

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”

VIRGINIA AMENDATORY ENDORSEMENT TO POLICY TERMS AND CONDITIONS

This endorsement modifies insurance provided under the following:

<Product Name>

1. The NOTICE at the top of Page 1 of the Declarations is amended to delete the first and second sentence in the first paragraph.
2. Clause II. EXCLUSIONS is amended to add the following:
 - C. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any fact, circumstance, situation, event or transaction which was required to be disclosed in the **Application** for this Policy pursuant to the REPRESENTATIONS section of such **Application**.
3. The first sentence of Clause III. LIMIT OF LIABILITY F. is deleted and replaced with the following:

If all aggregate limit(s) of liability are exhausted, Underwriters' obligations to pay Loss under this Policy shall be completely fulfilled and extinguished.
4. Clause X. GENERAL CONDITIONS A. Representations is amended to add the following after item 3. thereof:

Provided, however, no such misrepresentations shall bar recovery under this Policy unless it is clearly proved that such misrepresentation was material to the risk and was untrue.
5. Clause X. GENERAL CONDITIONS C. Cancellation/Nonrenewal 2. is amended by deleting the words “ten (10) days” and replacing them with the words “fifteen (15) days”.
6. Clause XI. OPTIONAL EXTENSION PERIOD is deleted and replaced with the following:

XI. OPTIONAL EXTENSION PERIOD

 - A. If the Underwriters or the **Named Insured** chooses not to renew or cancels this Policy, or if coverage is renewed on other than a claims-made basis, or if the Pending or Prior Litigation Date is advanced, or an applicable retroactive date if any is advanced, then the **Named Insured** shall have the option, upon payment of an additional premium calculated at the applicable percentage shown in Item 7. of the Declarations of the total premium for this Policy, to purchase a one or two year extension of the coverage granted by this Policy with respect to any **Claim** first made during such one or two year extension period after the end of the **Policy Period**, but only with respect to a **Wrongful Act** committed before the effective date of cancellation, nonrenewal, renewal on other than a claims-made basis, the advancement of the Pending or Prior Litigation Date, or the advancement of an applicable retroactive date, if any.

- B. The right to purchase the **Optional Extension Period** shall not be available if this Policy is nonrenewed or cancelled due to non-payment of premium, failure to comply with this Policy's terms or conditions or fraud.
- C. As a condition precedent to the right to purchase the **Optional Extension Period**, the total premium for this Policy must have been paid. The right to purchase the **Optional Extension Period** shall terminate unless written notice together with full payment of the premium for the **Optional Extension Period** is given to the Underwriters within thirty (30) days after the effective date of cancellation, nonrenewal, renewal on other than a claims-made basis, the advancement of the Pending or Prior Litigation Date, or the advancement of an applicable retroactive date, if any. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase the **Optional Extension Period**.
- D. In the event of the purchase of the **Optional Extension Period**, the entire premium for the **Optional Extension Period** shall be deemed earned at its commencement.
- E. When the Underwriters exclude coverage during the **Policy Period** or upon renewal, other than changes in the Limit(s) of Liability or Retentions, the **Named Insured** shall have the option, upon payment of an additional premium to be determined by the Underwriters to purchase an extension of the coverage provided by this Policy with respect to any **Claim** first made during a one or two year period of time immediately after the effective date of such endorsement, but only with respect to a **Wrongful Act** committed before the effective date of the endorsement and solely with respect to the coverage excluded by such endorsement. This extension of coverage is called the "Mid-Term Reduction In Coverage Extension Period."
- F. The right to elect the Mid-Term Reduction In Coverage Extension Period shall terminate unless written notice of the election, together with payment of the additional premium due, is given by the **Named Insured** and is received by the Underwriters within thirty (30) days following the occurrence of the event stated in the paragraph above.
- G. Once the **Optional Extension Period** and/or the Mid-Term Reduction In Coverage Extension Period are purchased, they cannot be cancelled by the Underwriters except for nonpayment of premium or fraud and the premium for such **Optional Extension Period** and/or the Mid-Term Reduction In Coverage Extension Period shall be deemed fully earned at their commencement.
- H. The purchase of the **Optional Extension Period** and/or Mid-Term Reduction In Coverage Extension Period will not in any way increase the Limit(s) of Liability set forth in the Declarations and the Limit of Liability with respect to **Claims** made during the **Optional Extension Period** or the Mid-Term Reduction In Coverage Extension Period shall be part of and not in addition to the Limit of Liability for all **Claims** made during the **Policy Period**. Provided, however, the Underwriters will offer the **Named Insured** the option, for an additional premium, to reinstate this Policy's aggregate Limit of Liability for the **Optional Extension Period** or, if applicable, the Mid-Term Reduction In Coverage Extension Period. In such event, the Limit of Liability set forth in the Declarations shall be reinstated solely for purposes of the **Optional Extension Period** and/or, if applicable, the Mid-Term Reduction In Coverage Extension Period.
- I. In the event the **Optional Extension Period** is purchased, it shall apply as excess over other coverage on the effective date of any contract of insurance or indemnity

which replaces the coverage afforded by this Policy through the **Optional Extension Period** either in whole or in part.

7. Clause XIII. **ACTION AGAINST UNDERWRITERS** is amended to add the following:

If execution on a judgment against the **Insureds** or their personal representatives is returned unsatisfied in an action brought to recover damages for a **Claim** made against the **Insureds** during the **Policy Period**, any person or organization or their legal representative who has secured such judgment shall be entitled to recover under this Policy to the extent of the insurance provided by this Policy.

8. Clause XVII. **BANKRUPTCY** is amended to add the words "or their estates" after the word "**Insureds.**"

9. The following is added to this Policy:

Notwithstanding anything to the contrary in this Policy, Declarations and any endorsements attached to this Policy, this Policy shall not be deemed invalid due to the absence of the signature or countersignature of any agent or company representative.

The regulatory requirements set forth in this Amendatory Endorsement shall supersede and take precedence over any provisions of this Policy or any endorsement to this Policy, whenever added, that are inconsistent with or contrary to the provisions of this Amendatory Endorsement, unless such Policy or endorsement provisions comply with the applicable insurance laws of this state.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative