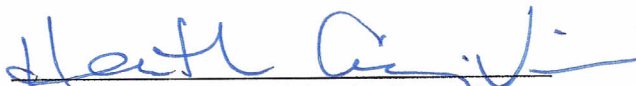
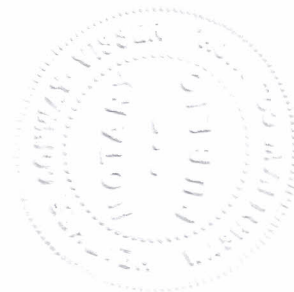


This is exhibit "J" referred to in the Affidavit of Howard Elliott sworn before me on March 13, 2013 at the City of Ann Arbor, Michigan.



A Notary Public in and for the State of
Michigan, United States of America

HEATHER CONWAY-VISSER
NOTARY PUBLIC, STATE OF MI
COUNTY OF WASHTENAW
MY COMMISSION EXPIRES Aug 12, 2017
ACTING IN COUNTY OF Washtenaw





Lloyd's Policy

The Members of each syndicate whose syndicate number is shown in the definitive list of Lloyd's participations attached agree to (re)insure the (re)insured against loss as provided by the terms of this Policy.

The Members of a syndicate shown in the list have, as a syndicate, underwritten the proportion of this Policy shown next to the syndicate number. Individually, each member of a syndicate has underwritten a share of the syndicate's proportion. Each member's liability under the Policy is several for that member's share alone and not joint for the other members' shares. No member is responsible for the liability under the Policy of any other member (whether in the same syndicate or any other syndicate). Further, no member is responsible for the liability of any other (re)insurer that may underwrite this Policy.

The identity of each member of each syndicate and their respective shares may be obtained from the Lloyd's Policy Signing Office (LPSO).

If any terms, clauses or conditions are unclear you are advised to contact your broker immediately.

This Policy is signed by the General Manager of Lloyd's Policy Signing Office on behalf of each of the subscribing Members.

LLOYD'S POLICY SIGNING OFFICE
General Manager

If this policy (or any subsequent endorsement) has been produced to you in electronic form, the original document is stored on the Insurer's Market Repository to which your broker has access.

DECLARATIONS

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE POLICY

THIS IS A CLAIMS MADE POLICY. SUBJECT TO ITS TERMS, THIS POLICY APPLIES ONLY TO ANY **CLAIM** FIRST MADE DURING THE **POLICY PERIOD**, OR IF APPLICABLE, THE **OPTIONAL EXTENSION PERIOD** PROVIDED SUCH **CLAIM** IS REPORTED TO THE UNDERWRITERS IN ACCORDANCE WITH THE TERMS OF THIS POLICY. AMOUNTS INCURRED AS **COSTS, CHARGES AND EXPENSES** SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY PROVIDED BY THE UNDERWRITERS AND ARE SUBJECT TO THE RETENTIONS. THIS POLICY DOES NOT PROVIDE FOR ANY DUTY BY THE UNDERWRITERS TO DEFEND ANY OF THE **INSUREDS**.

These Declarations along with the completed and signed **Application** and the policy with endorsements shall constitute the entire contract between the **Insureds** and the Underwriters.

Policy Number: B066485264A12

- Item A. Parent Company:** RS Technologies, Inc
Principal Address: 233 Maryland Place NE
Calgary
Alberta, T2E 7Z8
Canada
Jurisdiction of Incorporation: Alberta
- Item B. Policy Period:** From: 1 September 2012
To: 1 September 2013
Both days at 12:01am local time at the Principal Address stated in Item A.
- Item C. Limit of Liability:**
CAD 5,000,000 each **Loss**
CAD 5,000,000 in the aggregate for the **Policy Period** (including **Costs, Charges and Expenses**)
- Item D. Retentions:**
CAD NIL each **Claim**, and in the aggregate under Insuring Clause 1.A.
CAD 35,000 each **Claim** under Insuring Clause 1.B.
CAD 35,000 each **Claim** under Insuring Clause 1.C.
CAD NIL each **Derivative Demand** under Insuring Clause 1.D.
CAD NIL each **Claim** under Insuring Clause 1.E.
- Item E. Insured Percentages:**

100% of **Loss** in excess of retention under Insuring Clause 1.A
100% of **Loss** in excess of retention under Insuring Clause 1.B
100% of **Loss** in excess of retention under Insuring Clause 1.C
100% of **Loss** in excess of retention under Insuring Clause 1.D
100% of **Loss** in excess of retention under Insuring Clause 1.E

Item F. Premium: CAD 25,000

Item G. Notification pursuant to Clause 9. shall be given to:

Attention: Claims Department
Thompson Heath & Bond Limited
107 Leadenhall Street
London EC3A 4AF
Tel: +44 (0)20 7469 0100

Item H. Outside Entities: None

Item I. Pending or Prior Litigation Date: 28 April 2005

Dated in London: 21 September 2012

The insurance contract consists of this Declarations page as well as all coverage wordings, riders, or endorsements that are attached hereto.

DIRECTORS AND OFFICERS LIABILITY INSURANCE POLICY

In consideration of the payment of the premium, and in reliance on the **Application** and subject to all of the provisions of this policy, the Underwriters and **Insureds** agree as follows:

1. INSURING CLAUSES

- A. The Underwriters shall pay on behalf of each **Insured Person** all **Loss** for which the **Insured Person** is not indemnified by the **Company** resulting from any **Claim** first made against the **Insured Person** during the **Policy Period** or, if exercised, during the **Optional Extension Period**, and which the **Insured Person** has become legally obligated to pay as a result of a **Wrongful Act**.
- B. The Underwriters shall pay on behalf of the **Company** all **Loss** which the **Company** pays as indemnification to an **Insured Person** resulting from any **Claim** first made against the **Insured Person** during the **Policy Period** or, if exercised, during the **Optional Extension Period**, and which the **Insured Person** has become legally obligated to pay as a result of a **Wrongful Act**.
- C. The Underwriters shall pay on behalf of the **Company** all **Loss** which the **Company** becomes legally obligated to pay as a result of any **Securities Claim** first made against the **Company** during the **Policy Period** or, if exercised, during the **Optional Extension Period**, as a result of a **Wrongful Act**.
- D. The Underwriters shall pay on behalf of the **Company** all **Investigation Costs** which the **Company** becomes legally obligated to pay on account of any **Derivative Demand** first made during the **Policy Period** or, if exercised, the **Optional Extension Period**. Such costs will be subject to an aggregate limit of CAD 1,000,000; this aggregate limit will be in addition to the Limit of Liability set forth in Item C. of the Declarations.
- E. The Underwriters shall pay on behalf of each **Insured Person** any asset protection costs; defined as reasonable and necessary fees, costs and expenses incurred by an **Insured Person** to oppose any efforts by an **Enforcement Body** to seize or otherwise enjoin the personal assets or real property of such **Insured Person** in relation to their corporate fiduciary duties; or to obtain the discharge, revocation of a court order entered during the **Policy Period** in any way impairing the use thereof. Such costs will be subject to an aggregate limit of CAD 500,000; this aggregate limit will be in addition to the Limit of Liability set forth in Item C. of the Declarations.

2. DEFINITIONS

The following terms whenever used in this policy in boldface type shall have the meanings indicated.

- A. "**Application**" means the application for this policy and any policy of which this policy is a renewal or replacement, and any materials submitted in connection with the application, or at any later date.
- B. "**Claim**" means:
 - 1. a written demand for monetary or non-monetary damages, injunctive relief or other relief against an **Insured**;
 - 2. a civil or criminal judicial, administrative or regulatory proceeding, demand for mediation or arbitration commenced against an **Insured** by the service of a complaint or similar pleading, the receipt or filing of a notice of charges, hearing or proceeding, or the return of an indictment or laying of an information;

3. written notice to the **Underwriter** by an **Insured** describing circumstances of an investigation by a securities regulatory authority that may reasonably be expected to give rise to any **Claim** being made against an **Insured Person**;
 4. a proceeding against an **Insured Person** arising out of the failure by the **Company** to comply with its statutory obligations to deduct, withhold or remit tax, employment insurance contributions, or Canada Pension Plan contributions from a payment of salary or wages of an employee of the **Company**;
 5. a proceeding against an **Insured Person** pursuant to s. 119 of the Canada Business Corporations Act or s. 251.18 of the Canada Labour Code, or pursuant to any similar federal, provincial, territorial, state, or local law, for unpaid wages owing to employees of the **Company** of which the **Insured Person** serves in an **Insured Capacity**; or
 6. a request for **Extradition** of an **Insured Person**, whether by official request, request for provisional arrest, execution of a warrant for the arrest, or summons of an **Insured Person** where such is an element of extradition.
 7. an alleged violation of any Canadian federal or provincial legislation arising out of, based upon or attributable to the failure to deduct, withhold or remit tax, pension plan contributions and unemployment insurance contributions from a payment of salary or wages of an employee of the **Company**;
 8. any written demand, action, proceeding, or investigation for **Statutory Tax Liability** first made or commenced by any Canadian governmental tax authority against an **Insured Person** pursuant to the **Tax Sections** after an event identified in the **Tax Sections** has occurred;
- C. "**Company**" means the **Parent Company** and any **Subsidiary**.
- D. "**Corporate Takeover**" means:
1. the acquisition by any person or entity of more than 50% of the outstanding securities of the **Parent Company** representing the present right to vote for the election of the directors or trustees; or
 2. the merger or amalgamation of the **Parent Company** with or into another entity or entities such that the shareholders of the **Parent Company**, immediately after the merger or amalgamation, hold or control 50% or less of the outstanding securities of the merged or amalgamated entity representing the present right to vote for the election of the directors or trustees.
- E. "**Costs, Charges and Expenses**" means reasonable and necessary legal fees and expenses incurred by the **Insureds** in defence of any **Claim**, but shall not include overhead or benefit expenses of any kind associated with any **Insured Person**.
- F. "**Derivative Demand**" means any written notice by a shareholder of the **Parent Company**, or a "complainant" as defined in Section 238 of the Canada Business Corporations Act or similar provision of any Canadian provincial business corporations statute or equivalent foreign legislation, to the **Parent Company** advising of the intention to apply to the court to seek leave to bring a derivative action against any **Insured Person** of the **Parent Company** for a **Wrongful Act**.
- G. "**Employment Practices Violation**" means any wrongful dismissal, discharge or termination of employment whether actual or constructive; employment discrimination; harassment in the workplace; retaliatory treatment; wrongful discipline, evaluation, demotion, or failure to promote or grant tenure; failure to adopt adequate employment or workplace policies or procedures; or breach of any written or oral employment contract or quasi-employment contract.

- H. **"Enforcement Body"** means (i) federal, provincial, territorial, state, local or foreign law enforcement authority or other governmental investigative authority (including but not limited to, the Department of Justice Canada, any provincial or territorial Department of Justice, any federal, provincial or territorial securities commission, the U.S. Department of Justice, the U.S. Securities and Exchange Committee and any attorney general), or (ii) the enforcement unit of any securities or commodities exchange.
- I. **Extradition** means any process by which any **Insured Person** located in any country is surrendered to any other country to answer any criminal accusation, or expelled from any other country based upon or arising out of an actual or alleged **Wrongful Act**.
- J. **"Insureds"** means the **Company** and the **Insured Persons**.
- K. **"Insured Person"** means the following natural person when acting in the stated position or capacity (the **"Insured Capacity"**):
1. any past, present, future or de facto director, officer, trustee, governor, honorary chairman, advisory board member, committee member, natural person acting as a general partner or partnership manager, of the **Company**, and all persons serving in a functionally equivalent or foreign equivalent role for the **Company**;
 2. any past, present or future General Counsel, Employed Lawyer, Registered Chartered Accountant, Engineer (P.Eng./Ing., PE, CEGEP), and Risk & Insurance Manager (or functionally equivalent position) of the **Company**;
 3. any past, present or future employee of the **Company** when named as a co-defendant in a civil suit filed in a court of law with a person identified in subparagraph K.1 and K.2. above;
 4. an employee of the **Company** if the **Claim** is for an **Employment Practices Violation** or **Securities Law Violation**;
 5. a director, officer, trustee, governor or executive director of any not-for-profit organization where such individual serves with such not-for-profit organization with the prior approval of the Board of Directors of the **Company**; or
 6. a director, officer, general partner, partnership manager or trustee of any of the outside entities specified in Item H. of the Declarations.
- L. **"Interrelated Wrongful Acts"** means **Wrongful Acts** which have as a common nexus any fact, circumstance, event, or transaction.
- M. **"Investigation Costs"** means reasonable costs, charges, fees (including but not limited to solicitors' fees and experts' fees) and expenses (other than wages, salaries or fees of the **Insured Persons**) incurred in connection with the investigation or evaluation of any **Derivative Demand**.
- N. **"Loss"** means damages, including punitive or exemplary damages where insurable according to such applicable law that most favours coverage for same, judgments (including pre-judgment and post-judgment interest), settlements, and **Costs, Charges and Expenses** which any **Insured** is legally obligated to pay, but shall not include:
1. punitive or exemplary damages for any **Claim** arising out of an **Employment Practices Violation**;
 2. that portion of any multiplied damages award which exceeds the amount multiplied;
 3. penalties or criminal fines;

4. salary, wages, termination pay, severance pay, pay in lieu of notice, bonuses, fringe benefits (including all benefits payable under an employee benefits plan) or any perquisites associated with employment if the **Claim** is for an **Employment Practices Violation**;
 5. stock, stock options, warrants, or any other right to purchase securities, or the value thereof if the **Claim** is for an **Employment Practices Violation** ;
 6. matters deemed uninsurable under the law pursuant to which this policy shall be construed. However, the Underwriters shall not assert that, in a **Securities Claim** alleging violations of Section 11 or 12 of the United States of America Securities Act of 1933, or any Canadian or foreign equivalent thereof, the portion of any amounts incurred by any **Insured Person** which is attributable to such violations constitutes uninsurable loss by virtue of its being disgorgement, restitution or the return of ill-gotten gain.
- O. "**Optional Extension Period**" means the period described in Clause 14.A. specifically selected from one of the following by the **Parent Company** at the time of purchasing the **Optional Extension Period**:
- i. a one year period at 100% of the expiring annual premium;
 - ii. three year period at 100% of the expiring annual premium; or
 - iii. six year period at 125% of the expiring annual premium
- P. "**Parent Company**" means the entity named in Item A. of the Declarations.
- Q. "**Policy Period**" means the period from the effective date and hour of this policy to the policy expiration date and hour as set forth in Item B. of the Declarations, or its earlier cancellation date and hour, if any, or the end of the **Optional Extension Period**, if purchased.
- R. "**Pollution**" means the actual or alleged seepage, release, dispersal, transportation, emission, existence of, presence of, or contact with:
1. pollution, irritants, contaminants, mould, bacteria, fungi, mildew, spores, Sudan 1 dye, acids, alkalis, infectious or medical waste, asbestos or asbestos fibers, carbon or silica;
 2. contamination;
 3. noise;
 4. the treatment, removal or disposal of waste of any kind, including radioactive, toxic, explosive, or nuclear material; or
 5. any substance defined or identified on a list of hazardous substances issued by or pursuant to the Canadian Environmental Protection Act, the United States Environmental Protection Agency, the United States Atomic Energy Act of 1954 or any federal, provincial, territorial, state, county, municipal or local counterpart thereof.
- S. "**Securities Claim**" means any **Claim** which in whole or part, is:
1. based upon, arising from or in consequence of a **Securities Law Violation**; or
 2. brought by or on behalf of any security holder of the **Company** acting solely in such capacity.
- T. "**Securities Law Violation**" means any violation of any securities law, rule, or regulation or any common law, relating to any transaction arising out of, involving, or relating to the purchase or sale of or offer to purchase or sell any securities issued by the **Company**.
- U. "**Subsidiary**" means any organization, including but not limited to any corporation, partnership, limited liability corporation, unlimited liability corporation, association, trust or other entity in which the **Company** either directly or indirectly:

1. holds or controls the majority of the voting rights;
 2. has the right to appoint a majority of the board of directors or functional equivalent; or
 3. exercises management control. Further, the definition of **Subsidiary** shall include coverage for any past **Subsidiary** that is otherwise afforded coverage under Clause 5.C.2.
- V. "**Statutory Tax Liability**" means taxes (i) actually assessed against an **Insured Person** and (ii) for which such **Insured Person** is liable to pay, pursuant to the **Tax Sections**. **Statutory Tax Liability** also includes any statutory penalties and interest assessed in connection with the assessment of such taxes against the **Insured Person** pursuant to the **Tax Sections**.
- W. "**Tax Sections**" means Section 227.1 of the Canadian Income Tax Act; Section 323 of the Canadian Excise Tax Act, or any Canadian provincial or local tax statute law imposing comparable tax liability upon an **Insured Person**.
- X. "**Wrongful Act**" means:
1. For purposes of coverage under Insuring Clauses A. and B., any act, error, omission, misstatement, misleading statement, defamatory statement, neglect or breach of duty committed, attempted, allegedly committed or attempted by any **Insured Person** before or during the **Policy Period**, while acting in his **Insured Capacity** or any other matter claimed against him solely by reason of serving in such **Insured Capacity**.
 2. For purposes of coverage under Insuring Clause C. any act, error, omission, misstatement, misleading statement, defamatory statement, neglect or breach of duty committed, attempted, allegedly committed or attempted by any **Insured** before or during the **Policy Period**.

3. EXCLUSIONS

The underwriters shall not be liable under any Insuring Clause for **Loss** in connection with any **Claim**:

A. Bodily Injury & Property Damage

for sickness, bodily injury, mental anguish, emotional distress, disease, death, damage to or destruction of tangible property, and loss of use thereof, provided however, that this exclusion shall not apply to:

1. any mental anguish or emotional distress which is or forms part of a **Claim** for an **Employment Practices Violation** or **Derivative Demand**; or
2. **Costs, Charges and Expenses** incurred in a criminal proceeding brought against an **Insured Person** alleging a violation of Section 217.1 of the Criminal Code, R.S.C. 1985, c. C-45 (Bill C-45), or any similar foreign legislation; or
3. **Costs, Charges and Expenses** incurred in a criminal proceeding brought against an **Insured Person** alleging a violation of the United Kingdom Corporate Manslaughter and Corporate Homicide Act of 2007, the United Kingdom Health and Safety at Work Act of 1974, or any rules or regulations enacted pursuant to such legislation, or any similar foreign legislation.

B. Prior Circumstances and Litigation

based upon, arising out of, or resulting from:

1. any circumstance which has been the subject of any written notice given under any policy of which this policy is a renewal or replacement provided such prior policy affords coverage (or would afford such coverage except for the exhaustion of its limits of liability) for such **Loss**, in whole or in part, as a result of such notice;
2. any demand, suit or other proceeding pending, or order, decree or judgment entered against any **Insured** on or prior to the Pending or Prior Litigation Date noted in Item I. of the Declarations, or the same or substantially the same facts underlying or alleged therein.

C. Pollution

based upon, arising out of, or resulting from **Pollution** provided, however this exclusion shall not apply to **Loss**, or any part of **Loss**:

1. resulting from any **Claim** under Insuring Clause 1.A.; or
2. resulting from any **Claim** under Insuring Clause 1.B. and/or Insuring Clause 1.C. to the extent such **Claim** is brought by any security holder of the **Company** solely in his capacity as such whether directly in his own name or right or derivatively on behalf of the **Company**.

D. Fiduciary

for actual or alleged violation of the responsibilities, obligations, or duties imposed by the Pension Benefits Standards Act, 1985, of Canada, the Employee Retirement Income Security Act of 1974 of the United States of America, or any rules or regulations promulgated there under, or by similar provisions of any federal, provincial, territorial, state, foreign or local law, statutory or common, upon fiduciaries of any pension, profit sharing, health and welfare or other employee benefit plan or trust established or maintained for the purpose of providing benefits to employees of the **Insureds**, or for the cost of compliance therewith.

E. **Insured versus Insured**

by, on behalf or at the direction of any **Insured**, except to the extent such **Claim**:

1. is brought derivatively and such **Claim** is made without the voluntary solicitation or assistance of any **Insured**;
2. is brought by any **Insured** in the form of a cross-claim, third party claim or otherwise for contribution or indemnity which is part of and results directly from a **Claim** otherwise covered by the terms of this policy;
3. is brought by any **Insured Person** for an **Employment Practices Violation**;
4. is brought by any liquidator, receiver, sequestrator or bankruptcy trustee;
5. is brought or maintained by any employee of the **Company**, who is not an officer of the **Company**;
6. is brought or maintained by any person who has been director, officer or trustee of the **Company** and has not been appointed or elected in such position for a period of at least two years prior to the date the **Claim** is first made;
7. is brought or maintained by any employee engaging in any protected activity specified in 18 U.S.C 1514A(a) ("whistleblower" protection pursuant to the United States Sarbanes-Oxley Act of 2002) or any protected activity specified in any other "whistleblower" protection pursuant to any similar federal, provincial, state, territorial, local or foreign securities laws. However, this exception to Exclusion E shall not apply where the actions of any employee includes the filing of any proceeding or voluntarily testifying, voluntarily participating in or voluntarily assisting (other than de minimis assistance) in the filing or prosecution of any proceeding by any **Insured** against an **Insured** in relation to any violation of any rule or regulation of the United States Securities and Exchange Commission or any similar provision of any federal, provincial, territorial, state, local or foreign rule or law relating to fraud against shareholders, other than such actions in connection with a proceeding that is brought by the United States Securities and Exchange Commission, any similar federal, provincial, territorial, state, local or foreign regulatory body that regulates securities, or any state or foreign law enforcement authority;
8. is brought or maintained outside of a common law jurisdiction.

Provided however, and subject to all other terms of this policy, Exclusion 3.E of the policy shall not apply to **Costs, Charges and Expenses** incurred in connection with any **Claim** nor to **Loss**, or any part of **Loss** resulting from any **Claim** under Insuring Clause 1.A. of the policy.

F. **Individual Conduct**

The underwriters shall not be liable under Insuring Clause 1.A. for **Loss** on account of any **Claim** made against any **Insured Person**:

1. for the accounting of personal profits made from the sale or purchase of any securities of the **Company** within the meaning of Section 75 of the Ontario Securities Act of 1978 or within the meaning of Section 16(b) of the United States of America Securities Exchange Act of 1934, or similar provisions of any federal, provincial, territorial, state, foreign or local statutory law or common law if final non appealable adjudication adverse to the **Insured Person** establishes such conduct;
2. based upon, arising out of, or resulting from any deliberately fraudulent act or omission or any willful violation of any statute, law or regulation by such **Insured Person**, if final non appealable adjudication adverse to the **Insured Person** establishes such a deliberately fraudulent act or omission or willful violation; or

3. based upon, arising out of, or resulting from such **Insured Person** having gained any personal profit, remuneration or advantage to which such **Insured Person** was not legally entitled; provided, however, that this exclusion shall not apply unless final non appealable adjudication adverse to the **Insured Person** establishes that such profit was illegal.

G. Company Conduct

The underwriters shall not be liable under Insuring Clause 1.C. for **Loss** on account of any **Securities Claim** made against the **Company**:

1. based upon, arising out of, or resulting from any deliberately fraudulent act or omission or any willful violation of any statute, law or regulation by the Chairman, Chief Executive Officer, Chief Financial Officer, Chief Legal Officer or President of the **Company**, if an adverse final non appealable adjudication establishes such a deliberately fraudulent act or omission or willful violation;
2. based upon, arising out of, or resulting from the **Company** having gained any profit, remuneration or advantage to which it was not legally entitled; provided, however, that this exclusion shall not apply unless final non appealable adjudication establishes that such profit was illegal.

4. SEVERABILITY OF EXCLUSIONS

With respect to all of the exclusions no fact pertaining to or knowledge possessed by any **Insured Person** shall be imputed to another **Insured Person** to determine if coverage is available under this policy.

5. EXTENSIONS

A. Estates, Legal Representatives and Spouses

Subject otherwise to the terms and conditions of this policy, coverage shall extend to **Claims** for the **Wrongful Acts of Insured Persons** made against the estate, heir, legal representative, or assign of any **Insured Person** who is deceased, or against the legal representative or assign of **Insured Persons** who are incompetent, insolvent or bankrupt, or, against the lawful spouse or domestic partner of an **Insured Person**, for such spouse's or partner's ownership interest in marital or joint property.

B. Outside Directors Liability

Underwriters will pay **Loss** on behalf of an **Insured Person** arising from a **Claim** first made against him during the **Policy Period** in respect of a **Wrongful Act** committed when serving in an **Insured Capacity** within the meaning of Clause 2. DEFINITIONS **Insured Person** paragraph 5 or 6, provided however, coverage under this extension shall:

- (a) be specifically excess of any indemnification (other than indemnity provided by the **Company**) and any valid and collectible Directors' and Officers' liability insurance available from or maintained by the not-for-profit organization or outside entity to such **Insured Person** by reason of serving in the outside directorship, ;
- (b) shall not extend to **Loss** on account of any **Claim** brought against any **Insured Person** by the not-for-profit organization or outside entity, or by any director, officer, trustee, governor, or functionally equivalent executive of the not-for-profit or outside entity; and
- (c) shall not extend to **Loss** on account of any **Claim** made against any **Insured Person** for a **Wrongful Act** committed or allegedly committed after the date (i) such **Insured Person** ceases to be presently acting in an **Insured Capacity** with the **Company**, or (ii) service by such **Insured Person** in the outside directorship ceases to be with the approval of the **Company**.

C. Corporate Acquisitions, Mergers, Amalgamations, and Takeovers

1. This policy is issued and the premium computed on the basis of the information submitted to the Underwriters as part of the **Application**. If the **Company**:

- (a) acquires, gains control, or creates a **Subsidiary**, after the inception date of this policy;
or
- (b) merges with or amalgamates into another entity, unless such merger or amalgamation constitutes a **Corporate Takeover**;

coverage hereunder shall be afforded for a period of 90 days from such acquisition, creation, merger, or amalgamation for any **Claim** arising out of **Wrongful Acts** subsequent to such acquisition, creation, merger, or amalgamation, so long as such **Wrongful Acts** are otherwise covered under this policy and involve the assets acquired or the assets, liabilities, directors, officers or employees of the entity acquired, created, or merged with or amalgamated into, or such **Subsidiary**.

Coverage beyond such 90-day period shall only be available if:

- (c) written notice of such transaction or event is given to the Underwriters by the **Parent Company**;
- (d) the **Parent Company** provides the Underwriters with such information in connection therewith as the Underwriters may deem necessary; and
- (e) Underwriters agree to provide such coverage until the expiry of the current policy term.

Notwithstanding the foregoing, if the **Company** acquires, gains control or creates during the **Policy Period** a **Subsidiary** whose total assets are equal to or less than fifty percent (50%) of the **Parent Company's** total assets as of the most recently filed annual report, the newly acquired **Subsidiary** will be included within the definition of **Company**, but only for **Wrongful Acts** committed or allegedly committed after the effective date of the acquisition.

- 2. If any entity ceases to be a **Subsidiary** as defined herein after the inception date of this policy or of any policy issued by the Underwriters of which this policy is a renewal or replacement, this policy, subject to its terms, shall continue to apply to any of the **Insured Persons** and to the **Subsidiary** who were covered under this policy because of their service with such **Subsidiary** but only with respect to any **Wrongful Act** prior to the time such entity ceased to be a **Subsidiary**.
- 3. In the event of a **Corporate Takeover** after the inception date of this policy or of any policy issued by the Underwriters of which this policy is a renewal or replacement, this policy, subject to its terms, shall continue to apply to the **Insured Persons** and to the **Company** but only with respect to any **Wrongful Act** prior to the **Corporate Takeover**.

6. CO-INSURANCE, RETENTIONS, LIMIT OF LIABILITY, AND ORDER OF PAYMENTS

- A. The Underwriters shall only be liable to pay the percentage of **Loss** set forth in Item E. of the Declarations which is in excess of the amount of the applicable retention set out in Item D. of the Declarations, up to the limit of liability, it being warranted that the remaining percentage of **Loss** shall be uninsured.
- B. The retention applicable to Insuring Clause 1.B. shall apply to **Loss** payable under Insuring Clause 1.A. if indemnification by the **Company** is required by law, by its by-laws, charter, or certificate of incorporation, or by any contract or agreement, unless the **Company** is unable to make such actual indemnification by reason of its insolvency, liquidation, receivership, conservatorship, or financial impairment, as defined within the provisions of the Canadian Bankruptcy and Insolvency Act, 1985, and the Companies' Creditors Arrangement Act,

1985, and Title 11 of the United States Bankruptcy Code, or similar statutes, acts, or provisions in other jurisdictions.

- C. The amounts shown in Item C. of the Declarations respectively shall be the maximum limit of liability of the Underwriters under the policy for each **Loss** and in the aggregate for all **Loss** on account of all **Claims** first made during the same **Policy Period**, with the exception of:
 - (a) the limit of liability for **Investigative Costs**;
 - (b) with regards to Insuring Clause 1.A., an additional aggregate limit of liability of CAD1,000,000 for non-indemnifiable **Loss** of the **Insured Person**, which shall be written excess of the limit of liability set forth in the Declarations and excess of any other insurance specifically written excess of this policy and be payable by the Underwriters solely under Insuring Clause 1.A.
 - (c) the limit of liability for asset protection costs as described in Insuring Clause 1.E.
- D. More than one **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have originated in the earliest **Policy Period** in which a **Claim** is first made against any **Insured** alleging any such **Wrongful Act** or **Interrelated Wrongful Acts**.
- E. In the event more than one of the Insuring Clauses set forth in Clause 1. are applicable to a **Claim**, the retentions set forth in Item D. of the Declarations shall be applied collectively to the **Loss** covered by each Insuring Clause. The retention level shall not exceed the retentions set forth in Item D. of the declarations.
- F. Payments of **Loss** by the Underwriters shall reduce the limit of liability.
- G. The Underwriters shall pay **Loss** in the order in which **Loss** is incurred. If **Loss** payable under Insuring Clause 1.A. and one or more of the other Insuring Clauses is incurred contemporaneously, the Underwriters first shall pay **Loss** payable under Insuring Clause 1.A. The **Parent Company** may elect in writing, through its Chief Executive Officer or equivalent position, to decline or defer payment under Insuring Clause 1.B. or Insuring Clause 1.C. The Underwriters shall have no obligation to pay **Loss** after exhaustion of the limit of liability regardless of whether the **Parent Company** has declined or deferred payment.

7. DEFENCE, SETTLEMENTS, COOPERATION AND SUBROGATION

- A. It shall be the duty of the **Insureds**, and not the duty of the Underwriters, to defend **Claims**.
- B. No settlement shall be made, no obligation assumed or liability admitted, and no **Costs, Charges and Expenses** shall be incurred without the Underwriters' prior consent, such consent not to be unreasonably withheld. The Underwriters shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which they have not consented unless such consent is unreasonably withheld.
- C. The Underwriters shall have the right and shall be given the opportunity to effectively associate with the **Insureds** in the investigation and defence of any **Claim** that is potentially covered in whole or in part by this policy.
- D. The **Insureds** shall provide Underwriters with full cooperation, assistance and such information as is reasonably required in order for Underwriters to fully and effectively associate in the investigation, defence and settlement of any **Claim** and in order for the Underwriters to determine whether a **Claim** is or may be covered under this policy.
- E. The **Insureds** agree they will do nothing that may prejudice the Underwriters' position or its rights of recovery. In the event of any payment under this policy, the Underwriters shall be subrogated to the **Insureds'** rights of recovery against any person or entity. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights including the execution of such documents as are necessary to enable the Underwriters effectively to bring suit in their name, and shall provide all other assistance and cooperation which the Underwriters may reasonably require.

8. ALLOCATION

If both **Loss** covered by this policy and **Loss** not covered by this policy are incurred, either because a **Claim** against an **Insured** includes both covered and uncovered matters or because a **Claim** is made against both an **Insured** and others not covered under the policy, including the **Company** and the **Insureds**, the underwriters shall allocate such amount as follows:

- (a) 100% of all **Costs, Charges and Expenses** in respect of such **Claim** shall be allocated to covered **Loss**. However, no **Costs, Charges and Expenses** shall be allocated to the **Company** to the extent that it is unable to indemnify **Insureds** by reason of insolvency, bankruptcy or statutory law.

Such allocation of **Costs, Charges and Expenses** shall be final and binding and shall not apply to or create any presumption with respect to the allocation of any other **Loss**.

All **Costs, Charges and Expenses** allocated to covered **Loss** shall be advanced by the Underwriters on a current basis.

- (b) with respect to all **Loss** other than **Costs, Charges and Expenses**, the **Company** and the **Insureds** shall allocate such amount based upon the best efforts of the parties to such matters.

If the **Insureds** and the Underwriters cannot agree on such an allocation, no presumption as to the allocation shall exist in any arbitration, suit or other proceeding. The Underwriters, if requested by the **Insureds**, shall submit the allocation dispute to binding arbitration pursuant to the *Arbitration Act, 1991*, S.O. 1991, c.17. The arbitration panel shall consist of one arbitrator selected by the **Insureds**, one arbitrator selected by the Underwriters, and a third independent arbitrator selected by the first two arbitrators, unless the parties agree otherwise. The fees of the arbitrators shall be shared equally by the **Insureds** and the Underwriters.

9. NOTIFICATION

- A. The **Insureds** shall, as a condition precedent to their rights to payment under this policy, give notice in writing of any **Claim**, to the firm shown in Item G. of the Declarations as soon as is reasonably practicable, but in no event more than 90 days after the end of the **Policy Period**, upon the Chief Executive Officer, Chief Financial Officer, General Counsel, President or Risk Manager, or functionally equivalent position of the **Parent Company** first becoming aware of such **Claim**.
- B. If during the **Policy Period** the **Insured** first becomes aware of circumstances which might reasonably be expected to give rise to a **Claim** and gives written notice of such to the Underwriters, including a description of the potential **Wrongful Act**, consequences and damages, names of potential claimants and involved **Insured Persons**, then any **Claim** made subsequently arising from such circumstances shall be deemed to have been made during the **Policy Period** or the **Optional Extension Period** in which the circumstances were first reported to the Underwriters.
- C. Notice to the firm shown in Item G. of the Declarations provided for in this Clause shall be in writing and shall be delivered by fax, post or email to the address specified in Item G. of the Declarations.
- D. Should the **Insureds** submit a completed renewal application prior to expiry and the Underwriters decides not to offer renewal terms, the Underwriters shall provide written notice to the **Insureds** and the expiring policy period will be extended, if necessary, to ensure at least ninety (90) days subsequent to the date of such notice of non-renewal. All other terms, provisions and conditions of this policy shall remain in effect during this granted extension period. The premium costs of such extension to be calculated on a pro rata basis referencing the expiring annual premium.

10. OTHER INSURANCE

To the extent any **Loss** arising from any **Claim** is insured under any other valid policy, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, and regardless of whether or not such **Loss** is collectible or recoverable under such other policy, then this policy shall cover such **Loss**, only to the extent such **Loss** is in excess of the amount of any applicable deductible and the limit of liability of such other policy, where such **Claim** is otherwise covered by this policy, unless such other insurance is written only as specific excess insurance over the limits of liability of this policy.

11. WARRANTY AND SEVERABILITY CLAUSE

In granting coverage to any one of the **Insureds**, the Underwriters have relied upon the declarations and statements in the **Application**. All such declarations and statements are the basis of such coverage and shall be considered as incorporated in and constituting part of this policy.

The **Application** shall be construed as a separate application for coverage by each of the **Insured Persons**. With respect to the declarations and statements contained in such **Application**, no statement made or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person** for the purpose of determining if coverage is available. For the purposes of coverage afforded by Insuring Clause C. only, any statement made or knowledge possessed by the Chief Executive Officer or Chief Financial Officer shall be imputed to the **Company** to determine if coverage is available for such **Company**.

12. NON RESCINDABILITY

The Underwriters shall not be entitled under any circumstances to rescind or void, in whole or in part, this policy.

13. COMPANY AUTHORIZATION CLAUSE

By acceptance of this policy, the **Insureds** agree that the **Parent Company** will act on their behalf with respect to the giving of all notices to the Underwriters, the receiving of notices from the Underwriters, the payment of the premium and the receipt of any return premium.

14. OPTIONAL EXTENSION PERIOD

- A. If this policy is cancelled or not renewed by the **Parent Company** or by the Underwriters for any reason other than for non-payment of premium, then the **Parent Company** or the **Insureds** shall have the right, upon payment of an additional premium calculated at that percentage shown in 2. DEFINITIONS O. of the total premium for this policy, to an extension of the coverage granted by this policy for the period of time set out in 2. DEFINITIONS O. for any **Claim** first made after the date of cancellation or non-renewal, but only with respect to any **Wrongful Act** committed prior to the date of cancellation or non-renewal.
- B. 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 45 days after the policy expiration date. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase the **Optional Extension Period**.
- C. In the event of the purchase of the **Optional Extension Period**, the entire premium shall be deemed earned at its commencement.
- D. The exercise of the **Optional Extension Period** shall not in any way increase the limit of liability of the Underwriters.
- E. The **Optional Extension Period** is not cancellable by the **Insureds**, their assignees or the Underwriters after payment of the **Optional Extension Period** premium.
- F. The offer of renewal terms and conditions or premiums different from those in effect prior to renewal shall not constitute a refusal to renew or a non-renewal.

15. CANCELLATION CLAUSE

- A. By acceptance of this policy, the **Insureds** hereby confer the exclusive power and authority to cancel this policy on their behalf to the **Parent Company**. Such entity may cancel this policy by surrender thereof to the Underwriters, or by registered mailing to the Underwriters written notice stating when thereafter such cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the **Policy Period**.
- B. The Underwriters may cancel this policy only for non-payment of premium. Such cancellation shall only be effected by sending notice by registered mail to the **Parent Company** stating when, not less than 15 days thereafter, such cancellation shall be effective. The effective date of cancellation stated in such notice shall become the end of the **Policy Period**.
- C. If this policy is cancelled pursuant to A. above, the Underwriters shall retain the customary short rate proportion of the premium hereon, as determined by the Underwriters. If this policy is cancelled pursuant to B. above, the Underwriters shall be entitled to the pro-rata proportion of the premium hereon. Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of cancellation.

16. ASSIGNMENTS AND ACTION AGAINST THE UNDERWRITERS

No action shall lie against the Underwriters unless, as a condition precedent thereto, the **Insureds** shall have fully complied with all of the terms of this policy, and the amount of the **Insureds'** obligation to pay shall have been fully and finally determined either by judgment against them or by written agreement between them, the claimant and the Underwriters. Nothing contained herein shall give any person or organization any right to join the Underwriters as a party to any **Claim** against the **Insureds** to determine their liability, nor shall the Underwriters be impleaded by the **Insureds** or their legal representative in any **Claim**. Assignment of interest under this policy shall not bind the Underwriters unless its consent is endorsed hereon.

17. SITUATION, JURISDICTION AND GOVERNING LAW

The coverage afforded by this policy is worldwide in territory; though shall be construed in accordance with the laws of the province of Canada where the **Company** named in Item A. of the Declarations has its principal address and any dispute arising out of or in connection with the policy, including its existence, validity, and interpretation, shall be referred to and finally resolved, with no right of appeal, by arbitration in accordance with the *Arbitration Act, 1991*, S.O. 1991, c. 17, or such similar legislation of the province of Canada where the **Company** has its principal address, or on any other terms which the Underwriters and the **Insured Persons** agree in writing upon.

Endorsement to Clause Definitions (K) **Insured Person**

It is hereby understood and agreed that Clause 2.Defintions (K) "**Insured Person**" is deleted and replaced with the following:

2. any past, present or future General Counsel, Employed Lawyer, Registered Chartered Accountant, Engineer (P.Eng./Ing, PE, CEGEP), and Risk & Insurance Manager (or functionally equivalent Position) of the **Company**, but is sub-limited to CAD 1,000,000 (being part of and not in addition to the aggregate limit of liability for this policy) in respect of Employed Lawyer(s).

All other terms and conditions remain unaltered



NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorised by law

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain non-related or unaffiliated organisations or companies.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on 514 861 8361 or through info@lloyds.ca

07/05
LSW1543

Should a policyholder wish to file a complaint relative to a Lloyd's policy effected through you, the policyholder must be provided with the following Lloyd's Complaint Protocol:

LLOYD'S POLICYHOLDERS' COMPLAINT PROTOCOL

If you have a complaint with any aspect of your Lloyd's insurance, please refer to the broker/agent who arranged your policy for you.

OR

You may contact the **General Insurance OmbudService (GIO)** who will contact Lloyd's on your behalf. The GIO can be reached at:

GIO - Atlantic Provinces

(902) 429-2730
Toll-free: 1-800-565-7189
www.gio-scad.org

GIO - British Columbia & Yukon

(604) 684-3635
Toll-free: 1-877-772-37777
www.gio-scad.org

GIO - Ontario

(416) 362-9528
Toll-free: 1-800-387-2880
www.gio-scad.org

GIO - Prairies, Northwest Territories & Nunavut

(780) 423-2212
Toll-free: 1-800-377-6378
www.gio-scad.org

Province of Québec

GIO

(514) 288-6015
Toll-free: 1-800-361-5131
www.gio-scad.org

OR

Autorité des marchés financiers (l'Autorité)

Québec City (418) 525-0311
Montréal (514) 395-0311
Toll-free: 1-866-526-0311
E-mail: Renseignements-
consommateur@lautorite.qc.ca

GIO - Alberta

(780) 421-8181
Toll-free : 1-888-421-4212
www.gio-scad.org

For more information or to submit the facts of your insurance-related dispute, please visit the GIO website at www.gio-scad.org.

Should you be dissatisfied with the outcome of your broker's resolution or with the GIO's/l'Autorité's assistance, please submit your written complaint to:

Lloyd's Canada Inc.
Broker Management Services
1155 rue Metcalfe, Suite 2220
Montreal, Quebec H3B 2V6

Tel: 1-877-4LLOYDS
Fax: (514) 861-0470
E-mail : lineage@lloyds.ca

Your written complaint will be forwarded to Lloyd's Complaints Department in London which ensures that Lloyd's Underwriters and their representatives deal with claims and complaints in an acceptable manner. It acts as an impartial mediator. When undertaking a review this Department takes account of general legal principles, good insurance practice, and whether all events surrounding a given case have been considered fairly.

If you are dissatisfied with Lloyd's final letter, you may ask the GIO to arrange for mediation. Mediation is not available until Lloyd's has issued its final letter of position on your complaint.

In Québec you may also avail yourself of the services of *l'Autorité* who will study your file and may recommend mediation, if it deems this action appropriate and if both parties agree to it.

GIO - Alberta can be contacted where a policyholder is not satisfied with the basis on which a premium for basic coverage for a private passenger vehicle was determined, or considers that an insurer, directly or indirectly, has taken an adverse contractual action with respect to insurance for basic coverage.

SERVICE OF SUIT CLAUSE (CANADA)
(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is

Sean Murphy
Lloyd's Attorney in Fact
Lloyd's Canada Inc.
1155 rue Metcalfe, Suite 2220
Montreal, Quebec H3B 2V6
Canada

LMA5028

10/08/06

Form approved by Lloyd's Market Association

PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 90 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 90th day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

11/01
LSW3000

(RE)INSURERS LIABILITY CLAUSE

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA3333

21 June 2007

INTENTION FOR AIF TO BIND CLAUSE

Whereas Lloyd's Underwriters have been granted an order to insure in Canada risks under the Insurance companies Act (Canada) and are registered in all provinces and territories in Canada to carry on insurance business under the laws of these jurisdictions or to transact insurance in these jurisdictions.

And whereas applicants for insurance coverage in respect of risks located in Canada and Canadian Cedants wish that Lloyd's insurance and reinsurance coverage be provided in a manner that requires Lloyd's Underwriters to vest assets in trust in respect of their risks pursuant to the Insurance Companies Act (Canada);

- a) This contract shall be in force and shall be the governing contract pending the decision by Lloyd's Underwriters' attorney and chief agent in Canada (the "AIF") to confirm coverage in accordance with both the terms and conditions set out in this contract and applicable Canadian law;
- b) The AIF shall confirm Lloyd's Underwriters' coverage by signing in Canada a policy that will contain the terms and conditions set out in this contract (the "Canadian Policy"), and by communicating from Canada the issuance of that policy to the policyholder or his broker;
- c) This contract shall cease to have effect upon the communication by the AIF from Canada of the Canadian Policy to the policyholder or his broker, and the Canadian Policy will replace and supersede this contract.

01/11/11
LMA5180



The Table of Syndicates referred to on the face of this Policy follows:

BUREAU REFERENCE	81102 05/10/2012	BROKER NUMBER	0664
PROPORTION %		SYNDICATE	
100.00		2003	
TOTAL LINE		No. OF SYNDICATES	
100.00		1	
		UNDERWRITER'S REFERENCE	
		DY3000357838	

THE LIST OF UNDERWRITING MEMBERS
OF LLOYD'S IS IN RESPECT OF 2012
YEAR OF ACCOUNT

EFFECTIVE FROM: 01 SEP 2012

BUREAU USE ONLY

CDW1 72 2003

RISK CODE: D3

Page 1 of 1



One Lime Street London EC3M 7HA

For the purpose of the *Insurance Companies Act* (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' insurance business in Canada.

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the *Insurance Companies Act* (Canada).

LMA5185

A handwritten signature in black ink, appearing to read 'S. Murphy', is written above a solid horizontal line.

Signed and Dated by the Attorney In Fact in Canada for Lloyd's Underwriters and Chief Agent in Canada.

UMR: B066485264A12

Insured Name: RS Technologies, Inc.

10 October 2012



Lloyd's Policy

The Members of each syndicate whose syndicate number is shown in the definitive list of Lloyd's participations attached agree to (re)insure the (re)insured against loss as provided by the terms of this Policy.

The Members of a syndicate shown in the list have, as a syndicate, underwritten the proportion of this Policy shown next to the syndicate number. Individually, each member of a syndicate has underwritten a share of the syndicate's proportion. Each member's liability under the Policy is several for that member's share alone and not joint for the other members' shares. No member is responsible for the liability under the Policy of any other member (whether in the same syndicate or any other syndicate). Further, no member is responsible for the liability of any other (re)insurer that may underwrite this Policy.

The identity of each member of each syndicate and their respective shares may be obtained from the Lloyd's Policy Signing Office (LPSO).

If any terms, clauses or conditions are unclear you are advised to contact your broker immediately.

This Policy is signed by the General Manager of Lloyd's Policy Signing Office on behalf of each of the subscribing Members.

LLOYD'S POLICY SIGNING OFFICE
General Manager

If this policy (or any subsequent endorsement) has been produced to you in electronic form, the original document is stored on the Insurer's Market Repository to which your broker has access.

LLOYD'S

THE ASSURED IS REQUESTED TO **READ THIS POLICY**. IF IT IS INCORRECT, PLEASE RETURN IT IMMEDIATELY TO YOUR BROKER OR AGENT FOR ALTERATION.

IN ALL COMMUNICATIONS THE POLICY NUMBER APPEARING OVERLEAF SHOULD BE QUOTED

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THE SCHEDULE

Policy Number: B066485264B12

Proposal Dated:

14th August 2012

The Assured:

RS Technoloies, Inc

(and its Directors and Officers as defined in the Primary Policies)

Period of Insurance:

From: 1st September 2012

To: 1st September 2013

(both days at 12.01 a.m. Local Standard Time at the Assured's Principal Address)

Premium:

CAD 39,500.00

Underlying Policy Numbers:

B066485264A12

Limit Hereon:

CAD 10,000,000 in the aggregate per policy period

Total Limit

CAD 15,000,000 in the aggregate for the policy period as more fully detailed in Underlying Insurance

Dated in London: 9th October 2012

00361346Y

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WNM 1985
DIRECTORS AND OFFICERS
COMPANY REIMBURSEMENT (EXCESS)

The Assured shall be indemnified as if this Policy and the Underlying Policies as applicable constituted one wording it being understood that indemnity hereunder shall be subject to the terms and Schedule of this Policy and shall not serve to diminish indemnity afforded by the Underlying Policies. Notice shall be submitted to the Underwriters of this Policy for agreement to their share of any claim, loss or circumstance which may exceed the Underlying Policies. Amendment to the Underlying Policies shall not amend this Policy without the approval of the Underwriters of this Policy.

04/00
LSW056

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ADDITIONAL WORDINGS & CLAUSES



NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorised by law

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain non-related or unaffiliated organisations or companies.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on 514 861 8361 or through info@lloyds.ca

07/05

LSW1543

Should a policyholder wish to file a complaint relative to a Lloyd's policy effected through you, the policyholder must be provided with the following Lloyd's Complaint Protocol:

LLOYD'S POLICYHOLDERS' COMPLAINT PROTOCOL

If you have a complaint with any aspect of your Lloyd's insurance, please refer to the broker/agent who arranged your policy for you.

OR

You may contact the **General Insurance OmbudService (GIO)** who will contact Lloyd's on your behalf. The GIO can be reached at:

GIO - Atlantic Provinces

(902) 429-2730

Toll-free: 1-800-565-7189

www.gio-scad.org

GIO - British Columbia & Yukon

(604) 684-3635

Toll-free: 1-877-772-3777

www.gio-scad.org

GIO - Ontario

(416) 362-9528

Toll-free: 1-800-387-2880

www.gio-scad.org

GIO - Prairies, Northwest Territories & Nunavut

(780) 423-2212

Toll-free: 1-800-377-6378

www.gio-scad.org

Province of Québec

GIO

(514) 288-6015

Toll-free: 1-800-361-5131

www.gio-scad.org

OR

Autorité des marchés financiers (l'Autorité)

Québec City (418) 525-0311

Montréal (514) 395-0311

Toll-free: 1-866-526-0311

E-mail: Renseignements-consommateur@lautorite.qc.ca

GIO - Alberta

(780) 421-8181

Toll-free : 1-888-421-4212

www.gio-scad.org

For more information or to submit the facts of your insurance-related dispute, please visit the GIO website at www.gio-scad.org.

Should you be dissatisfied with the outcome of your broker's resolution or with the GIO's/l' Autorité's assistance, please submit your written complaint to:

Lloyd's Canada Inc.
Broker Management Services
1155 rue Metcalfe, Suite 1540
Montreal, Quebec H3B 2V6

Tel: 1-877-4LLOYDS
Fax: (514) 861-0470
E-mail : lineage@lloyds.ca

Your written complaint will be forwarded to Lloyd's Complaints Department in London which ensures that Lloyd's Underwriters and their representatives deal with claims and complaints in an acceptable manner. It acts as an impartial mediator. When undertaking a review this Department takes account of general legal principles, good insurance practice, and whether all events surrounding a given case have been considered fairly.

If you are dissatisfied with Lloyd's final letter, you may ask the GIO to arrange for mediation. Mediation is not available until Lloyd's has issued its final letter of position on your complaint.

In Québec you may also avail yourself of the services of *l'Autorité* who will study your file and may recommend mediation, if it deems this action appropriate and if both parties agree to it.

GIO - Alberta can be contacted where a policyholder is not satisfied with the basis on which a premium for basic coverage for a private passenger vehicle was determined, or considers that an insurer, directly or indirectly, has taken an adverse contractual action with respect to insurance for basic coverage.

07/05
LSW1542

INTENTION FOR AIF TO BIND CLAUSE

Whereas Lloyd's Underwriters have been granted an order to insure in Canada risks under the Insurance companies Act (Canada) and are registered in all provinces and territories in Canada to carry on insurance business under the laws of these jurisdictions or to transact insurance in these jurisdictions.

And whereas applicants for insurance coverage in respect of risks located in Canada and Canadian Cedants wish that Lloyd's insurance and reinsurance coverage be provided in a manner that requires Lloyd's Underwriters to vest assets in trust in respect of their risks pursuant to the Insurance Companies Act (Canada);

- a) This contract shall be in force and shall be the governing contract pending the decision by Lloyd's Underwriters' attorney and chief agent in Canada (the "AIF") to confirm coverage in accordance with both the terms and conditions set out in this contract and applicable Canadian law;
- b) The AIF shall confirm Lloyd's Underwriters' coverage by signing in Canada a policy that will contain the terms and conditions set out in this contract (the "Canadian Policy"), and by communicating from Canada the issuance of that policy to the policyholder or his broker;
- c) This contract shall cease to have effect upon the communication by the AIF from Canada of the Canadian Policy to the policyholder or his broker, and the Canadian Policy will replace and supersede this contract.

01/11/11
LMA5180

(RE)INSURERS LIABILITY CLAUSE

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

21/6/07
LMA3333

PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 90 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 90th day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

11/01
LSW3000

SERVICE OF SUIT CLAUSE (CANADA)
(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as “Lloyd’s Underwriters” and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd’s Underwriters, whose address for such service is 1155, rue Metcalfe, Suite 2220, Montreal, Quebec, H3B 2V6.

LMA5028
10/08/06
Form approved by Lloyd’s Market Association

ENDORSEMENTS

Attaching to and forming part of this Policy.

Endorsement No:1

It is hereby understood and agreed that:

1. Situation: Worldwide

2. Underlying Insurance: Primary Carrier: Catlin
 Policy No: B066485264A12
 Limits of Liability: CAD 5,000,000
 Retentions/Deductibles: CAD Nil/CAD 35,000/CAD 35,000/CAD Nil/CAD Nil
 Policy Period: 1st September 2012 to 1st September 2013 at 12.01 a.m.
 Local Standard Time at the Assured's Principal Address
 Premium: CAD 25,000

3. Principal Address: 233 Mayland Place NE
 Calgary, Alberta
 Canada
 T2E 7Z8

4. Notification of claims to:

 Attention: Claims Department
 Thompson Heath & Bond Limited, 107 Leadenhall Street, London EC3A 4AF

5. This policy will be governed by and interpreted pursuant to the laws of the Province of Alberta and the laws of Canada applicable therein, and any dispute arising hereunder shall be submitted to the exclusive jurisdiction of the Courts of the Province of Alberta.

ALL OTHER TERMS AND CONDITIONS REMAIN UNALTERED

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The Table of Syndicates referred to on the face of this Policy follows:

Syndicate Number	Percentage	Underwriters' References
1221	50.00	KDL012YA6970
1886	50.00	12MA267195NA
Total Lloyd's Line	100.00	

The list of Underwriting Members of Lloyd's is for the 2012 year of account

LPSO Signing Number and Date or Reference: 81018 08/10/2012

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One Lime Street London EC3M 7HA

For the purpose of the *Insurance Companies Act* (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' insurance business in Canada.

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the *Insurance Companies Act* (Canada).

LMA5185

A handwritten signature in black ink, appearing to read 'S. Murphy', is written above a solid horizontal line.

Signed and Dated by the Attorney In Fact in Canada for Lloyd's Underwriters and Chief Agent in Canada.

UMR: B066485264B12

Insured Name: RS Technologies, Inc.

10 October 2012



Lloyd's Policy

The Members of each syndicate whose syndicate number is shown in the definitive list of Lloyd's participations attached agree to (re)insure the (re)insured against loss as provided by the terms of this Policy.

The Members of a syndicate shown in the list have, as a syndicate, underwritten the proportion of this Policy shown next to the syndicate number. Individually, each member of a syndicate has underwritten a share of the syndicate's proportion. Each member's liability under the Policy is several for that member's share alone and not joint for the other members' shares. No member is responsible for the liability under the Policy of any other member (whether in the same syndicate or any other syndicate). Further, no member is responsible for the liability of any other (re)insurer that may underwrite this Policy.

The identity of each member of each syndicate and their respective shares may be obtained from the Lloyd's Policy Signing Office (LPSO).

If any terms, clauses or conditions are unclear you are advised to contact your broker immediately.

This Policy is signed by the General Manager of Lloyd's Policy Signing Office on behalf of each of the subscribing Members.

LLOYD'S POLICY SIGNING OFFICE
General Manager

If this policy (or any subsequent endorsement) has been produced to you in electronic form, the original document is stored on the Insurer's Market Repository to which your broker has access.



Navigators Insurance Underwriting Agency Limited Policy Number: B066485264C12
 2 Minster Court, Mincing Lane, London EC3R 7BB

Director InNAVation Policy – SIDE A

ADMINISTRATOR NAME AND ADDRESS:	PRODUCER NAME AND ADDRESS:
Navigators Insurance Underwriting Agency Limited 4 th Floor 2 Minster Court Mincing Lane London, EC3R 7BB	Jones Brown, Inc. Suite 800 639 5 th Avenue S.W. Calgary, Alberta T2P 0M9

NOTE: This is a claims made policy with costs of defense included in the limit of liability. Please read and review the policy carefully.

ITEM 1. Corporation (name and address): RS Technologies, Inc. 233 Maryland Place NE Calgary, Alberta T2E 7Z8 Canada	ITEM 2. Policy Period: Inception Date: 1 September 2012 Expiration Date: 1 September 2013 at 12:01 a.m. both dates at the Address stated in ITEM A.		
ITEM 3. Limit of Liability: CAD 5,000,000 in Excess of CAD 15,000,000 Maximum aggregate limit of liability for all non-indemnifiable Loss.			
ITEM 4. Underlying Policies: <table data-bbox="243 987 1380 1218" style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> Underlying Policy: Primary Company: Catlin Policy Number: B066485264A12 Limit of Liability: CAD 5,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 25,000 </td> <td style="width: 50%; border: none;"> Underlying Policy: 1st Excess Company: Navigators/QBE Policy Number: B066485264B12 Limit of Liability: CAD 10,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 39,500 </td> </tr> </table>		Underlying Policy: Primary Company: Catlin Policy Number: B066485264A12 Limit of Liability: CAD 5,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 25,000	Underlying Policy: 1 st Excess Company: Navigators/QBE Policy Number: B066485264B12 Limit of Liability: CAD 10,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 39,500
Underlying Policy: Primary Company: Catlin Policy Number: B066485264A12 Limit of Liability: CAD 5,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 25,000	Underlying Policy: 1 st Excess Company: Navigators/QBE Policy Number: B066485264B12 Limit of Liability: CAD 10,000,000 Retentions/Deductibles: Nil/CAD 35,000/ CAD 35,000/ Nil/ Nil Policy Period: 12 Months at 1 September 2012 Premium: CAD 39,500		
ITEM 5. FORMS AND ENDORSEMENTS ATTACHED AT ISSUANCE: <ol style="list-style-type: none"> 1) LSW 1543 – Notice Concerning Personal Information 2) LSW 1542 – Lloyds Policyholders' Complaint Protocol 3) LMA 5180 – AIF Intention to Bind Clause 4) Canadian General Endorsement to Side A DIC Endorsement 5) Prior and Pending Litigation Exclusion effective 28 April 2007 6) LSW 3000 – 90 days Premium payment Clause 7) LMA 3333 – (Re)Insurers Liability Clause 8) LMA 5028 – Service of Suite Clause 9) Choice of Law and Jurisdiction 			
ITEM 6. TERMINATION OF PRIOR POLICY(IES): N/A			
ITEM 7. DISCOVERY CLAUSE: i. A one year period at 100% of the expiring annual premium; ii. three year period at 100% of the expiring annual premium; iii. six year period at 125% of the expiring annual premium			

ITEM 8. POLICY PERIOD PREMIUM: CAD 24,000

NavPro

THIS IS A CLAIMS MADE POLICY
WITH DEFENSE COSTS INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ THE ENTIRE POLICY CAREFULLY

Director InNAVation Policy

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the Insurer shown in the Schedule, including the statements made in the Proposal Form, which is hereby made a part hereof, and subject to all terms, conditions and limitations of this Policy, the Insured and Insurer agree:

Section I. Insuring Agreements

A. Difference in Conditions Coverage

The Insurer shall pay on behalf of the Insured Persons all Non-Indemnifiable Loss which the Insured Persons shall be legally obligated to pay as a result of a Claim first made against them during the Policy Period or the Discovery Period for a Wrongful Act, but only to the extent that:

- (1) an Underlying Insurer fails or refuses to pay such Loss solely by reason of such Underlying Insurer's financial insolvency;
- (2) an Underlying Insurer wrongfully fails or refuses to pay such Loss as required under the terms and conditions of the applicable Underlying Policy;
- (3) an Underlying Insurer fails or refuses to pay such Loss and files an action to rescind an Underlying Policy or otherwise provides written notice of intent to rescind an Underlying Policy;
- (4) an Underlying Insurer is liable for only a portion of the Loss, according to the terms and conditions of the applicable Underlying Policy; or
- (5) an Underlying Insurer does not pay such Loss solely because a liquidation or reorganization proceeding has been commenced by or against the Corporation pursuant to the U.K Insolvency Act 1986 (as amended) or equivalent legislation in the jurisdiction where the Loss has occurred and the proceeds of such Underlying Policy cannot legally be paid by such Underlying Insurer due to a stay or other order; provided, however, that:
 - (a) as a condition precedent to any payment by the Insurer under this subparagraph (5), the Insured must have requested, or arranged for such Underlying Insurer to request, relief from a stay or order as to such proceeds; and
 - (b) any payment by the Insurer under this sub-paragraph (5) shall be subject to Section VIII,H. Subrogation;

provided, however, to the extent that such Loss would be payable under this Policy except where terms and conditions of this Policy are inconsistent with an Underlying Policy, then this Policy is amended to provide coverage in accordance with the terms, conditions, exclusions and limitations of such Underlying Policy in respect of such Loss but the Insurer shall in no event provide coverage to the Company for any Claim made against it or for any amount it pays to indemnify, or on behalf of, the Insured Persons.

B. Follow Form Excess Coverage

The Insurer shall provide the Insured Persons with insurance coverage excess of all of the Underlying Policies in accordance with the terms, definitions, conditions, exclusions and limitations contained in such Underlying Policies; provided, however, in all events, coverage hereunder:

- (1) shall be limited to the Non-Indemnifiable Loss of the Insured Persons in excess of the total limits of liability of all of the Underlying Policies up to the Limit of Liability of this Policy; and
- (2) shall be subject to the following terms and conditions of this Policy, even if inconsistent with terms and conditions of any Underlying Policy: The Schedule, Section I. Insuring Agreements, Section II. Discovery Period, Section III. Definitions B.-G., I.-L. and P.-S., Section V. Limit of Liability, Section VI. Costs of Defense and Settlements, Section VII. Notices, Section VIII. General Conditions A. Cancellation or Non-Renewal, B. Proposal Form, H. Subrogation, I. Arbitration/Alternative Dispute Resolution, L. Corporation Represents Insured Persons and O. Other Insurance.

Section II. Discovery Period

- A. In the event the Insurer or the Insured refuse to renew this Policy, the Corporation shall have the right, upon payment of one hundred percent (100%) of the annual premium, (or if the Policy Period is other than annual, one hundred percent (100%) of the annualized premium), to an extension of the coverage provided by this Policy with respect to any Claim first made against Insured Persons during the period of twelve (12) months after the end of the Policy Period, but only with respect to any Wrongful Act committed or alleged to have been committed before the end of the Policy Period. This twelve (12) month period shall be referred to in this Policy as the "Discovery Period".
- B. As a condition precedent to the right to purchase the Discovery Period, the total premium for this Policy must have been paid, and a written request together with payment of the appropriate premium for the Discovery Period must be provided to the Insurer no later than thirty (30) days after the end of the Policy Period.
- C. The fact that the coverage provided by this Policy may be extended by virtue of the purchase of the Discovery Period shall not in any way increase the Limit of Liability stated in the Schedule. For purposes of the Limit of Liability, the Discovery Period is considered to be part of, and not in addition to, the Policy Period.

Section III. Definitions

- A. "Claim" shall mean:
 - (1) a written demand for monetary or non-monetary relief;
 - (2) a civil or arbitration proceeding seeking monetary or non-monetary relief and commenced by the service of a complaint or similar pleading;
 - (3) a criminal proceeding commenced by the return of an indictment; or
 - (4) a formal administrative or regulatory proceeding or investigation commenced by the receipt or filing of notice of charges or similar document against any Insured Persons.
- B. "Company" shall mean:
 - (1) the Corporation;
 - (2) any Subsidiary;
 - (3) any organization described in (1) or (2) above as a debtor in possession under the UK Insolvency Act 1986 (as amended) or equivalent legislation in the jurisdiction where the Loss has occurred. or
 - (4) any foundation, charitable trust or political action committee controlled by the Corporation and/or its Subsidiaries.

- C. "Corporation" shall mean the entity named in the Schedule.
- D. "Costs of Defense" shall mean reasonable and necessary legal fees, costs and expenses incurred:
- (1) in the investigation, defense or appeal of any Claim including the costs of an appeal bond, attachment bond or similar bond (but without obligation on the part of the Insurer to apply for or furnish such bonds);
 - (2) in the Extradition of any Insured Person,
- provided, however, Costs of Defense shall not include salaries, wages, overhead or benefit expenses associated with any Insured Persons.
- E. "Director" and "Officer" shall mean any past, present or future duly elected or appointed director, officer, general counsel or risk manager of the Company.
- F. "Extradition" shall mean any formal proceedings where any Insured Person located in any country is surrendered to any other country for court proceedings..
- G. "Financial Insolvency" shall mean the Company becoming a debtor in possession, or the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the Company.
- H. "Independent Director" shall mean any past, present or future director of the Company, who is not and has never been employed by the Company.
- I. "Insured" shall mean the Company and all Insured Persons.
- J. "Insured Persons" shall mean all persons who were, now are, or shall be:
- (1) Directors and Officers;
 - (2) employees in a managerial and/or supervisory capacity within the Company other than Directors and Officers, where such employee is named as a co-defendant with a Director or Officer in a Claim;
 - (3) with respect to any Company incorporated or based outside the United Kingdom, any natural person in an equivalent or comparable position to those described in (1) and (2) above in any such other jurisdiction;
 - (4) any natural person who as a consequence of being a Director, Officer of any Company is deemed a "de factor" director or shadow director (as referred to or defined in Sections 250 and 251, respectively, of the Companies Act 2006 or equivalent legislation in the jurisdiction where the Loss has occurred);
 - (5) a prospective director of the Company in any listing particulars, prospectus or similar offering document; or
 - (6) any Outside Entity Insured Person.

Insured Persons will not be construed to include the Company or any other entity.

- K. "Insurer" shall mean the entity named in the Schedule
- L. "Interrelated Wrongful Acts" shall mean any and all Wrongful Acts which have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.
- M. "Loss" shall mean compensatory damages, punitive or exemplary damages, the multiple portion of any multiplied damage award, settlements, pre-judgment and post- judgment interest and Costs of Defense, provided, however, Loss shall not include:
- (1) criminal or civil fines or penalties imposed by law in the jurisdiction where the Loss has occurred, other than civil penalties assessed against Insured Persons pursuant to Section 2(g)(2)(B) of the U.S. Foreign Corrupt Practices Act or under section 308 of the U.S. Sarbanes-Oxley Act of 2002 or equivalent legislation in the jurisdiction where the Loss has occurred;

(2) taxes; or

(3) any matter which may be deemed uninsurable in the jurisdiction where the Loss has occurred.

Notwithstanding provision (3) above, with respect to any Securities Claim arising out of any public or private offering of securities of the Company, the Insurer shall not assert that the portion of any settlement and/or Costs of Defense of that Securities Claim which relates to any alleged violations of Section 11 or 12 of the U.S. Securities Act of 1933, as amended, constitutes uninsurable loss and shall treat that portion of such settlement and/or Cost of Defense as constituting Loss under the Policy.

It is further understood and agreed that the insurability of punitive or exemplary damages or the multiple portion of any multiplied damage award shall be determined by the law in the jurisdiction where the Loss has occurred after receipt of a written opinion from qualified legal counsel that such punitive, exemplary or multiple portion of any multiplied damage award are insurable under such applicable law, and the Insurer shall not challenge that determination.

N. "Non-Indemnifiable Loss" shall mean:

- (1) Loss for which the Company is neither permitted nor required by law to indemnify the Insured Persons or for which the Company is unable to indemnify the Insured Persons due to Financial Insolvency;
- (2) Loss for which the Company or Outside Entity either refuses to indemnify an Insured Person, as permitted or required, or is financially unable to indemnify;
- (3) Loss for which the Company or Outside Entity fails, within sixty (60) days after the Insured Person's request, to indemnify or advance Costs of Defence or other Loss as required or permitted; or
- (4) Costs of Defense that have been advanced by the Company to an Insured Person for which an Insured Person becomes legally obligated to repay the Company in respect of a Claim. However, Loss referenced in (ii) and (iii) above shall be deemed Non-Indemnifiable Loss only if such Insured Person complies with Section VIII, H Subrogation.

O. "Outside Entity" shall mean any not for profit corporation, community chest, fund or foundation as determined by the law in the jurisdiction where the Loss has occurred, or any entity listed as such by endorsement to this Policy, for which an Insured Person acts as a duly elected or appointed director, officer, trustee or governor (or the equivalent) with the written consent of the Company. Any such Insured Person shall be referred to as an "Outside Entity Insured Person".

P. "Policy Period" shall mean the period from the inception date of this Policy to the expiration date of this Policy as set forth in the Schedule, or its earlier termination if applicable.

Q. "Proposal Form" shall mean the signed, written proposal for this Policy, and for any policy issued by the Insurer of which this Policy is a direct or indirect renewal or replacement, including the schedules thereto and all supplementary information submitted in connection therewith, and all underwriting data submitted in connection with the automatic extension of this Policy, all of which materials shall be deemed attached hereto, as if physically attached hereto, and incorporated herein.

R. "Securities Claim" shall mean any Claim (including a civil lawsuit or criminal proceeding brought by the U.S. Securities and Exchange Commission) or an equivalent regulatory authority in the jurisdiction where the Loss has occurred, made against an Insured Person based outside of the United States alleging a violation of any law, regulation or rule, whether statutory or common law, which is:

- (1) brought by any person or entity alleging, arising out of, based upon or attributable to, in part or in whole, the:
 - (a) purchase or sale of, or (b) offer or solicitation of an offer to purchase or sell, any securities of the Company, or
- (2) brought by a security holder of the Company, arising solely with respect to such security holder's interest in such securities of the Company, whether directly, by class action, or derivatively on behalf of the Company.

S. "Subsidiary" shall mean any entity, including a limited liability company, in which the Corporation owns, directly or indirectly, more than fifty percent (50%) of the securities representing the right to vote for election of directors or equivalent.

- (1) on or before the inception date of this Policy;
- (2) subsequent to the inception date of this Policy by reason of being created or acquired by the Company after such date, if the entity's total assets do not exceed thirty-five percent (35%) of the total consolidated assets of the Corporation as of the inception date of this Policy; or
- (3) subsequent to the inception date of this Policy by reason of being created or acquired by the Company other than as described in (2) above, if the Corporation, within ninety (90) days, provides the Insurer with written notice thereof and agrees to any premium adjustment and/or coverage revision that may be required by the Insurer.
- (4) any joint venture, which is a corporate entity, where the Company has the right to elect or otherwise appoint more than 50% of such entity's directors, trustees or other equivalent executive; or
- (5) any entity which the Company forms or acquires during the Policy Period that otherwise qualifies as a Subsidiary under paragraphs (1), (2), (3), or (4) above.

No coverage will be provided under this Policy for any Wrongful Act of the Insured Persons of any Subsidiary occurring:

- (1) prior to the date such entity became a Subsidiary;
- (2) subsequent to the date such entity became a Subsidiary which, together with a Wrongful Act occurring prior to the date such entity became a Subsidiary, would constitute Interrelated Wrongful Acts; or
- (3) subsequent to the date the Corporation ceased to own, directly or indirectly, more than fifty percent (50%) of the voting stock of such Subsidiary.

T. "Underlying Insurer" shall mean any insurer that issued an Underlying Policy.

U. "Underlying Policy/Policies" shall mean any directors and officers liability insurance policy/policies listed in the Schedule.

V. "Wrongful Act" shall mean:

- (1) any actual or alleged act, omission, error, misstatement, misleading statement, neglect or breach of duty by any Insured Persons in their capacity with the Company;
- (2) any matter claimed against any Insured Persons solely by reason of their status with the Company; or
- (3) any matter claimed against any Insured Persons arising out of their service as a director, officer, trustee or governor of an Outside Entity, but only if such service is at the request of the Company; provided, however, the Policy shall provide no coverage for any Claim by, on behalf of, at the behest of, or in the right of any Outside Entity or any director, officer, trustee or governor thereof.

Wrongful Act shall not include any actual or alleged act, omission, error, misstatement, misleading statement, neglect or breach of duty by any Insured Persons holding a fiduciary position; or in their capacity as a director, officer, trustee, governor, partner, manager, employee or agent of any entity other than the Company or an Outside Entity, even if directed or requested by the Company to serve as a director, officer, trustee, governor, partner, manager, employee or agent of such entity.

Section IV. Exclusions

The Insurer shall not be liable to make any payment for Loss in connection with any Claim made against any Insured Persons:

A. brought about or contributed to by:

- (1) any Insured Persons, other than Independent Directors, gaining any profit, advantage or remuneration to which they were not legally entitled; or
- (2) the deliberate and/or intentional and/or fraudulent and/or criminal acts of any Insured Persons;

provided, however, this exclusion shall not apply to Costs of Defense and shall only apply if a judgment or other final decision adverse to the Insured Persons, or any alternative dispute resolution finding pursuant to Section VIII I. Arbitration/Alternative Dispute Resolution, establishes that such conduct in fact occurred;

- B. based upon, arising out of, relating to, directly or indirectly relating to or in consequence of, or in any way involving any Wrongful Act or Interrelated Wrongful Act or any fact, circumstance or situation which has been the subject of any notice of Claim or circumstance which might give rise to a Claim given under any other policy of which this Policy is a renewal or replacement or which it may succeed in time;
- C. for any actual or alleged bodily injury, sickness, disease, or death of any person, damage to or destruction of any tangible property including the loss of use thereof, invasion of privacy, wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, libel or slander; provided, however, this exclusion shall not apply to:
- (1) any Securities Claim;
 - (2) any Claim for emotional distress or mental anguish; or
 - (3) any Claim for actual or alleged seepage, pollution, radiation, global warming, emission or contamination of any kind; provided, however, that any coverage under this Policy with respect to any such Claim shall be specifically excess of the amount of coverage available under any general liability, environmental impairment or similar insurance policy with respect to such Claim; or
- D. by, on behalf of, at the behest of, or in the right of the Company, if brought by or with the solicitation, assistance, active participation or intervention of two or more persons each of whom at the time of such Claim is brought is the chairman of the board, chief executive officer, chief financial officer, president, chief operating officer, general counsel, executive vice president or manager of the Company; provided, however, this exclusion shall not apply to:
- (1) Costs of Defense;
 - (2) any Claim first made during the Policy Period but after the Company has undergone any of the events listed in VIII. E. Conversion to Run-Off Coverage or in VIII. M. Bankruptcy/Insolvency;
 - (3) any Claim brought or maintained by or on behalf of a bankruptcy or insolvency trustee, examiner, receiver or similar official for the Company or any assignee of such trustee, examiner, receiver or similar official; or
 - (4) any Claim brought in any jurisdiction which operates a supervisory board structure; or
 - (5) any other Wrongful Act whenever occurring, which, together with a Wrongful Act which has been the subject of such notice, would constitute Interrelated Wrongful Acts.

NOTE: For the purpose of determining the applicability of the aforementioned exclusions A through D, it is understood and agreed that the Wrongful Act of any of the Insured Persons shall not be imputed to other Insured Persons.

Section V. Limit of Liability

The Insurer's liability for all Non-Indemnifiable Loss shall be the amount shown in the Schedule which shall be the maximum aggregate Limit of Liability of the Insurer for the Policy Period, regardless of the time of payment or the number of Claims.

- A. Costs of Defense shall be part of, and not in addition to, the Limit of Liability stated in the Schedule, and such Costs of Defense shall serve to reduce the Limit of Liability.
- B. More than one Claim involving a same Wrongful Act or Interrelated Wrongful Acts shall be deemed to constitute a single Claim and shall be deemed to have been made at the time which the earliest Claim involving the same Wrongful Act or Interrelated Wrongful Acts is first made or deemed to have been made.

Section VI. Costs of Defense and Settlements

- A. The Insurer has no duty to defend any Claims and shall not be called upon to assume charge of the investigation, settlement or defense of any Claim. However, the Insurer shall at all times have the right, but not the duty, to fully and effectively associate with the Insured Persons in the investigation, defense or settlement of any Claim to which coverage under this Policy may apply.
- B. The obligations of Insured Persons under this Section are conditions precedent to any rights otherwise afforded under this Policy for such Insured Persons; provided, however, the Company's failure to assist and cooperate with the Insurer, and the failure of any of the Insured Persons to comply with his or her obligations under this Section, shall not impair the rights of other Insured Persons under this Policy.
- C. In the event that in connection with a Claim;
- (1) the Company refuses or is financially unable to advance Costs of Defense to or on behalf of the Insured Persons; or
 - (2) Section I. Insuring Agreements A. (1) through (5) apply so that Costs of Defense in such Claim are not paid or payable under the Underlying Policies; and
 - (3) the Insured Persons submit to the Insurer a written request for advancement of Costs of Defense, accompanied by supporting documentation;

then, unless the Insurer has denied coverage to the Insured Persons with respect to such Claim, the Insurer shall advance on behalf of the Insured Persons the Costs of Defense they have incurred in such Claim prior to the disposition of such Claim; provided that the Insured Persons severally, according to their respective interests, agree to repay the Insurer's advance payments in the event and to the extent that such Insured Persons are not entitled under the terms of this Policy to payment of such Costs of Defense.

Section VII. Notices

- A. The Insured Persons shall, as a condition precedent to their rights under this Policy, give the Insurer notice in writing of any Claim as soon as practicable after the Insured Persons and/or the in-house general counsel or risk manager of the Company first learns of such Claim, but in no event later than ninety (90) days after the end of the Policy Period.
- B. If, during the Policy Period or Discovery Period, any Insured first becomes aware of a specific Wrongful Act and gives written notice to the Insurer of:
- (1) the specific Wrongful Act;
 - (2) the injury or damage which has or may result therefrom; and the circumstances by which the Insured first became aware thereof;
- then any Claim arising out of such Wrongful Act which is subsequently made against any of the Insured Persons shall be deemed to have been made at the time the Insurer received such written notice from the Insured.
- C. In addition to furnishing the written notice as provided in Sections VII.A. or B. the Insured shall, as soon as practicable, furnish the Insurer with copies of reports, investigations, pleadings and other papers in connection therewith.
- D. The Insured shall give written notice to the Insurer within 30 days after the Insured Person, and/or the in-house general counsel or risk manager of the Company first receives or has notice of any:
- (1) material change in the terms or conditions of any Underlying Policy; or
 - (2) nonrenewal or cancellation of any Underlying Policy, occurring during the Policy Period or the Discovery Period (if elected pursuant to Section II);

and any additional premium reasonably required by the Insurer as a result of such change, nonrenewal or cancellation shall be paid within thirty days of the request therefore by the Insurer.

E. Notice to the Insurer as provided in Sections VII.A. or B. shall be given to:

Navigators Insurance Underwriting Agency Limited
4th Floor
2 Minster Court
Mincing Lane
London, EC3R 7BB

Section VIII. General Conditions

A. Cancellation or Non-Renewal

- (1) This Policy may not be cancelled by the Corporation.
- (2) This Policy may only be cancelled by the Insurer if the Corporation does not pay the premium when due as set out in the Schedule.
- (3) If the Insurer elects not to renew this Policy, the Insurer shall provide the Corporation with no less than sixty (60) days advance notice thereof.

B. Proposal Form

- (1) This Policy shall not be rescinded by the Insurer for any reason.
- (2) No statement in the Proposal Form or knowledge possessed by any of the Insured Persons shall be imputed to any other Insured Persons for the purpose of determining the availability of coverage with respect to any Claim.

C. Action Against the Insurer

- (1) No action shall be taken against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, and until the Insured's obligation to pay shall have been finally determined by a judgement or decision against the Insured or by written agreement of the Insured, claimant and the Insurer.
- (2) No person or organization shall have any right under this Policy to join the Insurer as a party to any Claim against the Insured Persons nor shall the Insurer be impleaded by the Insured or their legal representatives in any such Claim.

D. Merger or Acquisition

If, during the Policy Period, the Company acquires the assets of another entity, by merger or otherwise, and the acquired assets of such other entity exceed thirty-five percent (35%) of the assets of the Company as of the inception date of the Policy, written notice thereof shall be given to the Insurer as soon as practicable, but in no event later than ninety (90) days from the effective date of the transaction, together with such information as the Insurer may request. Premium adjustment and coverage revisions shall be effected as may be required by the Insurer.

No coverage shall be provided under this Policy for any Wrongful Act of the Insured Persons of any entity that merges with the Company occurring:

- (1) prior to the date such entity was merged with the Company; or
- (2) subsequent to the date such entity was merged with the Company which, together with a Wrongful Act occurring prior to the date such entity was merged with the Company, would constitute Interrelated Wrongful Acts.

In the event that this clause differs from the Underlying Policy terms and conditions, the Underlying Policy terms and conditions shall prevail.

E. Conversion to Run-Off Coverage

If, during the Policy Period, a transaction occurs wherein another entity gains control of the Corporation through the ownership of more than fifty percent (50%) of securities representing the right to vote for election of directors or Managers of the Corporation, or the Corporation merges into another entity or consolidates with another entity such that the Corporation is not the surviving entity, then:

- (1) the Corporation must give written notice of such transaction to the Insurer within ninety (90) days after the effective date of such transaction and provide the Insurer with such information in connection therewith as the Insurer may deem necessary;
- (2) this Policy shall only apply to Wrongful Acts actually or allegedly committed on or before the effective date of such transaction; and
- (3) the entire premium for this Policy shall be deemed earned as of the date of such transaction.

F. Outside Entity Provision

In the event a Claim is made against any Insured Persons arising out of their service as a director, officer, trustee or governor of an Outside Entity, coverage as may be afforded under this Policy shall be excess of any indemnification provided by the Outside Entity and any insurance provided to the Outside Entity which covers its directors, officers, trustees or governors.

G. Coverage Extensions

(1) Spousal Provision

The coverage provided by this Policy shall also apply to the lawful spouse or domestic partner of any of the Insured Persons, but only for Claims arising out of any actual or alleged Wrongful Acts of such Insured Persons.

(2) Worldwide Provision

The coverage provided under this Policy shall apply worldwide. The term Directors and Officers is deemed to include individuals who serve in equivalent positions in any foreign Subsidiary.

(3) Estates and Legal Representatives

The coverage provided by this Policy shall also apply to the estates, heirs, legal representatives or assigns of any Insured Persons in the event of their death, incapacity or bankruptcy, but only for Claims arising out of any actual or alleged Wrongful Acts of any Insured Persons.

H. Subrogation

- (1) Any payment by the Insurer under Section I. Insuring Agreements A.(2) or (5) shall not be deemed a payment of Non-Indemnifiable Loss in satisfaction of the Underlying Insurers' obligations but an advancement subject to repayment, provided that:
 - (a) all such advancements by the Insurer shall reduce and/or exhaust this Policy's Limit of Liability to the same extent as any payment of Non-Indemnifiable Loss under Section I. Insuring Agreements A.(2) or (5);
 - (b) the Insured Persons assign all of their rights to the Insurer to obtain payment from the Company or the Underlying Insurers of all such advancements by the Insurer; and
 - (c) any such recoveries of advancements by the Insurer shall be the sole property of the Insurer and shall reinstate this Policy's Limit of Liability to the extent it was eroded or exhausted by any such advancements under Section I. Insuring Agreements A.(2) or (5) or under Section VI. Costs of Defense and Settlements, C.
- (2) In the event of any payment under this Policy, the Insurer shall be subrogated to all of the Insured Persons' rights of recovery, including but not limited to an action against the Company or the Underlying Insurers for nonpayment of indemnity due and owing to the Insured Persons by the Company or the

Underlying Insurers, respectively. The Company and Insured Persons shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the Insurer to effectively bring suit in the name of any Insured Persons.

- (3) In as much as this Policy is excess insurance, the Insured Persons' right of recovery against any person or organization cannot be exclusively subrogated to the Insurer. It is, therefore, understood and agreed that in case of any payment hereunder, the Insurer will reasonably act in concert with all other interests concerned (including the Insured), in the exercise of such rights of recovery.
- (4) Except as provided in (1) above, the apportioning of any amounts that may be so recovered shall follow the principle that any interest (including the Insured's) that has paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by it; the Insurer is then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the Insured's) of which this coverage is in excess are entitled to claim the residue, if any.

I. Arbitration/Alternative Dispute Resolution

At the request of the Insured Persons any disputes or disagreements which arise in connection with this Policy or the breach, termination or invalidity thereof and cannot be resolved through negotiation shall be resolved through non-binding mediation and/or final and binding arbitration. The panel shall consist of one arbitrator selected by the Corporation, one arbitrator selected by the Insurer and a third independent arbitrator selected by the first two arbitrators. Each party will bear its own legal fees and expenses. If the parties cannot agree on the arbitration rules and procedures, the dispute shall be submitted to The Centre For Dispute Resolution (CEDR) for resolution pursuant to its then prevailing commercial mediation/resolution procedures. The costs and expenses of any proceeding conducted by CEDR shall be split equally between the parties.

J. Assignment

Assignment of interest under this Policy shall not bind the Insurer until its consent is endorsed hereon.

K. Entire Agreement

By acceptance of this Policy, the Insured and the Insurer agree that this Policy (including the Schedule and the Proposal Form) and any written endorsements attached hereto constitute the entire agreement between the parties. The terms, conditions and limitations of this Policy can be waived or changed only by written endorsement.

L. Corporation Represents Insured Persons

By acceptance of this Policy, the Corporation shall be designated to act on behalf of the Insured Persons for all purposes including, but not limited to, the giving and receiving of all notices and correspondence, the cancellation or non-renewal of this Policy, the payment of premiums, the receipt of any return premiums that may be due under this Policy and the requesting, receiving, and acceptance of any endorsement to this Policy, and the submission of a dispute to non-binding mediation and/or final and binding arbitration/CEDR. The Insured Persons agree that the Corporation shall represent them but, for purposes of the investigation, defense, settlement, or appeal of any Claim, the Insured Persons who are named as defendants in the Claim may, upon their unanimous agreement and upon notice to the Insurer, replace the Corporation with another agent to represent them with respect to the Claim, including giving and receiving of notice of Claim and other correspondence, the receiving of Loss payments, and the submission of a dispute to arbitration.

M. Bankruptcy/Insolvency

In the event a liquidation or reorganization proceeding is commenced by or against a Company pursuant to the UK Insolvency Act 1986 (as amended) or any equivalent law in the jurisdiction where the Loss has occurred, the Company and the Insured Persons hereby (i) waive and release any automatic stay or injunction which may apply in such proceeding to this Policy or its proceeds under such law, and (ii) agree not to oppose or object to any efforts by the Insurer, the Company or Insured Persons to obtain relief from any such stay or injunction.

N. Assistance, Cooperation and Consent

The Insured Persons shall provide to the Insurer all information, assistance and cooperation which the Insurer may reasonably request, and the Insured Persons shall use diligence and prudence in the investigation, defense, negotiation of settlement and settlement of any Claim. The Insured Persons shall do nothing that could prejudice the Insurer's position or its potential or actual rights of recovery with respect to any Claim.

O. Other Insurance

This Policy shall be excess of and shall not contribute with other valid and collectible insurance available to the Insured with respect to a Claim covered by this Policy, whether such other insurance is issued before, concurrent with, or after inception of this Policy, other than the Underlying Policies and any insurance issued specifically as insurance in excess of the insurance afforded by this Policy.

Without limiting the foregoing, this Policy is specifically excess of and shall not contribute with any insurance maintained by an Outside Entity and available to any Insured Persons. Except as allowed by Section I. Insuring Agreement A., nothing herein shall be construed to make this Policy subject to the terms of other insurance.

P. Choice of Law

The Policy shall be governed by the laws that govern the Underlying Policy.

Q. Jurisdiction

In the event of a dispute between the Insurer and the Insured in relation to the interpretation of the Policy terms, and/or conditions and/or exclusions, the Insurer and Insured agree to the submission of such dispute before the courts of England and Wales.



NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorised by law

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain non-related or unaffiliated organisations or companies.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on 514 861 8361 or through info@lloyds.ca

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Should a policyholder wish to file a complaint relative to a Lloyd's policy effected through you, the policyholder must be provided with the following Lloyd's Complaint Protocol:

LLOYD'S POLICYHOLDERS' COMPLAINT PROTOCOL

If you have a complaint with any aspect of your Lloyd's insurance, please refer to the broker/agent who arranged your policy for you.

OR

You may contact the **General Insurance OmbudService (GIO)** who will contact Lloyd's on your behalf. The GIO can be reached at:

GIO - Atlantic Provinces

(902) 429-2730
Toll-free: 1-800-565-7189
www.gio-scad.org

GIO - British Columbia & Yukon

(604) 684-3635
Toll-free: 1-877-772-3777
www.gio-scad.org

GIO - Ontario

(416) 362-9528
Toll-free: 1-800-387-2880
www.gio-scad.org

GIO - Prairies, Northwest Territories & Nunavut

(780) 423-2212
Toll-free: 1-800-377-6378
www.gio-scad.org

Province of Québec

GIO

(514) 288-6015
Toll-free: 1-800-361-5131
www.gio-scad.org

OR

Autorité des marchés financiers (l'Autorité)

Québec City (418) 525-0311
Montréal (514) 395-0311
Toll-free: 1-866-526-0311
E-mail: Renseignements-
consommateur@lautorite.qc.ca

GIO - Alberta

(780) 421-8181
Toll-free : 1-888-421-4212
www.gio-scad.org

For more information or to submit the facts of your insurance-related dispute, please visit the GIO website at www.gio-scad.org.

Should you be dissatisfied with the outcome of your broker's resolution or with the GIO's/l'Autorité's assistance, please submit your written complaint to:

Lloyd's Canada Inc.
Broker Management Services
1155 rue Metcalfe, Suite 2220
Montreal, Quebec H3B 2V6

Tel: 1-877-4LLOYDS
Fax: (514) 861-0470
E-mail : lineage@lloyds.ca

Your written complaint will be forwarded to Lloyd's Complaints Department in London which ensures that Lloyd's Underwriters and their representatives deal with claims and complaints in an acceptable manner. It acts as an impartial mediator. When undertaking a review this Department takes account of general legal principles, good insurance practice, and whether all events surrounding a given case have been considered fairly.

If you are dissatisfied with Lloyd's final letter, you may ask the GIO to arrange for mediation. Mediation is not available until Lloyd's has issued its final letter of position on your complaint.

In Québec you may also avail yourself of the services of *l'Autorité* who will study your file and may recommend mediation, if it deems this action appropriate and if both parties agree to it.

GIO - Alberta can be contacted where a policyholder is not satisfied with the basis on which a premium for basic coverage for a private passenger vehicle was determined, or considers that an insurer, directly or indirectly, has taken an adverse contractual action with respect to insurance for basic coverage.

SERVICE OF SUIT CLAUSE (CANADA)
(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is

Sean Murphy
Lloyd's Attorney in Fact
Lloyd's Canada Inc.
1155 rue Metcalfe, Suite 2220
Montreal, Quebec H3B 2V6
Canada

LMA5028

10/08/06

Form approved by Lloyd's Market Association

PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 90 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 90th day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

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(RE)INSURERS LIABILITY CLAUSE

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Proportion of liability

Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".

Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

LMA3333

21 June 2007

INTENTION FOR AIF TO BIND CLAUSE

Whereas Lloyd's Underwriters have been granted an order to insure in Canada risks under the Insurance companies Act (Canada) and are registered in all provinces and territories in Canada to carry on insurance business under the laws of these jurisdictions or to transact insurance in these jurisdictions.

And whereas applicants for insurance coverage in respect of risks located in Canada and Canadian Cedants wish that Lloyd's insurance and reinsurance coverage be provided in a manner that requires Lloyd's Underwriters to vest assets in trust in respect of their risks pursuant to the Insurance Companies Act (Canada);

- a) This contract shall be in force and shall be the governing contract pending the decision by Lloyd's Underwriters' attorney and chief agent in Canada (the "AIF") to confirm coverage in accordance with both the terms and conditions set out in this contract and applicable Canadian law;
- b) The AIF shall confirm Lloyd's Underwriters' coverage by signing in Canada a policy that will contain the terms and conditions set out in this contract (the "Canadian Policy"), and by communicating from Canada the issuance of that policy to the policyholder or his broker;
- c) This contract shall cease to have effect upon the communication by the AIF from Canada of the Canadian Policy to the policyholder or his broker, and the Canadian Policy will replace and supersede this contract.

01/11/11
LMA5180

This endorsement, effective 12:01 am, 1 September 2012

Forms part of policy number: B066485264C12

Issued to: RS Technologies, Inc.

By: Navigators Insurance Company

PRIOR AND PENDING LITIGATION EXCLUSION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

It is hereby understood and agreed that Section IV.. Exclusions is amended by the addition of the following:

- E.. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
1. any prior and/or pending litigation as of 12.01 a.m Local Standard Time on 28 April 2007,
 - or
 2. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, regardless of the legal theory upon which such **Claim** is predicated.

All other terms and conditions of this Policy remain unchanged.

This endorsement, effective 12:01 am, 1 September 2012

Forms part of policy number: B066485264C12

Issued to: RS Technologies, Inc.

By: Navigators Insurance Company

CANADIAN GENERAL ENDORSEMENT TO SIDE A DIC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is understood and agreed that:

1. Section I. Insuring Agreements sub-section A. Difference in Conditions Coverage will have the following sub-clause added:

(6) failure of any **Underlying Insurer** to pay any **Insured Persons** a covered loss on which a demand has been made within 60 days after the **Insured Person** requests such payment from the **Underlying Insurer**
2. Section I. Insuring Agreements section A, sub-clause (5) is to be amended by the reference to the U.K. Insolvency Act 1986 (as amended) being deleted and replaced by Company Creditors Arrangement Act 1985 and Bankruptcy and Insolvency Act 1985.
3. The definition of **Claim** is to be amended by the deletion of sub-clause (2) and replaced by the following sub-clause:

(2) a civil or arbitration proceeding (to include a mediation) seeking monetary or non-monetary relief and commenced by the service of a complaint or similar pleading
4. The definition of **Company** is to be amended by the deletion of the reference to the U.K. Insolvency Act 1986 (as amended) and replaced by Company Creditors Arrangement Act and Bankruptcy and Insolvency Act
5. The definition of **Independent Director** is to be amended by the deletion of the existing definition and replaced with the following:

Independent Director shall have the meaning as the term is defined in Multilateral Instrument 52-110, *Audit Committee*, as amended in Canada except for British Columbia, where it shall have the meaning as that term is interpreted in British Columbia Instrument 52-509, *Audit Committee*, and shall mean a "non-Employee Director" as such term is defined in Rule 16b-3 promulgated under the Securities Exchange Act of 1934; provided that the term "issuer" as used in such Rule shall be deemed to refer to the **Insured**.
6. The definition of **Insured Persons** is to be amended by the deletion of the term "United Kingdom" in sub-clause (3) and replaced with the term "Canada". Reference in sub-clause (4) is to have inserted at the end "or foreign equivalent".
7. The definition of **Loss** is to be amended by adding the following wording at the end of sub-clause (2):
save that this exclusion shall not apply for Canadian Statutory Liability coverage.
8. The definition of **Loss** is to be amended by the addition of the words "or equivalent legislation" after the words "U.S. Securities Act of 1933".
9. The definition of **Proposal form** is to be amended by adding the following wording after the words "...with the automatic extension of the Policy":

and shall be deemed to include the last 12 months of public filings by the **Insured** and/or any **Subsidiary**

10. Section IV. Exclusions, clause A. sub-clause (1) is to be amended by the inclusion of the word “financial” before the word “advantage” and the term “non appealable” is to be added in between the words “final” and “decision”.
11. Section IV. Exclusions, clause D. is to be amended by the inclusion of a new sub-clause (6) which provides:
Any **Claim** brought or maintained by or on behalf of an **Independent Director**
12. Section IV. Exclusions, clause C. is to have the following sub-clauses added:

(4) any **Claim** made against an **Independent Director**; or
(5) any **Costs of Defence**;
13. Section VI. Costs of Defense and Settlements (time frame for payment of defence costs no less than once every 90 days)
14. Section VIII. General Conditions, Clause A Cancellation or Non-Renewal, sub-section (2) shall have the following sentence added at the end:

Cancellation will only be valid in the event 30 days written notice of non payment of the premium has been provided by the **Insurer**.
15. Section VIII. General Conditions, Clause B. Proposal Form, sub-section (1) shall have the word “rescinded” deleted and replaced with “rescindable or voidable in whole or in part”
16. Section VIII. General Conditions, Clause D. Merger or Acquisition shall have the last paragraph deleted.
17. Section VIII. General Conditions, Clause M. Bankruptcy/Insolvency is to be amended by the reference to the U.K. Insolvency Act 1986 (as amended) being deleted and replaced by Company Creditors Arrangement Act 1985 and Bankruptcy and Insolvency Act 1985. The following additional wording shall be added:

“In the event a liquidation or reorganization proceeding is commenced by or against the **Insured** pursuant to the United States Bankruptcy Code, as amended, or any similar state, local, or foreign law, the **Insured** and the hereby: (i) waive and release any automatic stay or similar payment prohibition which may apply in such proceeding to this **Policy** or its proceeds under such Bankruptcy Code or law; and, (ii) agree not to oppose or object to any efforts by the **Insurer** or any **Insured** to obtain relief from any such stay or payment prohibition.

In the event the **Insured** becomes a debtor-in-possession or equivalent status under the United States Bankruptcy Code or the law of any other country and the aggregate **Loss** due under this **Policy** exceeds the remaining available Limit of Liability, the **Insurer** shall:

1. first pay such **Loss** relating to **Wrongful Acts** that are actually or allegedly caused, committed, or attempted prior to the **Insured** becoming a debtor-in-possession or such equivalent status, then

2. with respect to whatever remaining amount of the Limit of Liability is available after payment under (1) above, pay such **Loss** allocable to **Wrongful Acts** that are actually or alleged caused, committed, or attempted after the **Insured** became a debtor-in-possession.”
18. Section VIII. General Conditions, Clause Q Jurisdiction is to be amended by deleting the words “England and Wales” and replacing with “Ontario, Canada”.

All other terms and conditions of this Policy remain unchanged.

Endorsements attaching to this Policy

1. Choice of Law and Jurisdiction

This policy shall be governed by and interpreted pursuant to the laws of the Province of Alberta and the laws of Canada applicable therein, and any dispute arising hereunder shall be submitted to the exclusive jurisdiction of the Courts of the Province of Alberta.

2. Situation: Worldwide



The Table of Syndicates referred to on the face of this Policy follows:

BUREAU REFERENCE	81023 02/10/2012	BROKER NUMBER	0664
PROPORTION %	SYNDICATE	UNDERWRITER'S REFERENCE	
50.00	1221	KDL012DA6878	
50.00	1886	12MA267195NB	
TOTAL LINE	No. OF SYNDICATES		
100.00	2		

THE LIST OF UNDERWRITING MEMBERS
OF LLOYD'S IS IN RESPECT OF 2012
YEAR OF ACCOUNT

EFFECTIVE FROM: 01 SEP 2012

BUREAU USE ONLY
CDW1 72 3107

RISK CODE: D3

Page 1 of 1



One Lime Street London EC3M 7HA

For the purpose of the *Insurance Companies Act* (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' insurance business in Canada.

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the *Insurance Companies Act* (Canada).

LMA5185

A handwritten signature in black ink, appearing to read 'S. Murphy', is written above a solid horizontal line.

Signed and Dated by the Attorney In Fact in Canada for Lloyd's Underwriters and Chief Agent in Canada.

UMR: B066485264C12

Insured Name: RS Technologies, Inc.

10 October 2012

CONTRACT ENDORSEMENT

Unique Market Reference: B066485264B12
Endorsement Reference: 01
Original Insured: RS Technologies, Inc

CONTRACT CHANGES

This contract is amended as follows:

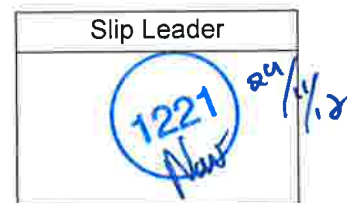
ENDORSEMENT 12.01 a.m. Local Standard Time 1 September 2012 at the Assured's
EFFECTIVE DATE: Principal Address

It is hereby understood and agreed that

1) Parent Company is amended to read:
RS Technologies, Inc

2) Principal Address is amended to read:
233 Mayland Place, NE
Calgary,
Alberta, T2E 7Z8
Canada

All other terms and conditions remain unchanged.



Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.

CONTRACT ENDORSEMENT

Unique Market Reference: B066485264C12
Endorsement Reference: 02
Original Insured: RS Technologies, Inc

CONTRACT CHANGES

This contract is amended as follows:

ENDORSEMENT 12.01 a.m. Local Standard Time 1 September 2012 at the Assured's
EFFECTIVE DATE: Principal Address

It is hereby understood and agreed that *

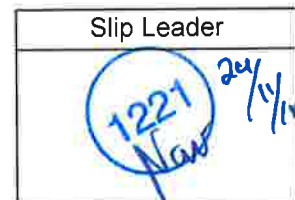
1) Principal Address is amended to read:

233 Mayland Place, NE
Calgary,
Alberta, T2E 7Z8
Canada

2) Service of Suite is amended to read:

Service of Suit

All other terms and conditions remain unchanged.



Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.

CONTRACT ENDORSEMENT

Unique Market Reference: B066485264A12
Endorsement Reference: 01
Original Insured: RS Technologies, Inc

CONTRACT CHANGES

This contract is amended as follows:

ENDORSEMENT 12.01 a.m. Local Standard Time 1 September 2012 at the Assured's
EFFECTIVE DATE: Principal Address

It is hereby understood and agreed that the Principal Address is amended to read:

233 Mayland Place, NE
Calgary,
Alberta, T2E 7Z8
Canada

All other terms and conditions remain unchanged.



Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.

CONTRACT ENDORSEMENT

Unique Market Reference: B066485264B12
Endorsement Reference: 01
Original Insured: RS Technologies, Inc

CONTRACT CHANGES

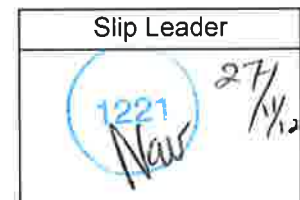
This contract is amended as follows:

ENDORSEMENT 12.01 a.m. Local Standard Time 1 September 2012 at the Assured's
EFFECTIVE DATE: Principal Address

It is hereby understood and agreed that the Principal Address is amended to read:

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Alberta, T2E 7Z8
Canada

All other terms and conditions remain unchanged.



Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.

CONTRACT ENDORSEMENT

Unique Market Reference: B066485264C12
Endorsement Reference: 02
Original Insured: RS Technologies, Inc

CONTRACT CHANGES

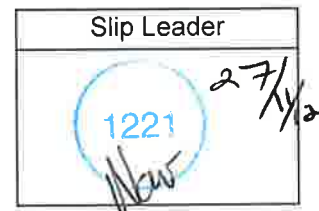
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EFFECTIVE DATE: Principal Address

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Note: Where more than one insurer participates in the contract, the contract terms may mean that it is not always necessary to obtain a record of agreement to the Contract Endorsement from all of those insurers.