

**ENDORSEMENT**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement, effective 12:01 a.m. forms a part of Policy

No. issued to by

**REGISTERED REPRESENTATIVE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

ACCOUNTANTS PROFESSIONAL LIABILITY POLICY

Schedule of Broker/Dealers

Broker/Dealer: XXXXXXXXXXXXXXXXXXXX

- A. Soley with respect to the coverage provided by this endorsement, Subparagraph G.2 of Section **II. EXCLUSIONS** is deleted in its entirety.
- B. Solely with respect to the coverage provided by this endorsement, the following exclusion is added to Section **II. EXCLUSIONS**:

The Company shall not be liable to pay **Loss Amounts** in connection with any **Claim** made against an **Insured**:

based upon or arising out of the following:

1. the sale, attempted sale or servicing of commodities, commodities futures contracts, any type of option contract or promissory notes;
2. underwriting, syndicating, or investment banking work, and the counseling or investment activities associated therewith, including but not limited to, any aspect of any actual, attempted or threatened mergers, acquisitions, divestitures, tender offers, proxy contests, leveraged buy-outs, going private transactions, reorganizations, capital restructuring, re-capitalization, spin-offs, primary or secondary offerings of securities (regardless of whether the offering is public or private placement), other efforts to raise or furnish capital or financing for any enterprise or entity or any disclosure requirements in connection with any of the foregoing; provided, however, that this exclusion shall not apply to **Claims** arising from sales by a **Registered Representative**, of securities

in connection with a distribution thereof where such **Claims** relate solely to conduct by any **Registered Representative** affecting only particular clients of the above and do not arise from facts or circumstances affecting the distribution generally such as, but not limited to, actual or alleged deficiencies or inaccuracies in the formal written offering materials;

3. use by any **Registered Representative** of, or aiding and abetting by any **Registered Representative** in the use of, or actual or alleged participating after the fact by any **Registered Representative** in the use of, non-public information in a manner prohibited by the laws of the United States, including, but not limited to, the Insider Trading and Securities Fraud Enforcement Act of 1988 (as amended), Section 10(b) of the Securities Exchange Act of 1934 (as amended) and Rule 10b-5 thereunder; any state, commonwealth, territory or subdivision thereof, or the laws of any other jurisdiction, or any rules or regulations promulgated under any of the foregoing;
4. activities in connection with any equity security priced under \$55.00, except this exclusion shall not apply if such security is registered or approved for registration upon notice of issuance on a national securities exchange, authorized or approved for authorization upon notice of issuance for quotation in the NASDAQ system or issued by an investment company registered under the Investment Company Act of 1940 (as amended);
5. services or products not approved by the Broker/Dealer shown in the Schedule of Broker/Dealers in the **REGISTERED REPRESENTATIVE ENDORSEMENT**; or

C. The following is added to Paragraph U. **Professional Services** of Section II. **DEFINITIONS**:

**Professional Services** also means services performed by the **Insured** for others as a **Registered Representative** while rendering services on behalf of the **Named Insured** or a subsidiary of the **Named Insured**, unless such subsidiary is a Broker/Dealer in securities shown in the a Schedule of Broker/Dealers and Registered Representatives in the **REGISTERED REPRESENTATIVE ENDORSEMENT** and provided that the **Insured** is appropriately licensed by the state in which the **Insured** is doing business.

D. The following definition is added to Section III. **DEFINITIONS**:

**Registered Representative** means any **Insured(s)** who are natural persons and who have registered with the National Association of Securities Dealers (“NASD”) and who are shown in the Schedule of Broker/Dealers in the **REGISTERED REPRESENTATIVE ENDORSEMENT** and who:

1. provide services as such pursuant to a contract with the Broker/Dealer shown in such Schedule; and
2. are in compliance with all applicable licensing or registration requirements set by state or federal law or regulation.

E. The Retroactive Date applicable to a **Wrongful Act** or **Interrelated Wrongful Act** forming the basis of a covered **Claim** against an **Insured** in its capacity as a **Registered Representative** is as follows. If no date is shown below, the Retroactive Date is as shown in the Declarations.

Retroactive Date: XX/XX/XXXX at 12:01 am

All other terms and conditions of the policy remain the same.

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Authorized Signature