



Agenda
Village of Glen Ellyn
Police Pension Board Meeting
Wednesday, April 19, 2023
4:30 PM
Glen Ellyn Civic Center, Room 306

Visitors are most welcome to attend all meetings of the Police Pension Board and can find copies of the Agenda at the meeting or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring reasonable accommodation in order to participate in a meeting should contact The Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

- A. Call to Order**
- B. Roll Call**
- C. Public Comment**
- D. Approval of Minutes**
 - 1) January 18, 2023 Regular Meeting
- E. Accountant's Report**
 - 1) Lauterbach and Amen will present the monthly financial report
 - 2) Presentation and approval of bills as listed in the monthly financial report
 - 3) Illinois Department of Insurance Compliance Fee
 - 4) Cash Management Policy
- F. Investment Report**
 - 1) IPOPIF - Versus Advisory Inc.
- G. Communication and Reports**
 - 1) Statement of Economic Interests
- H. Trustee Training Updates**
- I. Approval of Membership/Withdrawals from Fund**
 - 1) Motion to approve membership application for Nicholas Srejma.
- J. Applications for Retirement/Disability Benefits**
 - 1) Deceased Pensioner - Robert Nagle
Motion to approve a surviving spouse pension to Jeanne Nagel in the monthly amount of \$5,464.20 effective March 19, 2023.
- K. Old Business**
- L. New Business**
 - 1) Motion to approve a Resolution Appointing Authorized Agents.
 - 2) Motion to approve renewal of a fiduciary insurance policy with Rockwood Company/Travelers Insurance
 - 3) Motion to approve BMO Harris Letter of Credit

- 4) Motion to Certify Board Election Results - Active and Retired Member Positions
- 5) Review/Approve Account Representatives
- 6) IDOI Annual Statement
- 7) Appointed Member Term Expirations

M. Attorney's Report

- 1) Legal Updates
- 2) QILDRO

N. Executive Session, if needed

O. Adjourn



Minutes
Village of Glen Ellyn
Police Pension Board Meeting
Regular Meeting
January 18, 2023
4:30 PM
Glen Ellyn Civic Center, Room 306

Board or Commission: Police Pension
Meeting: Regular
Quorum: Yes

Date: January 18, 2023
Called to Order: 4:30 p.m.
Adjourned: 5:32 p.m.

MEMBER ATTENDANCE:

John Adduci	President	Present
William Housey Jr.	Trustee	Absent
James King	Trustee	Present
Jim Monson	Trustee	Present
Anthony Terranova	Trustee	Present

Also Present:

Larry Noller	Finance Director
Patrick Brankin	Assistant Finance Director
Elisa Pollina	Recording Secretary

Public:

A. CALL TO ORDER

The **January 18, 2023** meeting of the Police Pension Board was called to order by President Adduci at **4:30 PM** at the Glen Ellyn Civic Center, Room 306.

B. PUBLIC COMMENT – None

C. APPROVAL OF MINUTES FROM OCTOBER 19, 2022 MEETING

MOTION TO APPROVE MINUTES FROM OCTOBER 19, 2022 POLICE PENSION BOARD MEETING

MOTION BY: James Monson, Trustee

SECONDED BY: James King, Trustee

RESULT: UNANIMOUS APPROVAL

D. Investment Report

1. IPOPIF - Finance Director Noller reports the quarterly and monthly reports have been added to the packet as requested. The fund was down 1.8 million at year end. The GE pension fund is in the 75th percentile of performance. Once the transition period is over the state will look at other investment options; currently the Police Pension breakdown is 70% stocks and 30% bonds. Trustee Terranova asks how much cash we are keeping on hand. Finance Director Noller states we were keeping 3 months of cash and will be changing to monthly transfers.

Motion to accept the investment report as presented.

Trustee Monson motions to accept the investment report as presented and Trustee Terranova seconds the motion.

RESULT:	Approval [UNANIMOUS]
MOVER:	James Monson, Trustee
SECONDER:	Anthony Terranova, Trustee
AYES:	Adduci, King, Monson, Terranova

E. Pension Expenses

1. Motion to approve the expense vouchers in the amount of \$1,667.01 and pension expenses in the amount of \$658,623.66 for a total of \$660,290.67.

Trustee Monson motions to approve the expense vouchers in the amount of \$1,667.01 and pension expenses in the amount of \$658,623.66 for a total of \$660,290.67; Trustee Terranova seconds the motion.

RESULT:	Approval [UNANIMOUS]
MOVER:	James Monson, Trustee
SECONDER:	Anthony Terranova, Trustee
AYES:	Adduci, King, Monson, Terranova

F. Approval of Membership Changes / Contribution Refunds / Transfers

1. Joe Nemchock retired on January 6, 2023. He is not eligible to collect his pension

until he turns 50 years old.

G. Annual Statutory Benefit Changes –

1. *Motion to approve annual statutory benefit changes as presented.* Trustee King motions to approve the annual statutory benefit changes as presented; Trustee Terranova seconds the motion.

RESULT:	Approval [UNANIMOUS]
MOVER:	James King, Trustee
SECONDER:	Anthony Terranova, Trustee
AYES:	Adduci, King, Monson, Terranova

H. Disability Pension Application

1. Motion to grant the Village's Motion to Intervene into the disability application of Thomas Hartzell. Finance Director Noller reports.

Trustee Monson motions to grant the Village's Motion to Intervene into the disability application of Thomas Hartzell; Trustee Terranova seconds the motion.

RESULT:	Approval [UNANIMOUS]
MOVER:	James Monson, Trustee
SECONDER:	Anthony Terranova, Trustee
AYES:	Adduci, King, Monson, Terranova

I. Disability Pension Continuation

1. Motion to continue Raymond Munch's disability benefits subject to further annual evaluations as required by Illinois statutes.

Trustee Monson motions to continue Raymond Munch's disability benefits subject to further annual evaluations as required by Illinois statutes. Trustee King seconds the motion

RESULT:	Approval [UNANIMOUS]
MOVER:	James Monson, Trustee
SECONDER:	James King, Trustee
AYES:	Adduci, King, Monson, Terranova

J. BMO Harris Bank Agreement

1. Motion to approve an account agreement for BMO Harris Bank N.A.

Trustee Terranova motions to approve an account agreement for BMO Harris Bank N.A.;

Trustee Monson seconds the motion.

RESULT:	Approval [UNANIMOUS]
MOVER:	Anthony Terranova, Trustee
SECONDER:	James Monson, Trustee
AYES:	Adduci, King, Monson, Terranova

K. Other Business

1. Review Trustee terms and election procedures: Finance Director Noller reports Lauterbach will help with the elections. Monson states those coming up for election will be for a 2 year term.

2. Administrative and accounting services update. Allison Barrett from Lauterbach introduces herself to the Police Pension Board and reviews the services that will be provided. She states there are 3 main services that we will be providing for Glen Ellyn Police Pension.

PSA – Professional Services Administered: elections and everything that is involved with the elections, we will send out affidavits to pensioners, prepare agendas for meetings, maintain all active member files (these will be scanned and digitized).

Accounting – We do everything except invest. We will reconcile your books, create monthly contribution reports, report to DOI and will do the municipal compliance reports

Pension Benefits Administration – service/purchase/transfer and confirmation letters to active members, verification letters, generate 1099 tax forms for preparing and filing, answer questions from pensioners and handle and assist them. We will have a toll free hotline for pensioners. There will also be a portal for Trustees to access information such as past meetings agendas and minutes as well as additional information housed in the portal.

Trustee Monson asks if we will still need to maintain our files. Barrett states yes you will.

Trustee Terranova ask what is the process for persons who retire but are too young to collect their pension. Barrett states for deferred pensioners on your DOI, we will work with Larry Noller on the pension benefit calculation and those individuals will be automatically paid out when eligible. We will reach out to them and give them the information.

President Adduci asks do you provide data extraction for the actuaries. Barrett states yes, the actuary will be able to go into the DOI software website to get the information as long as you give them access. This process will not change from what was done before.

3. Terranova states the annual training is in May. Finance Director Noller states Lauterbach will track, register and submit payment for the training.

L. Closed Session, if needed

M. ADJOURNMENT – Trustee King motions and Trustee Terranova seconds to adjourn the meeting.
The meeting was adjourned at 5:32 pm

RESULT:	Approval [UNANIMOUS]
MOVER:	James King, Trustee
SECONDER:	Anthony Terranova, Trustee
AYES:	Adduci, King, Monson, Terranova

Submitted by Elisa Pollina, Recording Secretary

Reviewed by Finance Director Noller

February 2023 Statement Notes

Statement Overview Moved

- The statement overview and explanation has been removed as the monthly report cover and has been posted online at <https://www.ipopif.org/reports/article-3-reports/>

NAV and Receivable Calculations Under Development

- The IPOPIF [Valuation and Cost Rule](#), AR-2022-01, stipulates that the Net Asset Value (NAV) for each Participating Police Pension Fund will include a proportionate share of the IFA Loan and also receivables representing proportionate amounts due from late-transferring pension funds.
- These calculations are still under development.

February Highlights

- The IPOPIF Pool (the main investment fund) declined 2.22% in February.
- Asset Flows
 - New Asset Transfers: \$24 million
 - Cash Contributions: \$72 million
 - Cash Withdrawals: \$23 million
- Total Fund ending value: \$8.858 billion
 - IPOPIF Pool: \$8.839 billion
 - Transition Pool \$16.8 million
 - Participant accounts: \$2.1 million
- Expenses
 - Administrative Expenses: \$198,410
 - Non-manager Investment Expenses: \$163,187
 - Investment Manager Fees \$13,699
 - Expenses are paid from the IPOPIF Pool

Resources

- Monthly financial reports: <https://www.ipopif.org/reports/monthly-financial-reports/>
- Monthly and quarterly investment reports are available on the IPOPIF website at <https://www.ipopif.org/reports/investment-reports/>
- Meeting Calendar: <https://www.ipopif.org/meetings/calendar/>



Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$35,685,292.26	\$33,923,872.56
Contributions	\$0.00	(\$0.04)
Withdrawals	(\$15,100.00)	(\$15,100.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$14,321.44	\$24,092.59
Administrative Expense	(\$795.29)	(\$1,116.98)
Investment Expense	(\$654.11)	(\$804.62)
Investment Manager Fees	(\$54.91)	(\$90.82)
IFA Loan Repayment	\$0.00	(\$4,276.98)
Realized Gain/Loss	\$1,545.57	\$1,222.48
Unrealized Gain/Loss	(\$808,850.54)	\$947,906.23
Ending Balance	\$34,875,704.42	\$34,875,704.42

Performance Summary:

	MTD	OTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	(2.22%)	2.87%	2.87%	N/A	N/A	N/A	N/A	(6.12%)	04/01/2022

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

GLEN ELLYN POLICE PENSION FUND

Fund Name: IPOPIF Pool

Month Ended: February 28, 2023



Market Value Summary:

	Current Period	Year to Date
Beginning Balance	\$35,685,292.26	\$33,923,872.52
Contributions	\$0.00	\$0.00
Withdrawals	(\$15,100.00)	(\$15,100.00)
Transfers In/Out	\$0.00	\$0.00
Income	\$14,321.44	\$24,092.59
Administrative Expense	(\$795.29)	(\$1,116.98)
Investment Expense	(\$654.11)	(\$804.62)
Investment Manager Fees	(\$54.91)	(\$90.82)
IFA Loan Repayment	\$0.00	(\$4,276.98)
Realized Gain/Loss	\$1,545.57	\$1,222.48
Unrealized Gain/Loss	(\$808,850.54)	\$947,906.23
Ending Balance	\$34,875,704.42	\$34,875,704.42

Unit Value Summary:

	Current Period	Year to Date
Beginning Units	3,577,008.318	3,577,008.318
Unit Purchases from Additions	0.000	0.000
Unit Sales from Withdrawals	(1,518.739)	(1,518.739)
Ending Units	3,575,489.578	3,575,489.578
Period Beginning Net Asset Value per Unit	\$9.976283	\$9.483855
Period Ending Net Asset Value per Unit	\$9.754094	\$9.754094

Performance Summary:

GLEN ELLYN POLICE PENSION FUND

	MTD	QTD	YTD	One Year	Three Years	Five Years	Ten Years	Inception to Date	Participant Inception Date
Net of Fees:	(2.22%)	2.87%	2.87%	N/A	N/A	N/A	N/A	(5.53%)	04/06/2022

Contact Information: Illinois Police Officers' Pension Investment Fund, 456 Fulton Street, Suite 402 Peoria, Illinois 61602 Phone: (309) 280-6464 Email: Info@ipopif.org

Statement of Transaction Detail for the Month Ending 02/28/2023

GLEN ELLYN POLICE PENSION FUND

Date	Description	Amount	Unit Value	Units
IPOPIF Pool				
02/13/2023	Redemptions	(100.00)	9.956277	(10.0439)
02/15/2023	Redemptions	(15,000.00)	9.942365	(1,508.6954)

Total Fund

Asset Allocation & Performance (preliminary)

Illinois Police Officers' Pension Investment Fund

Period Ending: February 28, 2023

	Market Value	% of Portfolio	Target (%)	1 Mo	3 Mo	Since 04/01/2022
Total Fund with Member Funds and Transition Accounts	8,858,278,672	100.0		-2.2	0.8	-6.2
Policy Index				-2.2	1.1	-6.6
Policy Index- Broad Based				-2.9	0.4	-10.0
IPOPIF Investment Portfolio	8,839,352,291	99.8	100.0	-2.2	0.9	-6.4
Policy Index				-2.2	1.1	-6.6
Policy Index- Broad Based				-2.9	0.4	-10.0
Growth	4,403,749,683	49.7	50.0	-3.0	1.3	-8.8
Growth Benchmark				-3.3	0.7	-9.8
RhumbLine Russell 1000 Index Fund	1,549,913,681	17.5	18.0	-2.4	-1.9	-11.4
Russell 1000 Index				-2.4	-1.9	-11.2
RhumbLine Russell 2000 Index Fund	436,202,659	4.9	5.0	-1.7	0.9	-7.4
Russell 2000 Index				-1.7	0.9	-7.2
SSgA Non-US Developed Index Fund	1,357,096,850	15.3	15.0	-2.3	5.2	-4.5
MSCI World ex U.S. (Net)				-2.3	5.2	-4.9
SSgA Non-US Developed SC Index Fund	450,268,110	5.1	5.0	-2.4	5.6	-9.9
MSCI World ex U.S. Small Cap Index (Net)				-2.4	5.6	-10.1
SSgA Emerging Markets Equity Index Fund	610,268,383	6.9	7.0	-7.0	-1.6	-12.6
MSCI Emerging Markets (Net)				-6.5	-0.5	-13.3
Income	1,401,349,288	15.8	16.0	-1.7	1.5	-7.3
Income Benchmark				-1.8	2.0	-5.0
SSgA High Yield Corporate Credit	874,571,978	9.9	10.0	-1.3	1.7	-5.3
Bloomberg U.S. High Yield Very Liquid Ind				-1.5	1.6	-5.1
SSgA EMD Hard Index Fund	526,777,310	5.9	6.0	-2.3	1.3	-9.8
JPM EMBI Global Diversified Index				-2.2	1.2	-8.5
Inflation Protection	772,075,879	8.7	9.0	-2.3	-0.8	-7.1
Inflation Protection Benchmark				-2.2	-0.5	-9.0
SSgA US TIPS Index Fund	256,486,970	2.9	3.0	-0.3	0.4	-2.6
Blmbg. U.S. TIPS 0-5 Year				-0.4	0.1	-2.2
SSgA REITs Index Fund	335,176,391	3.8	4.0	-4.9	0.0	-18.9
Dow Jones U.S. Select REIT				-4.9	0.0	-18.9
Principal USPA	180,412,518	2.0	2.0	0.1	-3.7	-

Policy Index constituents include 3% 90 day T-bill, 15% Bloomberg 1-3 Year Gov/Credit Index, 7% Bloomberg U.S. Aggregate Index, 3% Bloomberg U.S. TIPS 0-5 Year, 10% Bloomberg U.S. Corporate High Yield Index, 6% JPM EMBI Global Diversified, 18% Russell 1000, 5% Russell 2000, 15% MSCI World Ex US (Net), 5% MSCI World ex US Small Cap (Net), 7% MSCI Emerging Markets IMI (Net), 4% Wilshire US REIT Index and 2% NFI-ODCE Equal-Weight. Broad Based Policy Index constituents: 70% MSCI ACWI IMI (Net), 30% Bloomberg Global Multiverse. Prior to July 2022, SSgA EMD Hard Index Fund was iShares JPM EMD Index ETF and benchmark returns reflect JPM EMBI Global Core Index. The Principal USPA real estate fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability.

Total Fund
Asset Allocation & Performance (preliminary)

Illinois Police Officers' Pension Investment Fund
Period Ending: February 28, 2023

	Market Value	% of Portfolio	Target (%)	1 Mo	3 Mo	Since 04/01/2022
Risk Mitigation	2,262,177,440	25.5	25.0	-1.1	0.3	-2.5
<i>Risk Mitigation Benchmark</i>				-1.1	0.3	-2.5
SSgA Core Fixed Income Index Fund	603,994,976	6.8	7.0	-2.6	0.0	-7.2
<i>Blmbg. U.S. Aggregate Index</i>				-2.6	0.0	-7.1
SSgA Short-Term Gov't/Credit Index Fund	1,288,424,928	14.5	15.0	-0.7	0.3	-1.1
<i>Blmbg. 1-3 Year Gov/Credit index</i>				-0.7	0.2	-1.2
Cash	369,757,536	4.2	3.0	0.3	0.8	1.4
<i>90 Day U.S. Treasury Bill</i>				0.3	1.0	2.1
Transition Accounts	16,847,372	0.2	-			
Member Funds	2,079,010	0.0	-			

Policy Index constituents include 3% 90 day T-bill, 15% Bloomberg 1-3 Year Gov/Credit Index, 7% Bloomberg U.S. Aggregate Index, 3% Bloomberg U.S. TIPS 0-5 Year, 10% Bloomberg U.S. Corporate High Yield Index, 6% JPM EMBI Global Diversified, 18% Russell 1000, 5% Russell 2000, 15% MSCI World Ex US (Net), 5% MSCI World ex US Small Cap (Net), 7% MSCI Emerging Markets IMI (Net), 4% Wilshire US REIT Index and 2% NFI-ODCE Equal-Weight. Broad Based Policy Index constituents: 70% MSCI ACWI IMI (Net), 30% Bloomberg Global Multiverse. Prior to July 2022, SSgA EMD Hard Index Fund was iShares JPM EMD Index ETF and benchmark returns reflect JPM EMBI Global Core Index. The Principal USPA real estate fund is benchmarked against the NCREIF ODCE index on a quarterly basis and against itself for the purpose of monthly flash reports due to quarterly index data availability.



**Glen Ellyn Police Pension
Board**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 4/19/2023 4:30 PM
Department: Finance
Department Head: Larry Noller
Category: Resolution
Prepared By: Larry Noller

**AGENDA ITEM (ID # 2023-
337)**

DOC ID: 2023-337

Motion to approve a Resolution Appointing Authorized Agents.

Statement of the Issue:

IPOPIF has requested that pension funds provide an updated resolution appointing the fund's authorized agents.

Analysis:

Budget Impact:

Contribution to Strategic Plan (if applicable)

Action Requested:

Motion to approve a Resolution Appointing Authorized Agents

Attachments:

1. IPOPIF Letter 03-02-2023
2. Resolution 2023-01

IPOPIF

March 2, 2023

BOARD MEMBERS**Shawn Curry**

Participant Representative
Peoria, IL

Lee Catavu

Participant Representative
Aurora, IL

Paul Swanlund

Participant Representative
Bloomington, IL

Daniel Hopkins

Beneficiary Representative
Collinsville, IL

Mark Poulos

Beneficiary Representative
Rock Island, IL

Elizabeth Holleb

Municipal Representative
Lake Forest, IL

Michael Inman

Municipal Representative
Macomb, IL

Phil Suess

Municipal Representative
Wheaton, IL

Brad Cole

Illinois Municipal League
Representative
Carbondale, IL

To the Article 3 Police Pension Fund Board Members:

Please find enclosed in this mailing, a couple of forms for your review and necessary action that will assist the Consolidated Police Fund with our future communications between your fund and us.

The first form for your review is **Administrative Rule 2023-01** which was passed by the IPOPIF Board of Trustees on February 10, 2023. This new administrative rule will enable your fund to appoint authorized agents for interactions with the IPOPIF in the post-transition period.

This rule replaces the Administrative Rule 2021-03 which appointed authorized agents during the transition period. It is anticipated that the IPOPIF will continue to accept the authorized agents appointed under this rule, but it would be appreciated if **Administrative Rule 2023-01** could be updated at this time now that the transition of assets process is completed, and used for any future appointments or changes that are made to the authorized agents.

In addition, Administrative Rule 2021-01 Appointment of Authorized Representatives has been repealed. This is no longer a valid appointment form and has been replaced by **Administrative Rule 2023-01**.

The second form enclosed in the mailing is a roster for listing the names and contact information of all Board Members of your Article 3 police pension fund.

The information on this form will be used internally by the IPOPIF and kept in our database for any necessary interactions, if any, between us and the board member(s). This information will not be disseminated or shared with any entity outside of the IPOPIF. There is also an ability to use this form to sign-up for the IPOPIF newsletter which is sent out on a monthly basis with information about the IPOPIF.

In conclusion, your attention to these requests is appreciated and I would like to emphasize that Illinois Police Officers' Pension Investment Fund is a transparent, trusted and financially responsible steward of the pension assets entrusted to our care, and we will diligently serve all our stakeholders.

Thank you for your time and for your service on behalf of your members and communities. We look forward to working with you.

Sincerely,



Richard White, Executive Director

**RESOLUTION:
APPOINTING PENSION FUND AUTHORIZED AGENTS**

2023-01
No. _____

WHEREAS, the Village of Glen Ellyn Participating Police Pension Fund (the “Pension Fund”) is established pursuant to Article 3 of the Illinois Pension Code; and

WHEREAS, Public Act 101-610 established the Police Officers’ Pension Investment Fund (“IPOPIF”) to take custody of, manage, and invest reserves, funds, assets, securities, and monies of the Pension Fund (hereinafter the “Pension Fund Assets”); and

WHEREAS, the Pension Fund transferred its Pension Fund Assets (hereinafter the “Investment Assets”) to IPOPIF in accordance with Section 22B-120 of the Illinois Pension Code; and

WHEREAS, pursuant to Section 22B-120(d) of the Pension Code, IPOPIF has assumed fiduciary control of the Investment Assets; and

WHEREAS, the Participating Police Pension Fund will continue to receive and exchange information and conduct financial transactions with the IPOPIF;

WHEREAS, the Authorized Agent shall have the following powers and duties:

- A. To promptly forward to the Board of Trustees of their Participating Police Pension Fund all communications, notices, reports, and other documents delivered to the Authorized Agent by the IPOPIF.
- B. To execute authorizations and consents for the Participating Police Pension Fund to share information with the IPOPIF, all investment account related information and such other information relating to the Participating Police Pension Fund as is necessary for the administration of the IPOPIF investment trust fund.
- C. To take such other actions on behalf of the Participating Police Pension Fund as may be required or advisable to carry out the purposes and intent of this Administrative Rule and to assist the IPOPIF as necessary.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Participating Police Pension Fund, acting pursuant to Sections 3-132.1 and 22B-120 of the Illinois Pension Code, IPOPIF Rule 2023-01 and other applicable laws and rules, as follows:

Section 1: The above recitals are incorporated by reference as if fully stated herein.

Section 2: The following persons are appointed as the Participating Police Pension Fund's Authorized Agents:

Name: Larry Noller

Mailing Address: 535 Duane St

City: Glen Ellyn

State, Zip Code: IL, 60137

Phone: 630-547-5215

Email: lnoller@glenellyn.org

Name: James Monson

Mailing Address: 65 S. Park Blvd

City: Glen Ellyn

State, Zip Code: IL, 60137

Phone: 630-547-5450

Email: jmonson@glenellyn.org

Section 3: Each Authorized Agent is authorized and directed to take actions on behalf of the Participating Police Pension Fund as may be required or advisable to carry out the purposes and intent of this resolution and that any and all actions heretofore or hereafter taken by each Authorized Agent be approved, ratified, and confirmed.

Section 4: A certified copy of this resolution be delivered to IPOPIF.

Section 5: This resolution shall supersede any resolution or motions, or parts of resolutions or motions, in conflict with any part herein, and any such resolutions or motions, or part thereof, are hereby repealed.

Section 6: If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any of the remaining provisions of this resolution.

Section 7: The Board of Trustees of the Participating Police Pension Fund reserves the right to revoke or amend this resolution Appointing Authorized Agents at any time. Any such revocation or amendment shall be in writing, adopted by resolution of the Board of Trustees of the Pension Fund, and a certified copy of the same delivered to IPOPIF.

ADOPTED this _____ day of _____, 2023 by a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

President, Board of Trustees

Police Pension Fund

Pension Fund Board Secretary

STATE OF ILLINOIS)
)
) SS
COUNTY OF _____)

I, _____, the duly qualified and acting Secretary of the Board of Trustees of the _____ Police Pension Fund, _____ County, Illinois, do hereby certify that attached hereto is a true and correct copy of a Resolution entitled:

RESOLUTION NO. _____

I do further certify that a quorum of said Board of Trustees was present at said meeting, and that the Board of Trustees complied with all the requirements of the Illinois Open Meetings Act.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

Secretary, Board of Trustees

Police Pension Fund



**Glen Ellyn Police Pension
Board**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 4/19/2023 4:30 PM
Department: Finance
Department Head: Larry Noller
Category: Purchase
Prepared By: Larry Noller

**AGENDA ITEM (ID # 2023-
339)**

DOC ID: 2023-339

Motion to approve renewal of a fiduciary insurance policy with Rockwood Company/Travelers Insurance

Statement of the Issue:

The Police Pension Board is required to have a fiduciary insurance policy. This policy must be renewed each year.

Analysis:

Rockwood company provided the attached quote to continue the Fund's current fiduciary insurance policy with Travelers Insurance. The representative from Rockwood noted that the premium increased from \$5,711 to \$5,912 due to the participants increasing 4% and assets and contributions increasing 7%.

Budget Impact:

The premium for the fiduciary insurance renewal is \$5,912.

Contribution to Strategic Plan (if applicable)

Action Requested:

Motion to approve renewal of fiduciary liability insurance policy with Rockwood Company (Travelers Insurance) in the amount of \$5,680.00.

Attachments:

1. Renewal Quote 2023



Adele Korczak

PO Box 2950
Hartford, CT 06104-2950
Phone: (630) 961-7035
Fax: (630)961-7020
Email: AKORCZAK@travelers.com

March 17, 2023

Amy C. Homer
ROCKWOOD COMPANY
20 N WACKER DR STE 600

RE: Benefit Plan:	VILLAGE OF GLEN ELLYN POLICE PENSION 535 DUANE STREET GLEN ELLYN, IL 60137
Insurance Representative:	PATRICK BRANKIN 535 DUANE STREET GLEN ELLYN, IL 60137
Expiring Policy Number:	106082905
Policy Period:	May 1, 2023 to May 1, 2024

Dear Amy C. Homer:

On behalf of **Travelers Casualty and Surety Company of America** we are pleased to provide the attached proposal of insurance for your review.

The quotes contained in this document are valid until the expiration of your current policy, and are subject to the provision of, and Travelers' review and acceptance of, the required underwriting information noted in the Contingencies section. Travelers reserves the right to change the quotes in this document, or to refuse to bind coverage entirely, based on review of the required underwriting information or based on adverse change in the risk(s) to be insured prior to the quote expiration date noted in this document.

Please note that we require a response to this document prior to expiration of the Insured's current policy in order to facilitate policy renewal. The insured's current policy will expire and not be renewed in the absence of a request, and Travelers' agreement, to bind coverage.

Travelers is pleased to offer Risk Management PLUS+ Online[®], the industry's most comprehensive program for mitigating your management liability exposures, which is available to you at no additional cost. Please visit www.rmplusonline.com to view the services that are available. If you have additional questions about the site please contact your Underwriter.

Travelers Casualty and Surety Company of America, a subsidiary of The Travelers Companies, Inc., has consistently earned high ratings for financial strength and claims-paying ability from independent rating services, including a current A.M. Best rating of A++*. Founded in 1853, The Travelers Companies, Inc. is a Fortune 500 company, a component of the Dow Jones Industrial Average, and a leading provider of property casualty insurance for businesses.

Thank you for considering Travelers for your client's insurance coverages. We look forward to discussing this opportunity with you.

Sincerely,

Adele Korczak

Travelers Bond & Specialty Insurance

*A.M. Best's rating of A++ applies to Travelers Casualty and Surety Company of America as well as to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit www.travelers.com. Ratings listed herein are as of July 2022, are used with permission, and are subject to changes by the rating services. For the latest rating, access www.ambest.com.

Travelers Casualty and Surety Company of America
QUOTE OPTION #1

LIABILITY COVERAGES:

Coverage	Limit	Additional Defense Limit	Retention	Continuity Date	Prior & Pending Proceeding Date
Designated Benefit Plan Fiduciary Liability	\$1,000,000 for all Claims	N/A	\$10,000(A) for each Claim under Insuring Agreement A	05/01/2002	05/01/2002

TOTAL ANNUAL PREMIUM - \$5,912.00

(Other term options listed below, if available)

COVERAGE DETAILS:

Settlement Program Limit of Liability: \$100,000 for each **Settlement Program Notice**, which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

HIPAA Limit of Liability: \$25,000 which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

502(c) Penalties Limit of Liability: N/A which amount is included within, and not in addition to, any applicable Designated Benefit Plan Fiduciary limit of liability

EXTENDED REPORTING PERIOD AND RUN-OFF:

Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: 75%
Additional Months: 12

Run-Off Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: N/A
Additional Months: N/A

CLAIM DEFENSE FOR ASSOCIATION MANAGEMENT LIABILITY COVERAGE, LIABILITY COVERAGES AND/OR CYBER COVERAGE:

Duty to Defend

ANNUAL REINSTATEMENT:

Liability Coverage Limit of Liability: N/A

PREMIUM DETAIL:

Term	Payment Type	Premium	Taxes	Surcharges	Total Premium	Total Term Premium
1 Year	Prepaid	\$5,912.00	\$0.00	\$0.00	\$5,912.00	\$5,912.00

POLICY FORMS APPLICABLE TO QUOTE OPTION # 1:

DBP-15001-1112 Designated Benefit Plan Fiduciary Liability Coverage Declarations
DBP-16001-1112 Designated Benefit Plan Fiduciary Liability Coverage

ENDORSEMENTS APPLICABLE TO QUOTE OPTION # 1:

AFE-19029-0719 Cap On Losses From Certified Acts Of Terrorism Endorsement
AFE-19030-0920 Federal Terrorism Risk Insurance Act Disclosure Endorsement
DBP-17014-1218 Illinois Changes Endorsement

DBP-19001-1112
DBP-19003-1112
DBP-19083-0315

Designation of Insurance Representative Endorsement
Governmental Plan Endorsement
Global Coverage Compliance Endorsement

CONTINGENCIES APPLICABLE TO QUOTE OPTION # 1:

This quote is contingent on the acceptable underwriting review of the following information prior to the quote expiration date.

None

QUOTE NOTES:

We will continue to monitor the Funding Ratio and active participants. If they decline we may need to get off account.

NOTICES:

It is the agent's or broker's responsibility to comply with any applicable laws regarding disclosure to the policyholder of commission or other compensation we pay, if any, in connection with this policy or program.

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, P.O. Box 2950, Hartford, CT 06104-2950.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA"), establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is no more than one percent of your premium, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA. Please note that no separate additional premium charge has been made for coverage for Insured Losses covered by TRIA. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium.

Coverage Disclaimer:

THIS QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS

AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.

THE PRECEDING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.



PO Box 2950
Hartford, CT 06104-2950

Toll-Free ERISA HelpLine

As part of the services provided through Risk Management PLUS+ Online®, Travelers Bond & Specialty Insurance is pleased to provide its Fiduciary Liability policyholders with access to the ERISA HelpLine, a toll-free hotline designed for quick, practical guidance on day-to-day workplace issues.

To utilize the HelpLine, call **1-888-401KLAW (1-888-401-5529)**.

Through the ERISA HelpLine, policyholders are eligible for a consultation with an ERISA attorney from the law firm of Jackson Lewis P.C. at no charge. Jackson Lewis P.C., one of the largest law firms in the country, is exclusively dedicated to representing management on workplace issues. With more than 950 attorneys throughout the U.S. and Puerto Rico, the firm has both a recognized expertise in workplace-related issues and a dedicated ERISA practice.

The ERISA HelpLine is designed to provide general guidance on issues relating to employee benefits and ERISA law. From reviewing potential compliance pitfalls to defending employers and plan sponsors in adversary proceedings and appeals under internal agency procedures, attorneys from Jackson Lewis P.C. are there to help you. The ERISA HelpLine is available toll-free from anywhere in the United States.

We encourage policyholders to take advantage of this no-cost hotline. For more information about the hotline, go to www.rmplusonline.com/ERISAHelpLine.

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

Travelers Casualty and Surety Company of America, and its property casualty affiliates, PO Box 2950, Hartford, CT 06104-2950.



PO Box 2950
Hartford, CT 06104-2950

March 17, 2023

VILLAGE OF GLEN ELLYN POLICE PENSION
535 DUANE STREET
GLEN ELLYN, IL 60137

Re: Important Information about Claims Information Line

Dear VILLAGE OF GLEN ELLYN POLICE PENSION

Travelers Bond & Specialty Insurance is pleased to announce its **1-800-842-8496** Claims Information Line. This line is designed to provide insureds with an additional resource on how to report claims or those circumstances or events which may become claims.

Policyholders will be able to obtain assistance on the following topics from the Claims Information Line:

- The information that needs to be included with the claim notice
- The address, electronic mail address and/or facsimile number to which the policyholder can send claims related information
- Get questions on the claim process answered

The Declarations Page of your policy sets forth where you should report claims and claims related information. You should also review the policy's reporting requirements to be aware of how much time you have to report a claim to Travelers. The sooner Travelers is notified, the sooner we can become involved in the process and offer assistance to our policyholder. A delay in reporting may result in all or part of a matter to fall outside of the coverage provided.

The Claims Information Line should streamline the claim reporting process and allow policyholders to ask questions on what information is needed as well as other questions which will assist them in working with Travelers. While the Claims Information Line provides policyholders a valuable resource by answering questions and providing information, the line does not replace the reporting requirements contained in the Policy.

We hope this improvement to customer service is something our policyholders will find helps them understand the claim process and provides them a resource for reporting.



P.O. Box 2950
Hartford, CT 06104-2950

3/17/2023

VILLAGE OF GLEN ELLYN POLICE PENSION

535 DUANE STREET
GLEN ELLYN, IL 60137

RE: Risk Management PLUS+ Online® from Travelers Bond & Specialty Insurance (www.rmplusonline.com)

As a Travelers Bond & Specialty Insured you receive risk management services, at no additional cost, to help protect you and your business.

Risk Management PLUS+ Online, is a robust website to assist you in the mitigation of risk relative to employment practices, directors and officers, fiduciary liability, cyber, crime, kidnap & ransom, and identity fraud exposures.

Highlights of Risk Management PLUS+ Online include:

- ☒ Thousands of articles on a variety of risk management topics
- ☒ Topical webinars and podcasts on current issues
- ☒ Checklists to assist in managing risk
- ☒ Web based training
- ☒ Model Employee Handbook, including policies and forms for downloading or printing that reduce risks in the workplace.

The following Risk Management PLUS+ Online Registration Instructions contain easy, step-by-step instructions to register for this valuable tool. For more information, call 1-888-712-7667 and ask for your Risk Management PLUS+ Online representative. It's that simple.

Thank you for choosing Travelers Bond & Specialty Insurance for your insurance needs. Travelers is a market leader in providing management liability and crime coverages that are specifically customized for your organization.

Instructions for Registration & Orientation to Risk Management PLUS+ Online®

Registration for Site Administrators:

The Site Administrator is the person in your organization who will oversee Risk Management PLUS+ Online for the organization. The Site Administrator is typically a person who leads human resources and/or financial functions or is responsible for legal matters pertaining to personnel. The Site Administrator may add other Site Administrators later to assist with their responsibilities. To register:

1. Go to www.rmplusonline.com.
2. In the Sign-In box, click **Register**.
3. Enter the password/passcode: TRVP120000
4. Fill in the Registration Information and click **Submit**.
5. Your organization is registered, and you are registered as Site Administrator.

Learning to Navigate the Site:

1. Go to www.rmplusonline.com. On each page, you will see a box outlined in blue that contains the instructions for use of that page.
2. If you have any questions, just click on **Contact Us** on the front page. Enter your question in the form provided, and the System Administrator will get back to you quickly with the answer.
3. You can also schedule a live walk-through of the site by sending a request for a walk-through via the contact link on the front page.

This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Independent Agent And Broker Compensation Notice

For information on how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html.

Or write or call:

Travelers, Agency Compensation
P.O. Box 2950
Hartford, Connecticut 06104-2950
(866) 904.8348

This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Illinois Religious Freedom Protection And Civil Union Act Notice

The Illinois Religious Freedom Protection and Civil Union Act provides that persons of the same or opposite sex who enter into a civil union must be afforded the same obligations, protections, and legal rights as married persons. This law became effective June 1, 2011, and is designed to ensure that civil unions and marriage are treated identically under Illinois law. In accordance with law, this policy will be interpreted to provide the same benefits and protections to persons in a civil union or in a marriage.

This endorsement modifies any Coverage Part or Coverage Form included in this Policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended.

Cap On Losses From Certified Acts Of Terrorism Endorsement

The following is added to this Policy. This provision can limit coverage for any loss arising out of a *Certified Act Of Terrorism* if such loss is otherwise covered by this Policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of *Certified Acts Of Terrorism* in another endorsement to this policy.

If aggregate insured losses attributable to *Certified Acts Of Terrorism* exceed \$100 billion in a calendar year and the Insurer has met its insurer deductible under *TRIA*, the Insurer will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Certified Act Of Terrorism means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of *TRIA*, to be an act of terrorism pursuant to *TRIA*. The criteria contained in *TRIA* for a *Certified Act Of Terrorism* include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to *TRIA*; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

TRIA means the federal Terrorism Risk Insurance Act of 2002 as amended.

This endorsement modifies any Coverage Part or Coverage Form included in this Policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended.

Federal Terrorism Risk Insurance Act Disclosure Endorsement

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA"), establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is no more than one percent of your premium, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA. Please note that no separate additional premium charge has been made for coverage for Insured Losses covered by TRIA. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium.



DESIGNATED BENEFIT PLAN FIDUCIARY LIABILITY COVERAGE

**THIS IS A CLAIMS MADE COVERAGE WITH DEFENSE EXPENSES INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ ALL TERMS CAREFULLY.**

I. INSURING AGREEMENTS

- A. The Company will pay on behalf of the **Insured, Loss** for any **Claim** first made during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period, for a **Wrongful Act**.
- B. The Company will pay on behalf of the **Insured, Settlement Fees** and **Defense Expenses** incurred by the **Insured** in connection with any **Settlement Program Notice**; provided that participation by the **Insured** in any **Settlement Program** commences during the **Policy Period** or, if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period.

II. DEFINITIONS

Wherever appearing in this **Policy**, the following words and phrases appearing in bold type will have the meanings set forth in this section II. DEFINITIONS:

- A. **Additional Defense Limit of Liability** means the amount set forth in ITEM 5 of the Declarations. If "Not Applicable" is selected for the **Additional Defense Limit of Liability**, then any reference to the **Additional Defense Limit of Liability** will be deemed to be deleted from this **Policy**.
- B. **Administration** means:
 - 1. giving counsel, advice, or notice to participants or beneficiaries with respect to a **Benefit Plan**;
 - 2. interpreting a **Benefit Plan**;
 - 3. handling records in connection with a **Benefit Plan**; or
 - 4. effecting enrollment, termination or cancellation of participants or beneficiaries under a **Benefit Plan**.
- C. **Annual Reinstatement of the Limit of Liability** means, if included in ITEM 10 of the Declarations, the reinstatement of each applicable limit of liability for each **Policy Year** during the **Policy Period**.
- D. **Application** means the application deemed to be attached to and forming a part of this **Policy**, including any materials submitted and statements made in connection with that application. If the **Application** uses terms or phrases that differ from the terms defined in this **Policy**, no inconsistency between any term or phrase used in the **Application** and any term defined in this **Policy** will waive or change any of the terms, conditions and limitations of this **Policy**.
- E. **Benefit Plan** means only those plans or trusts set forth in ITEM 1 of the Declarations or those plans or trusts designated within an endorsement to this **Policy**.
- F. **Benefit Plan Committee** means any committee of the **Benefit Plan**, including any **Benefit Plan** investment or administration committee, that is established by the **Benefit Plan** and that is comprised entirely of **Insured Persons**.

- G. *Benefit Plan Official*** means a natural person officer, including any executive director or functional equivalent thereof; member of the board of trustees; in-house risk manager; or in-house general counsel of the **Benefit Plan**.
- H. *Change of Control*** means:
1. the full assumption of fiduciary responsibilities or **Administration**, with respect to a **Benefit Plan** by one or more other persons or entities; or
 2. the acquisition of a **Benefit Plan**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of a **Benefit Plan** into or with another entity or employee benefit plan such that the **Benefit Plan** is not the surviving entity.
- I. *Claim*** means:
1. a written demand for monetary damages or non-monetary relief;
 2. a civil proceeding commenced by service of a complaint or similar pleading;
 3. a criminal proceeding commenced by filing of charges;
 4. a formal administrative or regulatory proceeding commenced by filing of a notice of charges, formal investigative order, service of summons or similar document, including a fact-finding investigation by the Department of Labor or the Pension Benefit Guaranty Corporation;
 5. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
 6. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding,
- against an **Insured** for a **Wrongful Act**.
- A **Claim** will be deemed to have been made on the earliest date written notice thereof is received by an **Insured**.
- J. *Defense Expenses*** means reasonable and necessary legal fees and expenses incurred by the Company or the **Insured**, with the Company's consent, in the investigation, defense, settlement and appeal of a **Claim**, including cost of expert consultants and witnesses, premiums for appeal, injunction, attachment or supersedeas bonds (without the obligation to furnish such bonds) regarding such **Claim**; provided that **Defense Expenses** will not include the salaries, wages, benefits or overhead of, or paid to, any **Insured** or any employee of such **Insured**.
- K. *HIPAA*** means the Health Insurance Portability and Accountability Act of 1996, as amended.
- L. *Insurance Representative*** means the entity or person so designated by endorsement to this **Policy** .
- M. *Insured*** means:
1. the **Insured Persons**;
 2. any **Benefit Plan**; and
 3. any **Benefit Plan Committee** in its capacity as a fiduciary or trustee of a **Benefit Plan**, or in its **Administration** of a **Benefit Plan**.

- N. *Insured Person*** means any natural person who was, is now or becomes a trustee; committee member; officer; in-house general counsel; or employee of a **Benefit Plan**, but only while acting in his or her capacity as a fiduciary of a **Benefit Plan** or as a person performing **Administration**.
- In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** against the estate, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** will be deemed to be a **Claim** against such **Insured Person**.
- O. *Loss*** means **Defense Expenses** and money which an **Insured** is legally obligated to pay as a result of a **Claim**, including settlements; judgments; compensatory damages; punitive or exemplary damages or the multiple portion of any multiplied damage award if insurable under the applicable law most favorable to the insurability of punitive, exemplary, or multiplied damages; prejudgment and post judgment interest; and legal fees and expenses awarded pursuant to a court order or judgment; and solely with respect to section I. INSURING AGREEMENTS B. of this **Policy**, **Settlement Fees**. **Loss** does not include:
1. civil or criminal fines (except **Settlement Fees** pursuant to Insuring Agreement B.; **Section 502(c) Penalties**; civil penalties under Sections 502(i) and 502(l) of the Employee Retirement Income Security Act of 1974, as amended; or civil penalties under the privacy provisions of **HIPAA**); sanctions; liquidated damages; payroll or other taxes; or damages or types of relief deemed uninsurable under applicable law;
 2. payment of medical benefits, pension benefits, severance, or any other benefit provided under a **Benefit Plan** which are or may become due, except to the extent that such sums are payable as a personal obligation of an **Insured Person**, because of such **Insured Person's Wrongful Act**; provided that this exclusion will not apply to:
 - a. the Company's obligation to defend any **Claim**, if applicable, or to pay, advance or reimburse **Defense Expenses**, regarding a **Claim** seeking such benefits; or
 - b. that portion of any damage, settlement or judgment covered as **Loss** under this **Policy** that represents a loss to any **Benefit Plan**, or loss to any account of a participant in any **Benefit Plan**, by reason of a change in value of any investments held by such **Benefit Plan** or such account, notwithstanding that such portion of any such damage, settlement or judgment has been characterized by plaintiffs, or held by a court of law, to be "benefits"; or
 3. any amount allocated to non-covered loss pursuant to section V. CONDITIONS, R. ALLOCATION, of this **Policy**.
- P. *Policy*** means, collectively, the Declarations, the **Application**, this Designated Benefit Plan Fiduciary Liability Coverage, and any endorsements attached hereto.
- Q. *Policy Period*** means the period from the Inception Date to the Expiration Date set forth in ITEM 3 of the Declarations. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Policy**.
- R. *Policy Year*** means:
1. the period of one year following the Inception Date set forth in ITEM 3 of the Declarations or any anniversary thereof; and
 2. the time between the Inception Date set forth in ITEM 3 of the Declarations or any anniversary thereof and the effective date of cancellation or termination of this **Policy** if such time period is less than one year.
- S. *Pollutant*** means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- T. **Potential Claim** means any **Wrongful Act** that may subsequently give rise to a **Claim**.
- U. **Related Wrongful Act** means all **Wrongful Acts** that have as a common nexus, or are causally connected by reason of, any fact, circumstance, situation, event or decision.
- V. **Section 502(c) Penalties** means civil penalties imposed on any **Insured** pursuant to Section 502(c) of the Employee Retirement Income Security Act of 1974, as amended.
- W. **Settlement Fees** mean any fees, penalties or sanctions imposed by law under a **Settlement Program** that any **Insured** becomes legally obligated to pay as a result of a **Wrongful Act**. **Settlement Fees** will not include any costs or expenses other than such fees, penalties or sanctions.
- X. **Settlement Program** means any voluntary compliance resolution program or similar voluntary settlement program, administered by the Internal Revenue Service or Department of Labor of the United States, including the Employee Plans Compliance Resolution System, the Self Correction Program, the Audit Closing Agreement Plan, the Delinquent Filer Voluntary Compliance program, and the Voluntary Fiduciary Correction program, entered into by a **Benefit Plan**.
- Y. **Settlement Program Notice** means a prior written notice to the Company by the **Insured** of the **Insured's** intent to enter into a **Settlement Program**.
- Z. **Wrongful Act** means:
1. any actual or alleged breach of fiduciary duty by or on behalf of the **Insured** with respect to any **Benefit Plan**, including:
 - a. any actual or alleged breach of duties, obligations and responsibilities imposed by the Employee Retirement Income Security Act of 1974, as amended, COBRA, HIPAA, or by any similar or related federal, state, local, or foreign law or regulation, in the discharge of the **Insured's** duties with respect to a **Benefit Plan**; or
 - b. any other matter claimed against an **Insured** solely because of the **Insured's** status as a fiduciary of a **Benefit Plan**; or
 2. any actual or alleged negligent act, error or omission by or on behalf of the **Insured** in the **Administration** of a **Benefit Plan**.

All **Related Wrongful Acts** are a single **Wrongful Act** for purposes of this **Policy**, and all **Related Wrongful Acts** will be deemed to have occurred at the time the first of such **Related Wrongful Acts** occurred whether prior to or during the **Policy Period**.

III. EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO ALL LOSS

1. The Company will not be liable for **Loss** for any **Claim** for any damage to, or destruction of, loss of, or loss of use of, any tangible property including damage to, destruction of, loss of, or loss of use of, tangible property that results from inadequate or insufficient protection from soil or ground water movement, soil subsidence, mold, toxic mold, spores, mildew, fungus, or wet or dry rot.
2. The Company will not be liable for **Loss** for any **Claim** for any bodily injury, sickness, disease, death, loss of consortium, emotional distress, mental anguish, or humiliation.
3. The Company will not be liable for **Loss** for any **Claim**:
 - a. based upon or arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant**;

- b. based upon or arising out of any request, demand, order, or statutory or regulatory requirement that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any **Pollutant**, or
- c. brought by or on behalf of any governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, any **Pollutant**;

provided this exclusion will not apply to any **Claim** by or on behalf of a beneficiary of, or participant in, any **Benefit Plan** based upon, arising from or in consequence of the diminution in value of any securities owned by the **Benefit Plan** in any organization if such diminution in value is allegedly as a result of a **Pollutant**.

- 4. The Company will not be liable for **Loss** for any **Claim** for any liability of others assumed by an **Insured** under any contract or agreement, whether oral or written, other than a **Benefit Plan**, except to the extent that the **Insured** would have been liable in the absence of such contract or agreement.
- 5. The Company will not be liable for **Loss** for any **Claim** for any violation of responsibilities, duties or obligations under any law concerning Social Security, unemployment insurance, workers' compensation, disability insurance, or any similar or related federal, state or local law or regulation other than COBRA, **HIPAA** or the Employee Retirement Income Security Act of 1974, including amendments thereto and regulations promulgated thereunder or any similar common or statutory law.
- 6. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any fact, circumstance, situation, event or **Wrongful Act** underlying or alleged in any prior or pending civil, criminal, administrative or regulatory proceeding against any **Insured** as of or prior to the applicable Prior and Pending Proceeding Date set forth in ITEM 5 of the Declarations for this **Policy**.
- 7. The Company will not be liable for **Loss** for any **Claim** for any fact, circumstance, situation or event that is or reasonably would be regarded as the basis for a claim about which any **Benefit Plan Official** had knowledge prior to the applicable Continuity Date set forth in ITEM 5 of the Declarations for this **Policy**.
- 8. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any fact, circumstance, situation, event, or **Wrongful Act** which, before the Inception Date set forth in ITEM 3 of the Declarations, was the subject of any notice of claim or potential claim given by or on behalf of any **Insured** under any policy of insurance of which this **Policy** is a direct renewal or replacement or which it succeeds in time.

B. EXCLUSIONS APPLICABLE TO LOSS, OTHER THAN DEFENSE EXPENSES

- 1. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** based upon or arising out of any **Insured**:
 - a. committing any intentionally dishonest or fraudulent act or omission;
 - b. committing any willful violation of any statute, rule, or law; or
 - c. gaining any profit, remuneration or advantage to which such **Insured** was not legally entitled;

provided that this exclusion will not apply unless a final adjudication establishes that such **Insured** committed such intentionally dishonest or fraudulent act or omission, willful violation of any

statute, rule or law, or gained such profit, remuneration or advantage to which such **Insured** was not legally entitled.

2. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** seeking costs and expenses incurred or to be incurred to comply with an order, judgment or award of injunctive or other equitable relief of any kind, or that portion of a settlement encompassing injunctive or other equitable relief, including actual or anticipated costs and expenses associated with or arising from an **Insured's** obligation to provide reasonable accommodation under, or otherwise comply with, the Americans With Disabilities Act or the Rehabilitation Act of 1973, including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation.
3. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim**:
 - a. based upon or arising out of the failure to collect from employers any contributions owed to a **Benefit Plan**, unless the failure is the result of a negligence by any **Insured**; or
 - b. for the return of any contributions to any employer if such amounts are or could be chargeable to a **Benefit Plan**.

C. EXCLUSIONS APPLICABLE TO INSURING AGREEMENT B

The Company will pay no **Settlement Fees** or **Defense Expenses** with respect to any **Claim** or investigation in connection with a **Settlement Program**, of which any **Insured** first became aware or received notice prior to the applicable Prior and Pending Proceeding Date set forth in ITEM 5 of the Declarations for this **Policy**.

IV. SEVERABILITY OF EXCLUSIONS

No conduct of any **Insured** will be imputed to any other **Insured** to determine the application of any of the exclusions set forth in section III. EXCLUSIONS above.

V. CONDITIONS

A. TERRITORY

This **Policy** applies to **Claims** made or **Wrongful Acts** occurring anywhere in the world, where legally permissible.

B. RETENTION

The **Insured** shall bear uninsured at its own risk the amount of any applicable Retention, which amount must be paid in satisfaction of **Loss**.

If any **Claim** gives rise to coverage under this **Policy**, the Company has no obligation to pay **Loss**, including **Defense Expenses**, until the applicable Retention amount set forth in ITEM 5 of the Declarations has been paid by the **Insured**.

If any **Claim** is subject to different Retentions under this **Policy**, the applicable Retentions will be applied separately to each part of such **Claim**, but the sum of such Retentions will not exceed the largest applicable Retention under this **Policy**.

The Company, at its sole discretion, may pay all or part of the Retention amount on behalf of any **Insured**, and in such event, the **Insureds** agree to repay the Company any amounts so paid.

However, none of the Retention amounts set forth in ITEM 5 of the Declarations will apply to:

1. **Settlement Fees** under section I. INSURING AGREEMENTS, B., of this **Policy**;

2. **502(c) Penalties**; or
3. civil penalties under the privacy provisions of **HIPAA**.

C. LIMIT OF LIABILITY

1. Limit of Liability

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, and further subject to any applicable **Annual Reinstatement of the Limit of Liability**, the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for all **Claims** under this **Policy** will not exceed the remaining Limit of Liability stated in ITEM 5 of the Declarations.

2. Settlement Program Limit of Liability

The Company's maximum limit of liability for all **Settlement Fees** and **Defense Expenses** in connection with each **Settlement Program Notice** will not exceed the amount set forth in ITEM 5 of the Declarations as the Settlement Program Limit of Liability for each **Settlement Program Notice**, which amount is included within, and not in addition to, any applicable limit of liability. However, if ITEM 5 of the Declarations indicates that Additional Defense Coverage is applicable, **Defense Expenses** incurred in connection with a **Settlement Program Notice** will apply first to and reduce the remaining **Additional Defense Limit of Liability**; provided that the Settlement Program Limit of Liability will be reduced and may be exhausted by payment of such **Defense Expenses** under the **Additional Defense Limit of Liability**.

Furthermore, in the event a **Claim** covered under Insuring Agreement A. and a **Settlement Program Notice** covered under Insuring Agreement B. arise from the same facts, circumstances, situations, or events, the Company's maximum limit of liability under Insuring Agreement B. for the **Settlement Program Notice** will not exceed the amount set forth in ITEM 5 of the Declarations as the Settlement Program Limit of Liability for each **Settlement Program Notice**, but such limit will apply only to all **Settlement Fees** in connection with such **Settlement Program Notice**. In such an event, **Defense Expenses** incurred in connection with the **Claim** and the **Settlement Program Notice** will be subject to the Limit of Liability for each **Claim** stated in ITEM 5 of the Declarations.

3. HIPAA Limit of Liability

The Company's maximum limit of liability for all civil money penalties under the privacy provisions of **HIPAA** will not exceed the amount set forth in ITEM 5 of the Declarations as the HIPAA Limit of Liability, which amount is included within, and not in addition to, any applicable limit of liability.

4. 502(c) Penalties Limit of Liability

The Company's maximum limit of liability for all **Section 502(c) Penalties** will not exceed the amount set forth in ITEM 5 of the Declarations as the Section 502(c) Penalties Limit of Liability, which amount is included within, and not in addition to, any applicable limit of liability.

5. Annual Reinstatement of the Limit of Liability

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, if ITEM 10 of the Declarations includes an **Annual Reinstatement of the Limit of Liability**:

- a. the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for all **Claims** made during each **Policy Year** will not exceed the remaining limit of liability stated in ITEM 5 of the Declarations; and

- b. with regard to the Extended Reporting Period or the Run-Off Extended Reporting Period, if applicable, the Company's maximum limit of liability for all **Claims** made during the Extended Reporting Period or the Run-Off Extended Reporting Period will not exceed the remaining limit of liability for the last **Policy Year** in effect at the time of the termination or cancellation of this **Policy** or the **Change of Control**.

6. Other Provisions

Payment of **Defense Expenses** will reduce and may exhaust all applicable limits of liability. In the event the amount of **Loss** exceeds the portion of the applicable limit of liability remaining after prior payments of **Loss**, the Company's liability will not exceed the remaining amount of the applicable limit of liability. In no event will the Company be obligated to make any payment for **Loss**, including **Defense Expenses**, with regard to a **Claim** after the applicable limit of liability has been exhausted by payment or tender of payment of **Loss**.

If the limit of liability is exhausted by the payment of amounts covered under this **Policy**, the premium for this **Policy** will be fully earned, all obligations of the Company under this **Policy** will be completely fulfilled and exhausted, including any duty to defend, and the Company will have no further obligations of any kind or nature whatsoever under this **Policy**.

D. ADDITIONAL DEFENSE COVERAGE

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, if ITEM 5 of the Declarations indicates that this **Policy** includes Additional Defense Coverage, **Defense Expenses** incurred by the Company or the **Insured**, with the Company's consent, in the defense of any **Claim** made during the **Policy Period** under this **Policy** will apply first to and reduce the **Additional Defense Limit of Liability**. The **Additional Defense Limit of Liability** will be in addition to, and not part of, the Limit of Liability. The **Additional Defense Limit of Liability** is applicable to **Defense Expenses** only. If the **Annual Reinstatement of the Limit of Liability** is applicable, the **Additional Defense Limit of Liability** will be reinstated for each **Policy Year**.

Upon exhaustion of the **Additional Defense Limit of Liability**:

1. **Defense Expenses** incurred by the Company or the **Insured**, with the Company's consent, in the defense of a **Claim** are part of and not in addition to any applicable limit of liability; and
2. payment by the Company or the **Insured**, with the Company's consent, of **Defense Expenses** reduces any applicable limit of liability.

E. CLAIM DEFENSE

1. If Duty-to-Defend coverage is provided with respect to this **Policy** as indicated in ITEM 7 of the Declarations, the Company will have the right and duty to defend any **Claim** covered by this **Policy**, even if the allegations are groundless, false or fraudulent, including the right to select defense counsel with respect to such **Claim**; provided that the Company will not be obligated to defend or to continue to defend any **Claim** after the applicable limit of liability has been exhausted by payment of **Loss**.
2. If Reimbursement coverage is provided with respect to this **Policy** as indicated in ITEM 7 of the Declarations:
 - a. the Company will have no duty to defend any **Claim** covered by this **Policy**. It will be the duty of the **Insured** to defend such **Claims**; and the Company will have the right to participate with the **Insured** in the investigation, defense and settlement, including the negotiation of a settlement of any **Claim** that appears reasonably likely to be covered in whole or in part by this **Policy** and the selection of appropriate defense counsel; and

- b. upon written request, the Company will advance **Defense Expenses** with respect to such **Claim**. Such advanced payments by the Company will be repaid to the Company by the **Insureds** severally according to their respective interests in the event and to the extent that the **Insureds** are not entitled to payment of such **Defense Expenses** under this **Policy**. As a condition of any payment of **Defense Expenses** under this subsection, the Company may require a written undertaking on terms and conditions satisfactory to the Company guaranteeing the repayment of any **Defense Expenses** paid to or on behalf of any **Insured** if it is finally determined that any such **Claim** or portion of any **Claim** is not covered under this **Policy**.
3. The **Insured** agrees to cooperate with the Company and, upon the Company's request, assist in making settlements and in the defense of **Claims** and in enforcing rights of contribution or indemnity against any person or entity which may be liable to the **Insured** because of an act or omission insured under this **Policy**, will attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

F. **INSURED'S DUTIES IN THE EVENT OF A CLAIM OR SETTLEMENT PROGRAM NOTICE**

The **Insured's** duty to report a **Claim** commences on the earliest date a written notice thereof is received by a **Benefit Plan Official**. If a **Benefit Plan Official** becomes aware that a **Claim** has been made against any **Insured**, the **Insured**, as a condition precedent to any rights under this **Policy**, must give to the Company written notice of the particulars of such **Claim**, including all facts related to any alleged **Wrongful Act**, the identity of each person allegedly involved in or affected by such **Wrongful Act**, and the dates of the alleged events, as soon as practicable. The **Insured** agrees to give the Company such information, assistance and cooperation as it may reasonably require.

All notices of **Claims** and **Settlement Program Notices** must be sent to the Company by email, facsimile, or mail as set forth in ITEM 4 of the Declarations and will be effective upon receipt. The **Insured** agrees not to voluntarily settle any **Claim** or enter into a **Settlement Program**, make any settlement offer, assume or admit any liability or, except at the **Insured's** own cost, voluntarily make any payment, pay or incur any **Defense Expenses** or **Settlement Fees**, or assume any obligation or incur any other expense, without the Company's prior written consent, such consent not to be unreasonably withheld. The Company is not liable for any settlement, **Defense Expenses**, **Settlement Fees**, assumed obligation or admission to which it has not consented.

G. **NOTICE OF POTENTIAL CLAIMS**

If an **Insured** first becomes aware of a **Potential Claim** during the **Policy Period**, and gives the Company written notice of the particulars of such **Potential Claim**, including all facts related to the **Wrongful Act**, the identity of each person allegedly involved in or affected by such **Wrongful Act**, the dates of the alleged events, and the reasons for anticipating a **Claim**, as soon as practicable during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period, any **Claim** subsequently made against any **Insured** arising out of such **Wrongful Act** will be deemed to have been made during the **Policy Period**.

All notices under this subsection must be sent to the Company by email, facsimile, or mail as set forth in ITEM 4 of the Declarations and will be effective upon receipt.

H. **RELATED CLAIMS**

All **Claims** or **Potential Claims** for **Related Wrongful Acts** will be considered as a single **Claim** or **Potential Claim**, whichever is applicable, for purposes of this **Policy**. All **Claims** or **Potential Claims** for **Related Wrongful Acts** will be deemed to have been made at the time the first of such **Claims** or **Potential Claims** for **Related Wrongful Acts** was made whether prior to or during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period.

I. **SETTLEMENT**

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of

settlement of any **Claim** which is acceptable to the claimant(s) (a "Settlement Offer"), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for 30% of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for 30% of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Policy** for such **Claim** will not exceed the remaining applicable limit of liability.

J. MERGER OF PLANS

If, during the **Policy Period**, a **Benefit Plan** is merged with another **Benefit Plan**, this **Policy** will continue to provide coverage for both plans, subject to all other terms and conditions of this **Policy** and only for so long as this **Policy** remains in effect as to the **Insureds**.

If, during the **Policy Period**, a **Benefit Plan** ("Covered Plan") is merged with another benefit plan for which coverage is not provided under this **Policy** ("Uncovered Plan"), this **Policy** will continue to provide coverage for only the Covered Plan, subject to all other terms and conditions of this **Policy** and only for so long as this **Policy** remains in effect as to the **Insureds**, but only for **Claims** for **Wrongful Acts** which occurred prior to the date of such merger.

K. CHANGE OF CONTROL

If, during the **Policy Period**, a **Change of Control** occurs, coverage will continue in full force and effect with respect to **Claims** for **Wrongful Acts** committed before such event, but coverage will cease with respect to **Claims** for **Wrongful Acts** committed after such event. No coverage will be available hereunder for **Loss**, including **Defense Expenses**, for any **Claim** based upon, alleging, arising out of, or in any way relating to, directly or indirectly any **Wrongful Act** committed or allegedly committed after such event. After any such event, the **Policy** may not be canceled by or on behalf of any **Insured** and the entire premium for the **Policy** will be deemed fully earned.

Upon the occurrence of any **Change of Control**, the **Insurance Representative** will have the right to give the Company notice that the **Insured** desires to purchase a Run-Off Extended Reporting Period for this **Policy** for the period set forth in ITEM 9 of the Declarations following the effective date of such **Change of Control**, regarding **Claims** made during such Run-Off Extended Reporting Period against persons or entities who at the effective date of the **Change of Control** are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to such **Change of Control** and which otherwise would be covered by this **Policy**, subject to the following provisions:

1. such Run-Off Extended Reporting Period will not provide new, additional or renewed limits of liability;
2. the Company's total liability for all **Claims** made during such Run-Off Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the **Change of Control**; and
3. for purposes of coverage under section I. INSURING AGREEMENTS, B., the Run-Off Extended Reporting Period will apply only to **Settlement Fees** and **Defense Expenses** incurred by the **Insured** in connection with any **Settlement Program Notice** as a result of the **Insured's** participation during the Run-Off Extended Reporting Period in a **Settlement Program**, but only if such participation commences during the Run-Off Extended Reporting Period and involves a **Benefit Plan's** actual or alleged inadvertent noncompliance with any statute, rule or regulation before the effective date of the **Change of Control**.

The premium due for the Run-Off Extended Reporting Period will equal the percentage set forth in ITEM 9 of the Declarations of the annualized premium of this **Policy**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Period** prior to the **Change of Control**. The entire premium for the Run-Off Extended Reporting Period will be deemed fully earned at the commencement of such Run-Off Extended Reporting Period.

The right to elect the Run-Off Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within thirty

(30) days of the **Change of Control**. In the event the Run-Off Extended Reporting Period is purchased, the option to purchase the Extended Reporting Period in section V. CONDITIONS M. EXTENDED REPORTING PERIOD of this **Policy** will terminate. In the event the Run-Off Extended Reporting Period is not purchased, the **Insured** will have the right to purchase the Extended Reporting Period under the terms of section V. CONDITIONS M. EXTENDED REPORTING PERIOD of this **Policy**.

L. TERMINATION OF PLAN

If before or during the **Policy Period** any **Benefit Plan** is terminated, this **Policy** will provide coverage for such plan, subject to all other terms, conditions and limitations of this **Policy** for so long as this **Policy** remains in effect as to the **Insureds**.

M. EXTENDED REPORTING PERIOD

At any time prior to or within 60 days after the effective date of termination or cancellation of this **Policy** for any reason other than nonpayment of premium, the **Insurance Representative** may give the Company written notice that the **Insured** desires to purchase an Extended Reporting Period for the period set forth in ITEM 8 of the Declarations following the effective date of such termination or cancellation, regarding **Claims** made during such Extended Reporting Period against persons or entities who at or prior to the effective date of termination or cancellation are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to the effective date of the termination or cancellation and which otherwise would be covered by this **Policy**, subject to the following provisions:

1. such Extended Reporting Period will not provide a new, additional or renewed limit(s) of liability;
2. the Company's maximum limit of liability for all **Claims** made during such Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the termination or cancellation; and
3. for purposes of coverage under section I. INSURING AGREEMENTS, B., the Extended Reporting Period will apply only to **Settlement Fees** and **Defense Expenses** incurred by the **Insured** in connection with any **Settlement Program Notice** as a result of the **Insured's** participation during the Extended Reporting Period in a **Settlement Program**, but only if such participation commences during the Extended Reporting Period and involves a **Benefit Plan's** actual or alleged inadvertent noncompliance with any statute, rule or regulation before the effective date of such termination or nonrenewal.

The premium due for the Extended Reporting Period will equal the percentage set forth in ITEM 8 of the Declarations of the annualized premium of this **Policy**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Year** prior to such termination or cancellation. The entire premium for the Extended Reporting Period will be deemed to have been fully earned at the commencement of such Extended Reporting Period.

The right to elect the Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within 60 days of the effective date of the termination or cancellation.

N. SUBROGATION

In the event of payment under this **Policy**, the Company is subrogated to all of the **Insured's** rights of recovery against any person or organization to the extent of such payment and the **Insured** agrees to execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing to prejudice such rights.

O. RECOURSE

Unless such right is waived by an endorsement to this **Policy**, the Company will have the right of recourse pursuant to Section 410(b)(1) of the Employee Retirement Income Security Act of 1974, as amended, against any **Insured** that breaches a fiduciary obligation if this **Policy** is purchased using assets of the **Benefit Plan**.

P. RECOVERIES

All recoveries from third parties for payments made under this **Policy** will be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

1. first, to the Company to reimburse the Company for any Retention amount it has paid on behalf of any **Insured**;
2. second, to the **Insured** to reimburse the **Insured** for the amount it has paid which would have been paid hereunder but for the fact that it is in excess of the applicable limits of liability hereunder;
3. third, to the Company to reimburse the Company for the amount paid hereunder; and
4. fourth, to the **Insured** in satisfaction of any applicable Retention;

provided, recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit.

Q. SPOUSAL AND DOMESTIC PARTNER LIABILITY COVERAGE

This **Policy** will, subject to all of its terms, conditions, and limitations, be extended to apply to **Loss** resulting from a **Claim** made against a person who, at the time the **Claim** is made, is a lawful spouse or a person qualifying as a domestic partner under the provisions of any applicable federal, state or local law (a "Domestic Partner") of an **Insured Person**, but only if and so long as:

1. the **Claim** against such spouse or Domestic Partner results from a **Wrongful Act** actually or allegedly committed by the **Insured Person**, to whom the spouse is married, or who is joined with the Domestic Partner; and
2. such **Insured Person** and his or her spouse or Domestic Partner are represented by the same counsel in connection with such **Claim**.

No spouse or Domestic Partner of an **Insured Person** will, by reason of this subsection have any greater right to coverage under this **Policy** than the **Insured Person** to whom such spouse is married, or to whom such Domestic Partner is joined.

The Company has no obligation to make any payment for **Loss** in connection with any **Claim** against a spouse or Domestic Partner of an **Insured Person** for any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty by such spouse or Domestic Partner.

R. ALLOCATION

1. If Duty-to-Defend coverage is indicated in ITEM 7 of the Declarations and there is a **Claim** under this **Policy** in which the **Insureds** who are afforded coverage for such **Claim** incur an amount consisting of both **Loss** that is covered by this **Policy** and also loss that is not covered by this **Policy** because such **Claim** includes both covered and uncovered matters, then such covered **Loss** and uncovered loss will be allocated as follows:
 - a. one hundred percent (100%) of **Defense Expenses** incurred by and on behalf of the **Insureds** who are afforded coverage for such **Claim** will be allocated to covered **Loss**; and
 - b. all loss other than **Defense Expense** will be allocated between covered **Loss** and uncovered loss based upon the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and settlement of the **Claim** by the **Insureds** and others not insured under this **Policy**. In making such a determination, the **Insureds** and the Company agree to use their best efforts to determine a fair and proper allocation of all such amounts. In the event that an allocation cannot be agreed to, then

the Company will be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this **Policy** and applicable law.

2. If Reimbursement coverage is indicated in ITEM 7 of the Declarations and there is a **Claim** under this **Policy** in which the **Insureds** who are afforded coverage for such **Claim** incur an amount consisting of both **Loss** that is covered by this **Policy** and also loss that is not covered by this **Policy** because such **Claim** includes both covered and uncovered matters or covered and uncovered parties, the **Insureds** and the Company agree to use their best efforts to determine a fair and proper allocation of all such amounts. In making such a determination, the parties will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and settlement of the **Claim** by the **Insureds** and others not insured under this **Policy**. In the event that an allocation cannot be agreed to, then the Company will be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this **Policy** and applicable law.

S. CANCELLATION

The Company may cancel this **Policy** for failure to pay a premium when due, in which case twenty (20) days written notice will be given to the **Insurance Representative**, unless payment in full is received within twenty (20) days of the **Insurance Representative's** receipt of such notice of cancellation. The Company has the right to the premium amount for the portion of the **Policy Period** during which this **Policy** was in effect.

Subject to the provisions set forth in section III. CONDITIONS, K. CHANGE OF CONTROL, the **Insurance Representative** on behalf of the **Insured** may cancel this **Policy** by mailing the Company written notice stating when thereafter, but not later than the Expiration Date set forth in ITEM 3 of the Declarations, such cancellation will be effective. In the event the **Insurance Representative** cancels, the earned premium will be computed on a pro-rata basis. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

The Company will not be required to renew this **Policy** upon its expiration. If the Company elects not to renew, it will provide to the **Insurance Representative** written notice to that effect at least thirty (30) days before the Expiration Date set forth in ITEM 3 of the Declarations.

T. OTHER INSURANCE

This **Policy** will apply only as excess insurance over, and will not contribute with any other valid and collectible insurance available to the **Insured**, including any insurance under which there is a duty to defend, unless such insurance is written specifically excess of this **Policy** by reference in such other policy to the Policy Number of this **Policy**. This **Policy** will not be subject to the terms of any other insurance.

U. ACTION AGAINST THE COMPANY

No action will lie against the Company unless there has been full compliance with all of the terms of this **Policy**.

No person or organization has any right under this **Policy** to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor may the Company be impleaded by an **Insured** or said **Insured's** legal representative. Bankruptcy or insolvency of any **Insured** or an **Insured's** estate does not relieve the Company of any of its obligations hereunder.

V. CHANGES

Only the **Insurance Representative** is authorized to make changes in the terms of this **Policy** and solely with the Company's prior written consent. This **Policy's** terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this **Policy**. Notice to any representative of the **Insured** or knowledge possessed by any agent or by any other person will not effect a waiver or

change to any part of this **Policy**, or estop the Company from asserting any right under the terms, conditions and limitations of this **Policy**, nor may the terms, conditions and limitations hereunder be waived or changed, except by a written endorsement to this **Policy** issued by the Company.

W. ASSIGNMENT

This **Policy** may not be assigned or transferred, and any such attempted assignment or transfer is void and without effect unless the Company has provided its prior written consent to such assignment or transfer.

X. REPRESENTATIONS

By acceptance of the terms set forth in this **Policy**, each **Insured** represents and agrees that the statements contained in the **Application**, which is deemed to be attached hereto, incorporated herein, and forming a part hereof, are said **Insured's** agreements and representations, that such representations are material to the Company's acceptance of this risk, that this **Policy** is issued in reliance upon the truth of such representations, and embodies all agreements existing between said **Insured** and the Company or any of its agents.

If any statement or representation in the **Application** is untrue, this **Policy** is void and of no effect whatsoever, but only with respect to:

1. any **Insured Person** who knew, as of the Inception Date set forth in ITEM 3 of the Declarations, that the statement or representation was untrue;
2. any **Benefit Plan**, with respect to its indemnification coverage, to the extent it indemnifies any **Insured Person** referenced in 1. above; and
3. any **Benefit Plan**, if the person who signed the **Application** knew that the statement or representation was untrue.

Whether an **Insured Person** had such knowledge will be determined without regard to whether the **Insured Person** actually knew the **Application**, or any other application completed for this **Policy**, contained any such untrue statement or representation.

Y. LIBERALIZATION

If, during the **Policy Period**, the Company is required, by law or by insurance supervisory authorities of the state in which this **Policy** was issued, to make any changes in the form of this **Policy**, by which the insurance afforded by this **Policy** could be extended or broadened without increased premium charge by endorsement or substitution of form, then such extended or broadened insurance will inure to the benefit of the **Insured** as of the date the revision or change is approved for general use by the applicable department of insurance.

Z. AUTHORIZATION

By acceptance of the terms herein, the **Insurance Representative** agrees to act on behalf of all **Insureds** with respect to the payment of premiums, the receiving of any return premiums that may become due hereunder, and the receiving of notices of cancellation, nonrenewal, or change of coverage, and the **Insureds** each agree that they have, individually and collectively, delegated such authority exclusively to the **Insurance Representative**; provided, that nothing herein will relieve the **Insureds** from giving any notice to the Company that is required under this **Policy**.

AA. ENTIRE AGREEMENT

This **Policy**, including the Declarations, the **Application**, and any endorsements attached hereto, constitutes the entire agreement between the Company and the **Insured**.

BB. HEADINGS

The titles of the various paragraphs of this Policy and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATION OF INSURANCE REPRESENTATIVE ENDORSEMENT

This endorsement changes the following:

Designated Benefit Plan Fiduciary Liability Coverage

It is agreed that:

For all relevant purposes under the **Policy**, the **Insurance Representative** is PATRICK BRANKIN.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: Travelers Casualty and Surety Company of America

Policy Number: 106082905

DBP-19001 Ed. 11-12

© 2011 The Travelers Indemnity Company. All rights reserved.

Page 1 of 1

SPECIMEN - QUOTE 1

Page 47 of 54
Page 23 of 28

GOVERNMENTAL PLAN ENDORSEMENT

This endorsement changes the following:

Designated Benefit Plan Fiduciary Liability Coverage

It is agreed that:

1. The following replaces section **II. DEFINITIONS, I. Claim**:

I. Claim means:

1. a written demand for monetary damages or non-monetary relief;
2. a civil proceeding commenced by service of a complaint or similar pleading;
3. a criminal proceeding commenced by filing of charges;
4. a formal administrative or regulatory proceeding commenced by filing of a notice of charges, formal investigative order, service of summons or similar document;
5. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
6. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding;

against an **Insured** for a **Wrongful Act**.

A **Claim** will be deemed to have been made when such **Claim** is first commenced as set forth in this definition or, in the case of a written demand, when such written demand is first received by an **Insured**.

2. The following is added to section **III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS**:

The Company will not be liable for **Loss** for any **Claim** based upon or arising out of:

- a. any investment in debt obligations of the state set forth in ITEM 1 of the Declarations, or in debt obligations of any political or governmental agency in such state; or
- b. the inadequate funding of the **Benefit Plan**.

3. Section **V. CONDITIONS, O. RECOURSE**, is deleted.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: Travelers Casualty and Surety Company of America
Policy Number: 106082905

GLOBAL COVERAGE COMPLIANCE ENDORSEMENT

This endorsement changes the following:

Designated Benefit Plan Fiduciary Liability Coverage

It is agreed that:

1. The following is added to section **V. CONDITIONS**:

SANCTIONS

This **Policy** will provide coverage, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose the Company or any of its affiliated or parent companies to any trade or economic sanction under any law or regulation of the United States of America or any other applicable trade or economic sanction, prohibition, or restriction.

2. The following replaces section **V. CONDITIONS, A. TERRITORY**:

A. TERRITORY AND VALUATION

1. This **Policy** applies anywhere in the world; provided, this **Policy** does not apply to **Loss** incurred by an **Insured** residing or domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance, to the extent that providing this insurance would violate the laws or regulations of such country or jurisdiction.
2. All premiums, Limits of Liability, Retention, **Loss**, and other amounts under this **Policy** are expressed and payable in the currency of the United States. If a judgment is rendered, settlement is denominated, or another element of **Loss** under this **Policy** is stated in a currency other than United States dollars, payment under this **Policy** will be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is reached, the amount of the settlement is agreed upon, or any other element of **Loss** is due, respectively.

3. The following is added to section **V. CONDITIONS, E. CLAIM DEFENSE**:

In the event of a **Claim** against an **Insured** that resides or is domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance and if Duty-to-Defend coverage is provided with respect to this **Policy** as indicated in ITEM 7 of the Declarations, the Company will have the right and duty to defend such **Claim** as set forth in this section **V. CONDITIONS, E. CLAIM DEFENSE, 1.** to the extent that doing so would not violate the laws or regulations of such country or jurisdiction.

If the Company is prohibited from defending such **Claim** or if Reimbursement coverage is provided with respect to this **Policy** as indicated in ITEM 7 of the Declarations, then this section **V. CONDITIONS, E. CLAIM DEFENSE, 2.** applies to such **Claim**; provided, any such **Claim** is subject to section **V. CONDITIONS, R. ALLOCATION, 2.**

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **106082905**

DBP-19083 Ed. 03-15

© 2015 The Travelers Indemnity Company. All rights reserved.

Page 1 of 1

SPECIMEN - QUOTE 1

Page 49 of 54
Page 25 of 28

ILLINOIS CHANGES ENDORSEMENT

This endorsement changes the following:

Designated Benefit Plan Fiduciary Liability Coverage

It is agreed that:

1. The following replaces section II. **DEFINITIONS, J. Defense Expenses**:

J. Defense Expenses means reasonable and necessary legal fees and expenses incurred by the Company or the **Insured**, with the Company's consent, in the investigation, defense, settlement and appeal of a **Claim**, including cost of expert consultants and witnesses, premiums for appeal, injunction, attachment or supersedeas bonds (without the obligation to furnish such bonds) regarding such **Claim**; provided that **Defense Expenses** will not include the salaries, wages, benefits or overhead of, or paid to, any **Insured** or the Company or to any employee of the **Insured** or the Company.

2. The following are added to section II. **DEFINITIONS, O. Loss**:

Loss also does not include salaries, wages, benefits, or overhead of any employee of the Company.

For **Claims** brought in the state of Illinois, punitive or exemplary damages are covered only in cases involving the **Insured's** vicarious liability.

3. The following replaces section II. **DEFINITIONS, S. Pollutant**:

S. Pollutant means any actual, alleged, or threatened exposure to, or generation, storage, transportation, discharge, emission, release, dispersal, escape, treatment, removal, or disposal of any smoke, vapor, soot, fumes, acids, alkalis, toxic chemicals, liquids or gasses, waste materials (including materials which are intended to be or have been recycled, reconditioned, or reclaimed) or other irritants, pollutants, or contaminants (collectively "Toxins"); or any regulation, order, direction, or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize any such Toxins, or any action taken in contemplation or anticipation of any such regulation, order, direction, or request.

Pollutant does not include any actual or alleged or threatened exposure to heat, smoke, or fumes from an uncontrollable fire or fire which breaks out from where it was intended to be.

4. The following replaces the third paragraph of section V. **CONDITIONS, K. CHANGE OF CONTROL**:

The premium due for the Run-Off Extended Reporting Period will equal the percentage set forth in ITEM 9 of the Declarations of the annualized premium of this **Policy**. The entire premium for the Run-Off Extended Reporting Period will be deemed fully earned at the commencement of such Run-Off Extended Reporting Period. Once purchased, the Run-Off Extended Reporting Period cannot be cancelled. However, the Company will retain the right to collect any remaining premium due from the **Policy Period** prior to the **Change of Control** after the Run-Off Extended Reporting Period has been purchased.

5. The following replaces section V. **CONDITIONS, M. EXTENDED REPORTING PERIOD**:

M. EXTENDED REPORTING PERIOD

At any time prior to or within 30 days after the effective date of termination or cancellation of this **Policy** for any reason, the **Insurance Representative** may give the Company written notice that the **Insured** desires to purchase an Extended Reporting Period for the period set forth in ITEM 8 of the Declarations following the effective date of such termination or cancellation, regarding **Claims** made during such Extended Reporting Period against persons or entities who at or prior to the effective date of termination or cancellation are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to the effective date of the termination or cancellation and which otherwise would be covered by this **Policy**, subject to the following provisions:

1. such Extended Reporting Period will not provide a new, additional or renewed limit(s) of liability;

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **106082905**

DBP-17014 Rev. 12-18

© 2018 The Travelers Indemnity Company. All rights reserved.

Page 1 of 3

SPECIMEN - QUOTE 1

Page 50 of 54
Page 26 of 28

2. the Company's maximum limit of liability for all **Claims** made during such Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the termination or cancellation; and
3. for purposes of coverage under section I. INSURING AGREEMENTS, B., the Extended Reporting Period will apply only to **Settlement Fees** and **Defense Expenses** incurred by the **Insured** in connection with any **Settlement Program Notice** as a result of the **Insured's** participation during the Extended Reporting Period in a **Settlement Program**, but only if such participation commences during the Extended Reporting Period and involves a **Benefit Plan's** actual or alleged inadvertent noncompliance with any statute, rule or regulation before the effective date of such termination or nonrenewal.

The premium due for the Extended Reporting Period will equal the percentage set forth in ITEM 8 of the Declarations of the annualized premium of this **Policy**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Year** prior to such termination or cancellation. The entire premium for the Extended Reporting Period will be deemed to have been fully earned at the commencement of such Extended Reporting Period. Once purchased, the Extended Reporting Period cannot be cancelled.

The right to elect the Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within 30 days of the effective date of the termination or cancellation. The minimum Extended Reporting Period is 12 months.

6. The following replaces section **V. CONDITIONS, Q. SPOUSAL AND DOMESTIC PARTNER LIABILITY COVERAGE**:

Q. SPOUSAL, CIVIL UNION, AND DOMESTIC PARTNER LIABILITY COVERAGE

This **Policy** will, subject to all of its terms, conditions, and limitations, be extended to apply to **Loss** resulting from a **Claim** made against a person who, at the time the **Claim** is made, is a lawful spouse or a person qualifying as a domestic partner under the provisions of any applicable federal, state or local law (a "Domestic Partner") of, or a party to a civil union with, an **Insured Person**, but only if and so long as:

1. the **Claim** against such spouse, party to a civil union, or Domestic Partner results from a **Wrongful Act** actually or allegedly committed by the **Insured Person**, to whom the spouse is married, or who is joined with the party to a civil union or Domestic Partner; and
2. such **Insured Person** and his or her spouse, party to a civil union, or Domestic Partner are represented by the same counsel in connection with such **Claim**.

No spouse, party to a civil union, or Domestic Partner of an **Insured Person** will, by reason of this subsection have any greater right to coverage under this **Policy** than the **Insured Person** to whom such spouse is married, or to whom such party to a civil union or Domestic Partner is joined.

The Company has no obligation to make any payment for **Loss** in connection with any **Claim** against a spouse, party to a civil union, or Domestic Partner of an **Insured Person** for any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty by such spouse, party to a civil union, or Domestic Partner.

7. The following replaces section **V. CONDITIONS, S. CANCELLATION**:

S. CANCELLATION

The Company may cancel this **Policy** for failure to pay a premium when due, in which case written notice will be given to the **Insurance Representative** at least 20 days before the effective date of such cancellation, unless payment in full is received within 20 days of the **Insurance Representative's** receipt of such notice of cancellation. The Company will have the right to the premium amount for the portion of the **Policy Period** during which this **Policy** was in effect.

Subject to the provisions set forth in section V. CONDITIONS, K. CHANGE OF CONTROL, the **Insurance Representative** on behalf of the **Insureds** may cancel this **Policy** by mailing the Company written notice stating when thereafter, but not later than the Expiration Date set forth in ITEM 3 of the Declarations, such cancellation will be effective. In the event the **Insurance Representative** on behalf of the **Insureds** cancels, the earned premium will be computed on a pro-rata basis. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

The Company will not be required to renew this **Policy** upon its expiration. If the Company elects not to renew, it will provide to the **Insurance Representative** written notice, with an exact copy to the agent or broker of record, to that effect 60 days before the Expiration Date set forth in ITEM 3 of the Declarations. The Company will mail cancellation and nonrenewal notices to the last address known to the Company.

8. The following replaces section **V. CONDITIONS, T. OTHER INSURANCE**:

This **Policy** will share proportionately with any other valid and collectible insurance available to the **Insured**, including any insurance under which there is a duty to defend, unless such insurance is written specifically excess of this **Policy** by reference in such other policy to the Policy Number of this **Policy**. This **Policy** will not be subject to the terms of any other insurance.

9. The following replaces section **V. CONDITIONS, X. REPRESENTATIONS**:

X. REPRESENTATIONS

By acceptance of the terms set forth in this **Policy**, each **Insured** represents and agrees that the statements contained in the **Application**, which is deemed to be attached hereto, incorporated herein, and forming a part hereof, are said **Insured's** agreements and representations, that such representations are material to the Company's acceptance of this risk, that this **Policy** is issued in reliance upon the truth of such representations, and embodies all agreements existing between said **Insured** and the Company or any of its agents.

If any statement or representation in the **Application** is untrue, the Company will not be liable for **Loss** for any **Claim** based upon or arising out of the information that was not truthfully disclosed in the **Application**, but only with respect to the following **Insureds**:

1. any **Insured Person** who knew, as of the Inception Date set forth in ITEM 3 of the Declarations, that the statement or representation was untrue;
2. any **Benefit Plan**, with respect to its indemnification coverage, to the extent it indemnifies any **Insured Person** referenced in 1. above; and
3. any **Benefit Plan**, if the person who signed the **Application** knew that the statement or representation was untrue.

Whether an **Insured Person** had such knowledge will be determined without regard to whether the **Insured Person** actually knew the **Application**, or any other application completed for this **Policy**, contained any such untrue statement or representation.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

**Glen Ellyn Police Pension Fund
Board of Trustees**

Notice of Election Results

**April 2023 Election
Active Member Positions**

Nominations are closed and have resulted in:

**James Monson
and
Anthony Terranova**

running unopposed for the positions of:

**Active Member Trustees
Two-Year Terms Expiring May 13, 2025**

James Monson and Anthony Terranova have accepted the positions as members of the Board of Trustees and have agreed to uphold the duties required.

**Glen Ellyn Police Pension Fund
Board of Trustees**

Notice of Election Results

**April 2023 Election
Retired Member Position**

Nominations are closed and have resulted in:

James King

running unopposed for the position of:

**Retired Member Trustee
Two-Year Term Expiring May 13, 2025**

James King has accepted the position as a member of the Board of Trustees and has agreed to uphold the duties required.