

Policy number

Issued to:

By:

Product Name:

**RELATED INVESTIGATION RESPONSE COSTS COVERAGE**

In consideration of the premium charged, it is hereby understood and agreed as follows:

1. *Related Investigation Response Costs Coverage*

A. The definition of “**Loss**” is amended to include the following to the end thereof:

**Loss** in connection with a **Securities Claim** shall include **Related Investigation Response Costs**.

B. The following definitions are added:

<p><b>Potential Related Investigation</b></p>	<p>means a civil, criminal, administrative or regulatory investigation or inquiry of, or proceeding against, an <b>Organization</b> by an <b>Enforcement Body</b> that, if such investigation, inquiry or proceeding was in connection with a <b>Wrongful Act</b> alleged in a <b>Securities Claim</b>, such investigation, inquiry or proceeding would be a <b>Related Investigation</b>.</p>
<p><b>Related Investigation</b></p>	<p>means a civil, criminal, administrative or regulatory investigation or inquiry of, or proceeding against, an <b>Organization</b> by an <b>Enforcement Body</b> regarding:</p> <ul style="list-style-type: none"> <li>(1) any statute, rule, or regulation regulating securities, if the Declaration ‘<i>Violation of Statute, Rule or Regulation Regulating Securities Coverage</i>’ ‘includes’ box is checked;</li> <li>(2) any law, other than: (a) any statute, rule, or regulation regulating securities; or (b) the Foreign Corrupt Practices Act of 1971 (FCPA), as amended, or any similar provisions of any state, local or foreign statutory or common law, if the Declaration ‘<i>Violation of Any Law Other Than Securities or Foreign Corrupt Practices Law Coverage</i>’ ‘includes’ box is checked; or</li> <li>(3) the Foreign Corrupt Practices Act of 1971 (FCPA), as amended, or any similar provisions of any state, local or foreign statutory or common law, if the Declarations ‘<i>Violation of Foreign Corrupt Practices Law Coverage</i>’ ‘includes’ box is checked, subject to the ‘<i>Foreign Corrupt Practices Violation Coverage</i>’ sublimit stated in the Declarations;</li> </ul> <p>in connection with a <b>Wrongful Act</b> alleged in a covered <b>Securities Claim</b>.</p> <p>Pursuant to the above, the <b>Insurer</b> shall take into reasonable consideration all evidence and information available to and presented by the <b>Insured</b> to determine if such investigation, inquiry or proceeding is in connection with any <b>Wrongful Act</b> alleged in a covered <b>Securities Claim</b>.</p> <p>Notwithstanding the definition of <b>Claim</b>, for the purposes of this definition “<b>Securities Claim</b>” shall not include any <b>Insured Person Investigation, Extradition, Derivative Demand, Books and Records Demand, Insured Person Inquiry</b> or</p>

	request to toll or waive a period or statute of limitations.
<b>Related Investigation Response Costs</b>	<p>means reasonable fees, costs, and expenses consented to by the <b>Insurer</b> incurred by an <b>Organization</b> solely in responding to a <b>Related Investigation</b>. “<b>Related Investigation Response Costs</b>” shall not include: (1) any amounts incurred to determine whether or not to self-report a potential violation of any law; or any amounts incurred responding to or complying with any regulatory or internal supervision, inspection, compliance, review, examination, production or audit, including any request for mandatory information from a regulated entity, conducted in an <b>Enforcement Body’s</b> normal review or compliance process, or (2) the compensation of any: (a) <b>Insured Person</b>; or (b) <b>Executive</b> or <b>Employee</b> of an <b>Organization</b> or <b>Outside Entity</b>.</p> <p>Coverage for <b>Related Investigation Response Costs</b> for properly notified and accepted circumstances shall be subject to all other terms, conditions and limitations of the policy applicable to the <b>Claim</b>.</p>

2. *Related Investigation Response Costs Lookback Coverage*

If the Declarations ‘*Lookback Coverage*’ ‘includes’ box is checked and the **Organization** notifies the **Insurer** of a **Potential Related Investigation**, and such notice constitutes a timely and effective notification of circumstance under Clause 7.B *Reporting of Potential Claims*, then if such **Potential Related Investigation** subsequently becomes a **Related Investigation**, **Related Investigation Response Costs** shall include reasonable and necessary fees, costs and expenses incurred by an **Organization**, with or without the **Insurer’s** consent, solely in responding to such **Potential Related Investigation** (“**Lookback Coverage**”). The coverage described above shall be limited to fees, costs and expenses incurred from the time of the notification of such circumstances to the time the **Securities Claim** connected to the **Related Investigation** is deemed first made, and shall be subject to the ‘*Lookback Coverage*’ sublimit stated in the Declarations and the Retention applicable to the **Securities Claim** connected to the **Related Investigation**. “**Lookback Coverage**” shall not include: (1) any amounts incurred to determine whether or not to self-report a potential violation of any law; or any amounts incurred responding to or complying with any regulatory or internal supervision, inspection, compliance, review, examination, production or audit, including any request for mandatory information from a regulated entity, conducted in an **Enforcement Body’s** normal review or compliance process, or (2) the compensation of any: (a) **Insured Person**; or (b) **Executive** or **Employee** of an **Organization** or **Outside Entity**.

3. *Known Wrongful Act Exclusions*

The **Insurer** shall not be liable to make any payment for any **Related Investigation Response Costs**:

- (1) in connection with any **Wrongful Act** occurring prior to the Declarations applicable **Known Wrongful Act Date**, if as of the applicable **Known Wrongful Act Date** any **Control Group Person** knew or could have reasonably foreseen that such **Wrongful Act** could lead to a **Related Investigation** under this policy. **Related Investigation Response Costs** arising out of the same or related **Wrongful Act** shall be deemed to arise from the first such same or related **Wrongful Act**; or
- (2) of a **Related Investigation** known by or that should have been known by a **Control Group Person** as of the applicable **Known Wrongful Act Date**.

For the purposes of this endorsement, “**Control Group Person**” means any Chairman of the Board, Chairman of the Audit Committee, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel, Risk Manager, or Ethics and Compliance Officer (or the equivalent of any of the foregoing) of the **Named Entity**.

4. *Pre-Authorized Securities Defense Attorneys*

Clause 9.B. *Pre-Authorized Securities Defense Attorneys* is deleted in its entirety and replaced with the following:

The **Insureds** shall select a **Panel Counsel** to defend any **Securities Claim** made against, or respond to any **Potential Related Investigation** or **Related Investigation** of or made against, such **Insureds**. The policy terms pertaining to selection of **Panel Counsel** for **Securities Claims** and **Related Investigations** are set forth in the Panel Counsel Appendix to the policy.

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