

D&O Underwriting Preferences: Brokers Guide 2006

This issue contains a guide to our current Directors & Officers liability underwriting preferences. It is intended to help you formulate your strategy for primary, excess and Side A placements. Our underwriters will be pleased to discuss any part of the guide. The guide has also been posted on our web site and can be accessed from the home page at www.cug.com.

IDL (Independent Directors Liability)

Our EXCESSFIRST™ Side A / DIC policy provides coverage for all individual directors and officers. It can easily be adapted to cover only those directors who are "independent," otherwise known as "outside" directors. If requested we can provide premium indications for both "full" individual coverage and the more limited IDL-only coverage.

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ADDRESS CORRECTION REQUESTED



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(Subject to change at any time)

Coverage	Yes	Maybe	No, thanks
Public Company D&O <u>PRIMARY</u>	<ul style="list-style-type: none"> ■ Small to midsize market caps ■ Technology * ■ Life Sciences * ■ IPOs <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ Large market caps ■ Turnaround situations, companies emerging from bankruptcy ■ Reverse Mergers <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ "Fortune 200" ■ Financial Institutions ■ Financial Services ■ Tobacco ■ Gaming ■ Healthcare ■ Utilities
Public Company D&O <u>EXCESS</u>	<ul style="list-style-type: none"> ■ Small to midsize market caps ■ Technology * ■ Life Sciences * ■ IPOs ■ "Fortune 1000" <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ Insurance Companies ■ Financial Institutions ■ Gaming ■ Healthcare ■ Utilities <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ "Fortune 100" ■ Financial Services ■ Tobacco
Side A Only 1. EXCESSFIRST™ Lead layer of a Side A / DIC Program ** 2. Excess Side A / DIC Excess of other carrier(s) in a Side A / DIC program. **	<ul style="list-style-type: none"> ■ All Classes <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ "Fortune 100" ■ Financial Services <p style="text-align: right;">Other than ►►</p>	<ul style="list-style-type: none"> ■ Tobacco

* *Life science companies which have products at an advanced clinical trial stage are typically at a heightened risk level and will be underwritten accordingly.*

** *Credit-worthiness and insolvency risk will be important underwriting criteria. To obtain optimum Side A DIC price consideration, underlying carriers in a D&O program should be A.M. Best rated "A" or higher.*