

**LEXINGTON INSURANCE COMPANY**

Administrative Offices: 100 Summer Street, Boston, Massachusetts 02110-2103  
(hereinafter called the Company)

Policy No.: 031567263  
Previous Policy No: 8133696

NAMED INSURED: Public Officers and Employees Liability Insurance Commission  
and All Persons Under the Defense of State Employees Act

MAILING ADDRESS: 1202 Mail Service Center  
Raleigh, North Carolina 27699-1202

**COMMON DECLARATIONS – RETAINED AMOUNT POLICY**

Policy Period: From July 1, 2009 To July 1, 2010 A.M. Standard Time at your mailing address shown above.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING FORMS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

**Public Officers and Employees Liability**

Retention: \$ 1,000,000 (amount to be borne by the Insured each person)

Limits: \$ 10,000,000 each employee  
\$ 10,000,000 each occurrence  
\$ 25,000,000 annual aggregate

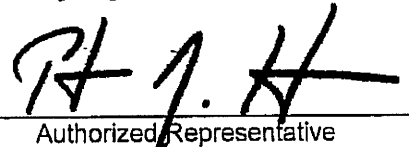
Endorsements forming a part of this coverage part on its effective date:

**See schedule of forms and endorsements**

Premium shown as payable:

THIS DECLARATION TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY. THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE PROVISIONS AND STIPULATIONS WHICH ARE MADE A PART OF THE POLICY, TOGETHER WITH SUCH OTHER PROVISIONS, STIPULATIONS AND AGREEMENTS AS MAY BE ADDED.

The insurance company with which this coverage has been placed is not licensed by the State of North Carolina and is not subject to its supervision. In the event of the insolvency of the insurance company, losses under this policy will not be paid by any State insurance guaranty or solvency fund.

By:   
Authorized Representative

Agrees with the named insured, named in the Declarations, said Declarations being made a part hereof, and in consideration of the payment of the premium and in reliance upon representations made in the renewal data and information submitted on behalf of the insured in the renewal instructions, and subject to terms of this policy as follows: