

Regulatory Exclusion

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is agreed that this policy shall not apply to "claims":

1. based upon, arising out of, directly or indirectly resulting from or in consequence of any action or proceeding brought by or on behalf of any Canadian, provincial or foreign depository or regulatory agency, including any type of legal action which such agency has the legal right to bring as receiver, conservator, liquidator or otherwise; whether such action or proceeding is brought in the name of the agency, or by or on behalf of the agency in the name of any other entity, or solely in the name(s) of any third party(ies); and
2. based upon, arising out of, directly or indirectly resulting from or in consequence of any failure to comply, in full or in part, with any requirement or recommendation of any Canadian, provincial or foreign regulator having authority to inspect or supervise the "Organization's" activities or any part of the "Organization's" activities.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.