition of the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving any wire or electronic transfer of funds.
6. Coverage under this Endorsement is subject to the following Sub-Limit of Liability (which is part of and not in addition to the Limits of Liability) Deductible, and Co-Insurance:

Each Claim :	\$100,000
Registered Investment Advisor Aggregate:	\$100,000
Maximum Policy Aggregate:	\$100,000

Deductible Each **Claim:** \$25,000
(Applicable to all **Insureds**)

7. For purposes of the coverage under this Endorsement only, it is further agreed and understood that Section III.X.**DEFINITIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

X. Retroactive Date means 8/1/2022.

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

T THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STRUCTURED PRODUCTS COVERAGE ENDORSEMENT

1. In consideration of the premium charged, it is agreed and understood that Section IV.B.**EXCLUSIONS**, of the referenced Policy, is hereby deleted in its entirety and replaced with the following:

This Policy does not apply to any **Claim** based upon, arising out of, directly or indirectly, or in any way involving:

5. Structured financial products including, but not limited to, structured notes, asset-backed or mortgage-backed securities, collateralized mortgage or debt obligations, or credit-linked notes; However, this Exclusion shall not apply to structured notes approved by Gradient Securities, LLC and/or Gradient Investments, LLC.
2. Coverage under this Endorsement is subject to the following Sub-Limit of Liability (which is part of and not in addition to the Limits of Liability) and Deductible:

Each Claim :	\$250,000
Registered Investment Advisor Aggregate:	\$250,000
Maximum Policy Aggregate:	\$250,000
Deductible Each Claim Applicable to all Insureds :	\$50,000

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

THIS ENDORSEMENT FORMS A PART OF POLICY NUMBER: LRA79GU24

Issued by: Aspen Specialty Insurance Company

Issued to: RIA Registrar, LLC, Members of the Financial Sales Professionals Purchasing Group

Effective date: August 1, 2024

Endorsement No.:13

Aspen Specialty Insurance Company
(Herein called the Company)

GENERAL SERVICE OF SUIT NOTICE

In the event of failure of the Company to pay any amount claimed to be due under the terms of this policy, the Company, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company'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. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of appeal.

It is further agreed that service of process in such suit may be made upon:

Aspen Specialty Insurance Management, Inc
c/o General Counsel
400 Capital Blvd., Suite 200
Rocky Hill, CT 06067-3576
(877) 245-3510

Questions can be directed to: Compliance.us@aspenspecialty.com

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, Secretary of State, or other officer specified for that purpose in the statute, as its true and lawful attorney upon whom service may be made of 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 policy 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.

This notice does not change any other provision of the policy.