

Executive Liability Division
1515 Woodfield Road, Suite 500
Schaumburg, IL 60173

QUOTATION FOR INSURANCE

Date: April 6, 2007

Quotation #: AN1292804

Proposed Insured: The Directors, Trustees and Officers of:
SOCIETY OF SYSTEMATIC BIOLOGISTS
MC LEAN, VA 22101

Agent/Broker: CHESAPEAKE INSURANCE GROUP
151 WEST STREET, SUITE 300
ANNAPOLIS, MD 21401

Subject to the terms and conditions contained herein, Great American Insurance Company hereby agrees to offer to the above proposed Insured

Policy form: D9101

Endorsements:

D9056	IMPORTANT NOTICE TO OUR VIRGINIA POLICYHOLDERS
D9339	VIRGINIA MANDATORY
D9509	BROADCASTING AND PUBLISHING LIABILITY EXCLUSION
D9527	GENERAL PROFESSIONAL ERRORS AND OMISSIONS EXCLUSION
D9713-2	PUNITIVE DAMAGES COVERAGE
D9714-2	AMENDMENT TO SECTION IV - THIRD PARTY CLAIMS
D9714-6	AMENDMENT TO SECTION IV (POLLUTION EXCLUSION)
D9718-7VA	AMENDMENT TO SECTION VIII (ELITE COVERAGE AMENDMENTS)
D9800-1	AMENDMENT TO DECLARATIONS PAGE (ACT OF TERRORISM PREMIUM)
D9876	COVERAGE FOR ACTS OF TERRORISM

Conditions:

This quotation is subject to the following conditions:

1. This quotation includes Great American's Offer of Terrorism Coverage Disclosure notice. If you would like to reject the coverage for "certified" Acts of Terrorism, please provide Great American written confirmation of such and an exclusion will be attached to your policy.

QUOTATION FOR INSURANCE

Non-Profit Executive Protection and Employment Practices

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<u>D & O LIMIT</u> (Defense Costs Outside)	<u>EPL LIMIT</u>	<u>RETENTION</u> (each loss)	<u>PREMIUM</u> (Annual)
\$1,000,000	SHARED	\$1,000	\$1,005
\$2,000,000	SHARED	\$1,000	\$1,505
\$1,000,000	\$1,000,000	\$1,000	\$1,155
\$2,000,000	\$2,000,000	\$1,000	\$1,755

The following options are available:

1. ** A TWO-YEAR policy is available for two installments of the annual premium selected above. **
The two-year policy option must be selected prior to binding and it features:
A fresh Limit of Liability for the second year.
The premium is invoiced and payable in two equal annual installments
(at the inception date and the first anniversary date).

Quote Expiration 5/20/2007

The Producer is responsible for all countersignature fees, if any, to complete the delivery of the policy to the Insured.

Please be aware that Great American Insurance now has a risk management program in place with Jackson Lewis. Details of this program are attached to this quote.

Thank you for considering the Executive Liability Division for your insurance needs. If you have any question concerning this proposed coverage, please feel free to contact me.

NOTE: THIS COVERAGE, SUBJECT TO ALL THE TERMS, CONDITIONS AND PROVISIONS STATED HEREIN, CAN ONLY BE BOUND BY AN AUTHORIZED EMPLOYEE OF THE EXECUTIVE LIABILITY DIVISION.

All premium amounts do not include countersignature fees. These are the responsibility of the producer.

This quotation expires 30 days from the date referenced above. If subsequent to the date of quotation and the Effective Date of the Binder there is a material change in the condition of the Proposed Insured or an event which could materially change the underwriting evaluation of the Proposed Insured, then at Insurer's option, this quotation may be withdrawn.

In the event of any conflict or ambiguity between the proposed policy and any statements made concerning this coverage, the proposed policy shall control.

** Please note that coverage cannot be bound prior to the fulfillment of the aforementioned conditions. Only authorized employees of the Executive Liability Division can bind coverage.



POLICYHOLDER DISCLOSURE OFFER OF TERRORISM COVERAGE

The Terrorism Risk Insurance Act of 2002 (the Act) establishes a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an Act of Terrorism. The Act provides that, to be certified, an Act of Terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest to coerce the government or population of the United States.

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

In accordance with the Terrorism Risk Insurance Act of 2002, we are required to offer you coverage for losses resulting from an act of terrorism **that is certified pursuant to the Terms of the Act** as an Act of Terrorism committed by an individual(s) acting on behalf of a foreign person or foreign interest. All other provisions of this policy will still apply to such an act. That is, a loss will not be excluded or covered just because it was caused by an Act of Terrorism.

The portion of the annual premium that is attributable to coverage for Acts of Terrorism that are certified under the Terrorism Risk Insurance Act of 2002 is: \$0.00.

All other terms and conditions of the policy remain unchanged.



www.GreatAmericanInsurance.com

Employment Practices Risk Management Program available upon Policy Inception

The Executive Liability Division of Great American Insurance Group is committed to offering industry-leading customer service and risk management assistance to its insureds.

Great American has partnered with Jackson Lewis, a national law firm specializing in employment, labor and benefits law, in an effort to provide a risk management program for insureds. This program is available with the following Great American policies: Employment Practices Liability, Non-Profit Organization Executive Protection, and ExecPro® Directors', Officers', Insured Entity and Employment Practices Liability (for private companies).

For over 40 years, Jackson Lewis has placed a high premium on preventive strategies and positive solutions in the practice of workplace law. Jackson Lewis partners with employers to devise policies and procedures promoting constructive employee relations and limiting disputes. Jackson Lewis is experienced in all aspects of workplace law.

Loss Prevention Services from Jackson Lewis Include:

- **Avoiding Workplace Claims Guide** – Upon policy issue, you will receive access to an online copy of the Jackson Lewis' Guide to Avoiding Workplace Claims. The Guide contains general information about such diverse workplace law issues as the legal basis for employment claims; the hiring process; pre-employment testing; employee grievances; investigation of sexual harassment and other workplace-related problems; conducting effective discharge and discipline; and maintaining personnel records.
- **Sample Policies** – Through a web site link-up, sample policies will be available to provide guidance with respect to: preserving employment-at-will status; managing medical leaves of absence; complying with the Federal Family and Medical Leave Act; developing an open-door problem resolution procedure; prohibiting harassment in the workplace; and establishing a code of conduct to avoid employee misconduct.
- **Access to Jackson Lewis "Hotline Service"** - As part of the risk management program, the Executive Liability Division has arranged for Jackson Lewis to provide telephone consultation pertaining to policies provided in the Guide, as well as basic workplace issues, via a toll-free number.
- **Jackson Lewis Training Session** – Jackson Lewis has agreed to offer policyholders a discount on the cost of optional seminars on management training and compliance with federal equal employment laws.
- **Preventive Strategies Newsletter** – The firm publishes a bi-monthly bulletin which provides regular analysis and commentary about legal, legislative and political developments that affect the law of the workplace.
- **Discounted Rates** – Jackson Lewis will offer discounted billing rates to Great American insureds to assist in developing preventive practices, preparing employee handbooks and training supervisors.

www.GreatAmericanELD.com

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