

Effective date of this Endorsement: <Effective Date>  
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>  
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

DEFENSE COSTS DISCLOSURE

This endorsement modifies insurance provided under the following:

<Product Name>

The undersigned, authorized to act on behalf of the **Named Insured** and acting on behalf of all **Insureds**, hereby acknowledges and understands that **Defense Costs** are subject to the Retention and will reduce and may completely exhaust the Limit of Liability. If **Defense Costs** exhaust the Limit of Liability, Underwriters have no further obligation for **Defense Costs** or any **Loss** or for any judgment or settlement.

**Defense Costs** are defined in the applicable Insuring Clause(s) of the Policy and this Disclosure does not modify in any way such definition(s). Please refer to your Policy for the definition of **Defense Costs** applicable to your Policy. In general, **Defense Costs** mean reasonable and necessary legal fees and expenses to which Underwriters consent in advance and which are incurred by or on behalf of the **Insureds** in defending, settling, appealing or investigating any **Claim** and the cost of appeal, attachment or similar bonds, but do not include salaries, regular or overtime wages, fees or benefit expenses associated with insured persons, the **Insured's** employees or the Underwriters' employees and also do not include the **Insured's** overhead expenses.

**NAMED INSURED**

(On behalf of itself and all **Insureds**)

BY: \_\_\_\_\_  
Signature

Title: \_\_\_\_\_

Printed Name: \_\_\_\_\_