

DEFENSE COSTS OUTSIDE LIMITS

In consideration of the premium charged, it is hereby understood and agreed that there shall be a separate \$1,000,000 Limit of Liability for Defense Costs. Defense Costs within such separate limit will not erode either the Each Claim or the Annual Aggregate Limit as shown in item 3 of the Declarations. Notwithstanding the foregoing, if either the Each Claim Limit or the Annual Aggregate Limit is exhausted by payment of Loss, or tendered to the Named Insured, the \$1,000,000 limit for Defense Costs shall also be deemed exhausted and no further Defense Costs will be paid.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.