



PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Philadelphia Indemnity Insurance Company

Commercial Lines Policy

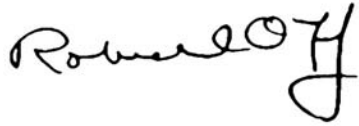
SPECIMEN

THIS POLICY CONSISTS OF:

- DECLARATIONS
 - COMMON POLICY CONDITIONS
 - ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS
-

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IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



President & CEO



Secretary



Risk Management Services

POLICYHOLDER NOTICE (LOSS ASSISTANCE HOTLINE)

As a free service benefit to its policyholders, PHLY has partnered with nationally recognized law firm Wilson, Elser, Moskowitz, Edelman & Dicker LLP (WEMED), to offer a toll-free Loss Assistance Hotline. The telephone number is 877.742.2201 or you can contact a WEMED attorney online at: apps.wilsonelser.com/pic/. This hotline provides you with 2 free hours of legal consultation with a knowledgeable attorney on any matter that you feel could result in a Claim under your professional or management liability policy. The Loss Assistance Hotline is NOT a Claim reporting service. To report a Claim, follow the Claim reporting instructions in your policy and also notify your insurance agent. If you have any questions concerning the Loss Assistance Hotline, please contact us at 800.759.4961 x2967.

Wilson Elser
Wilson Elser Moskowitz Edelman & Dicker LLP

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800.873.4552

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Your insurance policy, and not the information contained in this document, forms the contract between you and your insurance company. If there is a discrepancy or conflict between the information contained herein and your policy, your policy takes precedence. All coverages are not available in all states due to state insurance regulations. Certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2013 Philadelphia Insurance Companies, All Rights Reserved.



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PHILADELPHIA INSURANCE COMPANIES PRIVACY POLICY NOTICE

Philadelphia Indemnity Insurance Company

The Philadelphia Insurance Companies value your privacy and we are committed to protecting personal information that we collect during the course of our business relationship with you. The collection, use and disclosure of certain nonpublic personal information are regulated by law.

This notice is for your information only and requires no action on your part. It will inform you about the types of information that we collect and how it may be used or disclosed. This does not reflect a change in the way we do business or handle your information.

Information We Collect:

We collect personal information about you from the following sources:

- Applications or other forms such as claims forms or underwriting questionnaires completed by you;
- Information about your transactions with us, our affiliates or others; and
- Depending on the type of transaction you are conducting with us, information may be collected from consumer reporting agencies, health care providers, employers and other third parties.

Information We Disclose:

We will only disclose the information described above to our affiliates and non-affiliated third parties as permitted by law, and when necessary to conduct our normal business activities.

For example, we may make disclosures to the following types of third parties:

- Your agent or broker (producer);
- Parties who perform a business, professional or insurance functions for our company, including our reinsurance companies;
- Independent claims adjusters, investigators, attorneys, other insurers or medical care providers who need information to investigate, defend or settle a claim involving you;
- Regulatory agencies in connection with the regulation of our business; and
- Lienholders, mortgagees, lessors or other persons shown on our records as having a legal or beneficial interest in your policy.

We do not sell your information to others for marketing purposes. We do not disclose the personal information of persons who have ceased to be our customers.

Protection of Information:

The Philadelphia Insurance Companies maintain physical, electronic and procedural safeguards that comply with state and federal regulations to protect the confidentiality of your personal information. We also limit employee access to personally identifiable information to those with a business reason for knowing such information.

Use of Cookies and Opt-Out:

We may place electronic "cookies" in the browser files of your computer when you access our website. Cookies are text files placed on your computer to enable our systems to recognize your browser and so that we may tailor information on our website to your interests. We or our third party service providers or business partners may place cookies on your computer's hard drive to enable us to match personal information that we maintain about you so that we are able to pre-populate on-line forms with your information. We also use cookies to help us analyze traffic on our website to better understand your interests. Although we do not use your non-public personal information for this purpose, you may opt-out of cookies and advertising features through one of the available options including but not limited to Ads Settings in Google.com or the Network Advertising Initiative (NAI) Consumer Opt-out. Opting out does not mean you will no longer receive online advertising. It does mean that companies from which you opted out will no longer customize ads based on your interests and web usage patterns using cookies.

How to Contact Us: Philadelphia Insurance Companies, One Bala Plaza, Suite 100, Bala Cynwyd, PA 19004
Attention: Chief Privacy Officer



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Philadelphia Indemnity Insurance Company
COMMON POLICY DECLARATIONS

Policy Number: PIDO11058098

Named Insured and Mailing Address:

American Specialty Sports &
Entertainment Purchasing Group
PO Box 309
Roanoke, IN 46783-0309

Producer: 15823

American Specialty Insurance & Risk Serv
7609 W Jefferson Blvd Ste 100
Fort Wayne, IN 46804

Policy Period From: 11/01/2017 **To:** 11/01/2019

(260)672-8800

at 12:01 A.M. Standard Time of your mailing
address shown above

Business Description: Non-Profit Organization

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 COVERAGE PARTS FOR WHICH A PREMIUM IS
INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	
Commercial Crime Coverage Part	
Commercial Inland Marine Coverage Part	
Commercial Auto Coverage Part	
Businessowners	
Workers Compensation	
Flexi Plus Five	2.00

Total \$ **2.00**

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE
Refer To Forms Schedule

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations

CPD- PIIC (06/14)

Secretary

President and CEO

Philadelphia Indemnity Insurance Company

Form Schedule – Policy

Policy Number: PIDO11058098

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
WHY MyPHLY	0000	WHY MyPHLY?
CSNotice-1	1014	Making Things Easier
BJP-190-1	1298	Commercial Lines Policy Jacket
LAH-Notice	0813	Policyholder Notice (Loss Assistance Hotline)
PP2015	0615	Privacy Policy Notice
CPD-PIIC	0614	Common Policy Declarations

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FLEXIPLUS FIVE

NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

Philadelphia Indemnity Insurance Company

Policy Number: PIDO11058098

DECLARATIONS

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. THE AMOUNTS INCURRED FOR DEFENSE COST SHALL BE APPLIED AGAINST THE RETENTION.

Item 1. Parent Organization and Address:
American Specialty Sports &
Entertainment Purchasing Group
PO Box 309
Roanoke, IN 46783-0309

Internet Address: www.

Item 2. Policy Period From: 11/01/2017 To: 11/01/2019
(12:01 A.M. local time at the address shown in Item 1.)

Item 3. Limits of Liability:

(A)	Part 1, D&O Liability:	\$	1,000,000	each Policy Period.
(B)	Part 2, Employment Practices:	\$	1,000,000	each Policy Period.
(C)	Part 3, Fiduciary Liability:	\$		each Policy Period.
(D)	Part 4, Workplace Violence:	\$		each Policy Period.
(E)	Part 5, Internet Liability:	\$		each Policy Period.
(F)	Aggregate, All Parts:	\$	1,000,000	each Policy Period.

Item 4. Retention:

(A)	Part 1, D&O Liability:	\$	500	for each Claim under Insuring Agreement B & C.
(B)	Part 2, Employment Practices:	\$	1,000	for each Claim.
(C)	Part 3, Fiduciary Liability:	\$		for each Claim.
(D)	Part 4, Workplace Violence:	\$		for each Workplace Violence Act.
(E)	Part 5, Internet Liability:	\$		for each Claim.

Item 5. Prior and Pending Date: Part 1 No Date Applies Part 2 No Date Applies Part 3 No Date Applies
Part 4 No Date Applies Part 5 No Date Applies

Item 6. Premium:

Part 1	\$	2.00	Part 2	Part 3
Part 4			Part 5	

State Surcharge/Tax: Total Premium: \$ 2.00

Item 7. Endorsements: PER SCHEDULE ATTACHED

In witness whereof, the Insurer issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.


Authorized Representative _____ Countersignature _____
Countersignature Date _____

Philadelphia Indemnity Insurance Company

Form Schedule – Flexi Plus Five

Policy Number: PIDO11058098

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
PI-NPD-1	0102	FlexiPlus Five Declarations Page
PI-BELL-1	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
PI-NPD-2	0102	Flexi Plus Five Coverage Form
PI-NPD-8	0102	Shared Limits Endorsement
PI-NPD-25	0102	Professional Services Exclusion(Supervision Carve-Out)
PI-NPD-52	1203	Amendment of Exclusions
PI-NPD-82	1012	Pro-Pak Elite Enhancement
PI-MANU-1	0100	Amended Third Party Definition
PI-MANU-1	0100	Alaska Amendatory Endorsement
PI-MANU-1	0100	Arkansas Amendatory Endorsement
PI-MANU-1	0100	Arizona Changes
PI-MANU-1	0100	California Changes - Cancellation and Non-Renewal
PI-MANU-1	0100	Connecticut Amendatory Endorsement
PI-MANU-1	0100	District of Columbia Amendatory Endorsement
PI-MANU-1	0100	Florida Bell Endorsement
PI-MANU-1	0100	Florida Amendatory Endorsement
PI-MANU-1	0100	Florida - Notice
PI-MANU-1	0100	Hawaii Bell Endorsement
PI-MANU-1	0100	Hawaii Amendatory Endorsement
PI-MANU-1	0100	Iowa Amendatory Endorsement
PI-MANU-1	0100	Illinois Amendatory Endorsement
PI-MANU-1	0100	Kansas Amendatory Endorsement
PI-MANU-1	0100	Kentucky Amendatory Endorsement
PI-MANU-1	0100	Massachusetts Amendatory Endorsement
PI-MANU-1	0100	Maine Amendatory Endorsement
PI-MANU-1	0100	Maine - Notice to Applicant
PI-MANU-1	0100	Michigan Policy Changes
PI-MANU-1	0100	Michigan Amendatory Endorsement/Insured Participation in Defense
PI-MANU-1	0100	Minnesota Changes
PI-MANU-1	0100	Missouri Notice
PI-MANU-1	0100	Missouri Bell Endorsement
PI-MANU-1	0100	Missouri Amendatory Endorsement
PI-MANU-1	0100	Mississippi Amendatory Endorsement
PI-MANU-1	0100	Montana Amendatory Endorsement
PI-MANU-1	0100	Montana Changes
PI-MANU-1	0100	North Carolina - Amendatory Endorsement
PI-MANU-1	0100	New Hampshire Amendatory Endorsement
PI-MANU-1	0100	New Hampshire Bell Endorsement
PI-MANU-1	0100	New Jersey Cancellation/Nonrenewal Endorsement
PI-MANU-1	0100	Nevada Amendatory Endorsement
PI-MANU-1	0100	New York Amendatory Endorsement/Legal Defense Costs Outside the Limit
PI-MANU-1	0100	New York Amendatory Endorsement/Insured Participation in Defense
PI-MANU-1	0100	New York Application and Declaration Page Addendum
PI-MANU-1	0100	New York - Changes
PI-MANU-1	0100	New York Amendment of Exclusions
PI-MANU-1	0100	New York Bell Endorsement
PI-MANU-1	0100	New York Amendatory - Retention and Coinsurance
PI-MANU-1	0100	Ohio Amendatory Endorsement
PI-MANU-1	0100	Oklahoma Amendatory Endorsement
PI-MANU-1	0100	Oregon Changes - Cancellation and Nonrenewal

Philadelphia Indemnity Insurance Company

Form Schedule – Flexi Plus Five

Policy Number: PIDO11058098

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
PI-MANU-1	0100	Pennsylvania Amendatory Endorsement
PI-MANU-1	0100	South Dakota Amendatory Endorsement
PI-MANU-1	0100	Tennessee Amendatory Endorsement
PI-MANU-1	0100	Tennessee Changes
PI-MANU-1	0100	Texas Notice to Policyholders
PI-MANU-1	0100	Texas Bell Endorsement
PI-MANU-1	0100	Texas Amendatory Endorsement
PI-MANU-1	0100	Virginia Notice to Policyholders
PI-MANU-1	0100	Virginia Bell Endorsement
PI-MANU-1	0100	Virginia Amendatory Endorsement
PI-MANU-1	0100	Vermont Amendatory Endorsement
PI-MANU-1	0100	Washington - Changes
PI-MANU-1	0100	Wisconsin Amendatory Endorsement
PI-MANU-1	0100	Wyoming Policyholder Notice
PI-MANU-1	0100	Extended Reporting Period Endorsement
PI-SLD-001	0115	Cap On Losses From Certified Acts of Terrorism

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BELL ENDORSEMENT**

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Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE**LIMITS OF INSURANCE**

Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I, **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or
4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this

coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after a acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts" and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. "Communicable disease" means a illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.
- C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. "Emergency evacuation expenses" mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

- E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, vehicle rental, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or domestic partner) thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" whenever used in this endorsement, other than in Section III. A. **Business Travel**,

means any physical damage to the body caused by violence, fracture or an accident.

L. "Key individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

N. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

P. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

Q. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

R. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
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II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

- A.** We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.
- B.** We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A. "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B. "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C. "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D. "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.
- E. "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

SPECIMEN

Philadelphia Insurance Companies

FLEXI PLUS FIVE



Not-for-Profit Organization Directors
& Officers Liability Insurance

Employment Practices
Liability Insurance

Fiduciary Liability Insurance

Workplace Violence Insurance

Internet Liability Insurance

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax: 610.617.7940

FLEXI PLUS FIVE
NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY
INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS IS A CLAIMS-MADE POLICY.

CLAIMS-MADE POLICIES ONLY COVER THOSE CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD.

In consideration of the premium paid and in reliance upon all statements made and information furnished to the **Underwriter**, including all statements made in the **Application**, the **Underwriter** agrees to provide coverage as shown in the Declarations and described as follows:

Part 1

Not-for-Profit Organization Directors & Officers Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Individual Insured**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, except to the extent the **Organization** has indemnified the **Individual Insureds** for such **Loss**.
- B. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, if the **Organization** has indemnified such **Individual Insureds** for such **Loss**.
- C. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **D&O Wrongful Act**.

II. DEFINITIONS

- A. **D&O Wrongful Act** means any actual or alleged:
 - 1. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured**; or by the **Organization**; or
 - 2. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** while

serving as a director, officer, governor or trustee of any **Outside Entity**, if such service is at the written request or direction of the **Organization**.

However, **D&O Wrongful Act** does not include an **Employment Practice Act**, **Fiduciary Liability Act**, or **Internet Liability Act**.

B. **Outside Entity** means:

1. Any not-for-profit entity described in Section 501(c) of the Internal Revenue Code of 1986 (as amended); or
2. Any other entity listed as an **Outside Entity** in an endorsement to this Policy.

C. **Personal & Advertising Injury** means any actual or alleged:

1. False arrest, detention or imprisonment, or malicious prosecution; or
2. Oral or written publication of material that slanders or libels a person or entity or disparages a person's or entity's goods, products or services; or
3. Oral or written publication of material that violates a person's right of privacy; or
4. Wrongful eviction or entry or other invasion of the right of privacy; or
5. Misappropriation of advertising ideas, unauthorized use of title or slogan, or plagiarism; or
6. Infringement of copyright or trademark.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 1 to make any payment for **Loss** in connection with any **Claim** made against an **Insured**:

- A. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;
- B. Arising out of, based upon or attributable to any actual or alleged:
 1. Publication or utterance of material by or at the direction of such **Insured** with knowledge of its falsity; or
 2. Composing, editing, designing, publishing, distributing or printing periodicals, advertisements or other materials by the **Insured** for another party if such activity is not in connection with and not a regular part of the **Insured's** own publications; or
 3. Failure of goods, products or services to conform with advertised quality or performance; or
 4. Wrong description of the price of goods, products or services;
- C. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement. However, this exclusion shall not apply to the following:
 1. Liability of the **Insured** which would have attached even in the absence of such contract or agreement; or

2. Defense Costs.

IV. PRESUMPTIVE INDEMNIFICATION

If the **Organization** is permitted or required by common or statutory law, but fails to indemnify the **Insured** for **Loss** (except by reason of its financial insolvency), any payment by the **Underwriter** of such **Loss** shall be subject to the Insuring Agreement C Retention amount set forth in Item 4.(A) of the Declarations. The charter, by-laws, shareholder and board of director's resolutions of the **Organization** shall be deemed to provide indemnification for such **Loss** to the fullest extent permitted by law.

Part 2

Employment Practices Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 & 9.)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from claims made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Employment Practices Act**.

II. DEFINITIONS

- A. **Employment Practice Act** means any actual or alleged:
1. Wrongful dismissal, discharge or termination of employment;
 2. Breach of a written or oral employment contract or implied employment contract;
 3. Employment related misrepresentation;
 4. Wrongful failure to promote;
 5. Violation of employment discrimination laws (including harassment);
 6. Wrongful deprivation of a career opportunity;
 7. Employment related wrongful discipline;
 8. Negligent employee evaluation;
 9. Employment related invasion of privacy;
 10. Employment related defamation (including libel and slander);
 11. Sexual or workplace harassment of any kind;
 12. Constructive discharge of employment;
 13. Employment related retaliation;
 14. Employment related humiliation;

- 15. Wrongful demotion;
- 16. Negligent reassignment;
- 17. Violation of any federal, state or local civil rights laws;

and committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practices Act** means any actual or alleged wrongful failure to employ, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such wrongful failure to employ, discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

However, **Employment Practices Act** does not include a **D&O Wrongful Act**, **Retaliatory Liability Act**, or **Internet Liability Act**.

- B. **Third Party** means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Organization**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 2 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security, Disability Benefits or any similar laws; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above laws;
- B. Arising out of, based upon or attributable to any violation of any of the responsibilities, obligations, or duties imposed by the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act (except the Equal Pay Act), Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above statute, rule, regulation or order;
- C. Arising out of, based upon or attributable to a lockout, strike, picket line, replacement or other similar action resulting from labor disputes, labor negotiations, or collective bargaining agreements;
- D. Arising out of, based upon or attributable to obligations or payments owed under (i) an express (written or verbal) contract of employment, (ii) an agreement to make payments in the event of the termination of employment, or (iii) an agreement to assume another's liability; however, this exclusion does not apply to any of the following:
 - 1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs.**

- E. To the extent such **Loss** constitutes employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation earned by the claimant in the course of employment or the equivalent value thereof; however, this exclusion shall not apply to front pay or back pay.

Part 3

Fiduciary Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. **INSURING AGREEMENTS**

- A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**.

II. **DEFINITIONS**

- A. **Administration** means: (i) giving counsel to employees, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of employees or participants under any **Benefit Plan**.
- B. **Benefit Plan** means:
1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the employees of the **Organization**;
 2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the employees of the **Organization**, provided that coverage was available in respect of such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;
 3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the employees of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion;
 4. Any government-mandated benefit program for Workers Compensation, Unemployment, Social Security or Disability Benefit for employees of the **Organization**.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

However, **Benefit Plan** does not include any multi-employer plan.

C. **Fiduciary Liability Act** means any actual or alleged:

1. Breach by an **Insured** of the responsibilities, obligations or duties imposed upon fiduciaries of any **Benefit Plan** by **ERISA**; or
2. Negligent act, error or omission by an **Insured** solely in the **Administration** of any **Benefit Plans**.

However, **Fiduciary Liability Act** does not include a **D&O Wrongful Act** or an **Internet Liability Act**.

D. **Pension Benefit Plan** means any employee pension benefit plan, as defined in **ERISA**.

E. **Welfare Benefit Plan** means any employee welfare benefit plan, as defined in **ERISA**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 3 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to the actual or alleged failure to collect or fund contributions owed to any **Benefit Plan**; or for the return or reversion to any employer of any contribution to or asset of a **Benefit Plan**;
- B. To the extent such **Loss** constitutes benefits due, to become due under a **Benefit Plan** or benefits which would be due under a **Benefit Plan** if its terms complied with all applicable law; however, this exclusion shall not apply to **Defense Costs**;
- C. Arising out of, based upon or attributable to any failure or omission to effect and maintain insurance or bonding for the property or assets of any **Benefit Plan**;
- D. Arising out of, based upon or attributable to any liability of others assumed by the **Insured** under any contract or agreement, other than any contract or agreement establishing a **Benefit Plan**.

Part 4

Workplace Violence Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Organization** any **Violence Damage**, resulting from a **Workplace Violence Act** occurring during the **Policy Period** and reported to the **Underwriter** pursuant to the terms of this Policy.

II. DEFINITIONS

A. **Violence Damage** means:

1. **Business Interruption Expense**
2. **Public Image Restoration Expense**

3. **Workplace Violence Expense**

B. **Business Interruption Expense** means the amount calculated as set forth below for a period of time commencing on the day the **Workplace Violence Act** occurs until the earlier of ninety (90) days following such date, or until the **Organization** restores operations with due diligence and dispatch to the level that existed prior to the **Workplace Violence Act**:

1. The sum of:
 - a. Net profits before income taxes that would have been earned had no **Workplace Violence Act** occurred; and
 - b. The actual cost of continuing the activities which are necessary for the **Organization** to resume operations with substantially the same quality of service which existed immediately preceding the **Workplace Violence Act**; and
 - c. Reasonable expenses which would not have been incurred except for such **Workplace Violence Act** and which were incurred by the **Organization** for the sole purpose of reducing **Business Interruption Expense** described in B.1. (a. or b.) above, not to exceed the amount of actual reduction of such **Business Interruption Expense**; and
2. Less the sum of:
 - a. All recoveries, other insurance, sureties, and other indemnity which cover **Business Interruption Expense** described in B.1. above; and
 - b. The amount by which the **Organization** reasonably could have but fails to reduce **Business Interruption Expense** described in B.1. above.

C. **Public Image Restoration Expense** means reasonable fees and expenses for, or cost of:

1. An independent public relations consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
2. An independent security consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
3. A counseling seminar for **Individual Insureds** conducted by an independent consultant following the **Workplace Violence Act**;
4. Independent security guard service for up to thirty (30) days following the date the **Workplace Violence Act** occurs;
5. An independent forensic analyst for up to ninety (90) days following the date the **Workplace Violence Act** occurs;

D. **Workplace Violence Expense** means the reasonable fees and expenses for, or cost of:

1. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays **Individual Insureds** victimized by **Workplace Violence Acts** and unable to continue to work because of such **Workplace Violence Acts**. The **Salary** or **Wages** in effect at the time of the **Workplace Violence Act** shall apply;

2. The **Salary or Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays a newly hired person(s) to conduct the duties of **Individual Insureds** victimized by **Workplace Violence Acts** and who is/are unable to continue to work because of such **Workplace Violence Acts**; however such **Salary or Wages** shall not exceed the **Salary or Wages** of the victimized **Individual Insured** in effect at the time of the **Workplace Violence Act**.

- E. **Workplace Violence Act** means any actual or alleged intentional and unlawful use of, or threat to use, deadly force with an intent to cause harm at the **Premises**.
- F. **Premises** means any building, facility or property occupied by the **Organization** in conducting its operations.
- G. **Salary or Wages** means compensation the **Organization** pays an **Individual Insured**, including but not limited to bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 4 to make any payment for **Violence Damage**:

- A. Arising out of, based upon or attributable to war, invasion, insurrection, riot, rebellion, revolution, civil war, or military action;
- B. Arising out of, based upon or attributable to a **Workplace Violence Act** which occurs at any location other than the **Premises**;
- C. Arising out of, based upon or attributable to the use or threat of force or violence occurring on the **Premises** for the purpose of demanding money, securities or property;
- D. Arising out of, based upon or attributable to a **Workplace Violence Act** occurring prior to the Prior and Pending Date shown in Item 5. of the Declarations.

Part 5

Internet Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Internet Liability Act**.

II. DEFINITIONS

- A. **Internet Activity** means any display, transmission, dissemination, or other use of **Matter** on an **Internet Site**.
- B. **Internet Site** means the internet address(es) shown in Item 1. of the Declarations.
- C. **Matter** means printed, verbal, numerical, audio or visual expression, or any other expression, regardless of the medium upon which such expression is fixed.

- D. **Product** means any tangible property offered for sale or otherwise disseminated by or through any **Insured**.
- E. **Internet Liability Act** means any actual or alleged act, error, or omission committed or attempted by an **Insured** in their capacity as an **Insured** solely in connection with **Internet Activity** by or on behalf of the **Organization**, including:
 - 1. Libel, slander, or oral or written publication of defamatory or disparaging material; or
 - 2. Invasion of or interference with the right of privacy; or
 - 3. Infringement of copyright, service mark, trademark, trade dress or trade name or title or slogan or improper use of literary or artistic titles, formats or performances.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 5 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any actual or alleged price fixing, restraint of trade, monopolization, unfair trade practices or any violation of the Federal Trade Commission Act, the Sherman Anti-Trust Act, the Clayton Act, or any other federal statutory provision involving anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, and any amendments thereto; or any rules and regulations promulgated thereunder or in connection with such statutes; or any similar provision of any federal, state, or local statutory law or common law anywhere in the world;
- B. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement, or for liability assumed by the **Organization** under a contract or agreement; however, this exclusion shall not apply to any of the following:
 - 1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement;
 - 2. **Defense Costs**;
- C. Arising out of, based upon or attributable to any actual or alleged:
 - 1. Wrong description of the price or authenticity of a **Product**; or
 - 2. Failure of any **Product** to conform with advertised quality or performance; or
 - 3. Sale or offer for sale of any **Product** that infringes upon the name, design or logo of another entity's **Product**;
- D. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;
- E. To the extent such **Loss** constitutes amounts charged to or due from clients or customers of the **Organization**, or the value of any electronic fund transfer or transaction by or on behalf of the **Organization** which is lost or damaged during transfer into, from or between **Organization** accounts;
- F. Brought or maintained by or on behalf of any federal, state, or local regulatory agency or other administrative body alleging the violation of any federal, state or local laws or regulations;

- G. Arising out of, based upon or attributable to the development, distribution, dissemination, installation, implementation, operation, maintenance and/or filtering software, or of policies, equipment or procedures for establishing or managing a secure method for exchanging electronic information;
- H. Arising out of, based upon or attributable to any costs, expenses or other payment incurred by the **Insured** or others in connection with the withdrawal or recall from the marketplace of the **Insured's Products**, including other products which incorporated the **Insured's Products**;
- I. Arising out of, based upon or attributable to coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
- J. Arising out of, based upon or attributable to (i) a computer virus, (ii) the unauthorized access to or use of a computer, computer system or computer network, or (iii) the inability of an authorized **Third Party** to access services provided by the **Organization** through the **Internet Site**.

Part 6

Common Policy Definitions

A. **Application** means:

- 1. The **Application** for this Policy, including any material submitted therewith; and
- 2. The **Application(s)**, including any material submitted therewith, for all previous policies issued by the **Underwriter** of which this Policy is a direct or indirect renewal or replacement,

all of which shall be deemed a part of this Policy as if physically attached hereto.

B. **Claim** means for the purpose of Parts 1, 2, 3, and 5:

- 1. Any written demand for monetary or non-monetary relief; or
- 2. Any judicial, civil, administrative, regulatory, or arbitration proceeding (including any appeal therefrom) which subjects an **Insured** to a binding adjudication of liability for monetary or non-monetary relief for a **Wrongful Act**; or
- 3. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

C. **Damages** means a monetary judgment, award or settlement including punitive, exemplary or multiple portion thereof, or, with respect to Part 4 (Workplace Violence Insurance), **Violence Damage**.

D. **Defense Costs** means:

- 1. Any reasonable and necessary legal fees and expenses incurred in the defense of a **Claim**, whether by the **Insured** with the **Underwriter's** consent or directly by the **Underwriter**, in the investigation, adjustment, defense and appeal of a **Claim**, except that **Defense Costs** shall not include:

- a. Any amounts incurred in defense of any **Claim** for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes such duty; or
 - b. Salaries, wages, overhead or benefit expenses associated with any **Insured** except as specified in subparagraph 2. below; or
 - c. Salaries, wages, overhead or benefit expenses associated with employees of the **Underwriter**.
2. A \$250 per day per **Individual Insured** supplemental payment for the attendance at the request or with the consent of the **Underwriter** by such **Individual Insured** at hearings, trials or depositions. Such payment shall not exceed \$5000 in the aggregate for all **Individual Insureds** in each **Claim**.
- E. **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, any similar federal, state, local or common law, and any rules and regulations promulgated thereunder.
- F. **Individual Insured** means:
1. Any individual who has been, now is or shall become a director, officer, governor, trustee, equivalent executive, employee (whether salaried or not), volunteer, leased or temporary employee, or committee member of the **Organization** or, solely with respect to Part 3 (Fiduciary Liability Insurance), of any **Benefit Plan**;
 2. The lawful spouse of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which such spouse may be liable as the spouse of such executive;
 3. The estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for **Wrongful Acts** of the person described in 1. above which, in the absence of such death or incompetence, would have been covered by this Policy;
 4. With respect to an **Organization** chartered outside the United States of America, any individual who has been, now is or shall become a person serving in a position with such **Organization** that is equivalent to any position described in 1. above.
- G. **Insured** means the **Organization** and **Individual Insured**.
- H. **Interrelated Wrongful Act** means any causally connected **Wrongful Act** or any series of the same, similar or related **Wrongful Acts**.
- I. **Loss** means:
1. **Damages**;
 2. **Defense Costs**;
- but **Loss** does not include:
1. Criminal or civil fines or penalties imposed by law except that solely with respect to Part 3 (Fiduciary Liability Insurance) **Loss** includes fines or penalties imposed under Section 502 (i) and (l) of **ERISA**; or
 2. Taxes; or

3. Matters deemed uninsurable under the law to which this Policy shall be construed; or
4. Any amounts other than **Defense Costs**, which an **Insured** is obligated to pay as a result of a **Claim** seeking relief or redress in any form other than monetary damages; or
5. Any costs other than **Defense Costs** associated with any accommodation required pursuant to the Americans With Disabilities Act, the Civil Rights Act of 1964, rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.

J. **Organization** means:

1. The **Parent Organization**,
2. Any **Subsidiary**, and
3. Solely with respect to Part 3 (Fiduciary Liability Insurance), any **Benefit Plan**.

K. **Parent Organization** means the first entity named in Item 1. of the Declarations.

L. **Policy Period** means the period of time specified in Item 2. of the Declarations.

M. **Subsidiary** means:

1. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as a **Subsidiary** in the Application;
2. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total less than 35% of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**. The **Parent Organization** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;
3. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total 35% or more of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**; but only upon the condition that before the end of the **Policy Period** or within 90 days from having the right to elect or select a majority of the directors or trustees, whichever is lesser, the **Parent Organization** shall have provided the **Underwriter** with full particulars and agreed to any additional premium and/or amendment of the provisions of this Policy;
4. Any for-profit entity or the directors, officers, or trustees of a for profit entity for which, the **Underwriter**, at its sole discretion, agrees by written endorsement to provide coverage upon such terms or additional premium charged.

Further, coverage as shall be afforded by paragraphs 3. and 4. above, is conditioned upon the **Parent Organization** paying when due any applicable additional premium required by the **Underwriter** relating to such new **Subsidiary**.

N. **Underwriter** means the stock insurance company check marked on the Declarations of this Policy.

O. **Wrongful Act** means:

1. With respect to Part 1, any **D&O Wrongful Act**,
2. With respect to Part 2, any **Employment Practices Act**,
3. With respect to Part 3, any **Fiduciary Liability Act**,
4. With respect to Part 5, any **Internet Liability Act**.

Part 7

Common Policy Exclusions

The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to such **Insured** gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission;
- B. Arising out of, based upon or attributable to any dishonest or fraudulent act or omission or any criminal act or omission by such **Insured**; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission. This exclusion shall not apply to a **Workplace Violence Act** under Part 4 (Workplace Violence Insurance);

No **Wrongful Act** of any **Insured** shall be imputed to any **Individual Insured** for the purpose of determining the applicability of Exclusions A. and B. above.

- C. Arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants on or upon land, the atmosphere or any watercourse or body of water, or any cost or expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;
- D. Arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke, asbestos or mold including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke, asbestos or mold to any persons and in any environment, building or structure;
- E. Arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto, and any similar provisions of any federal, state or local statutory or common law;
- F. Arising out of, based upon or attributable to:
 1. Any litigation or demand against an **Insured** pending on or before the respective Prior and Pending Date set forth in Item 5. of the Declarations, or the same or essentially the same facts as alleged in such prior litigation; or

2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance prior to inception of this Policy; or
 3. Any **Wrongful Act**, fact, circumstance or situation of which, as of the respective Prior and Pending Date set forth in Item 5. of the Declarations, the **Insured** had knowledge and from which the **Insured** could reasonably expect a **Claim** to arise.
- G. Arising out of, based upon or attributable to the insolvency, conservatorship, receivership, bankruptcy or liquidation of any bank, banking firm, broker, dealer, investment company, investment banker, insurance company, or other entity of a similar nature; or the failure to pay or suspension of payment by any such entity;
 - H. To the extent such **Loss** constitutes **Defense Costs** in a **Claim** directly or indirectly by, on behalf of, or for the benefit of any insurance carrier or bond carrier of the **Insured** or any affiliate of the **Insured**, regardless of in whose name such **Claim** is actually made;
 - I. For any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to Part 4 (Workplace Violence Insurance) or to mental anguish or emotional distress under Part 2 (Employment Practices Liability Insurance);
 - J. Brought or maintained by, at the behest, or on behalf of the **Organization**;
 - K. For any actual or alleged violation of the responsibilities, obligations or duties imposed by **ERISA**; however, this exclusion shall not apply to Part 3 (Fiduciary Liability Insurance);
 - L. For a **Wrongful Act** committed or attempted by a **Subsidiary**, **Benefit Plan** or an **Individual Insured** of a **Subsidiary** or **Benefit Plan** before such entity or plan became an **Insured** or after the entity or plan ceased to be an **Insured**;
 - M. For service by the **Individual Insured** in any position or capacity in any entity other than the **Organization**, a **Benefit Plan** or an **Outside Entity**, even if the **Organization** directed or requested the **Individual Insured** to serve in such other position or capacity.

Part 8

Common Policy Conditions

I. LIMITS OF LIABILITY

Regardless of the number of **Insureds** involved, **Claims** made or **Workplace Violence Acts** committed, the **Underwriter's** liability under the Policy is limited as follows:

- A. With respect to coverage under Part 1 of this Policy, the **Underwriter's** maximum aggregate liability under Part 1 for all **Damages** on account of all **Claims** made during the **Policy Period**, whether covered under Insuring Agreement A, B or C, shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(A) of the Declarations.
- B. With respect to coverage under Part 2, Part 3, Part 4, or Part 5 of this Policy, the **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** made, and all **Workplace Violence Acts** taking place, during the **Policy Period** shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(B), 3.(C), 3.(D) or 3.(E), respectively, of the Declarations.

- C. The **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** first made, and all **Workplace Violence Acts** taking place, during the **Policy Period** under all purchased Parts, combined, shall be the Aggregate Limit of Liability set forth in Item 3.(F) of the Declarations. The Limits of Liability set forth in Item 3.(A), 3.(B), 3.(C), 3.(D) and 3.(E) are sub-limits which do not increase the **Underwriter's** maximum liability as set forth in Item 3.(F).
- D. **Defense Costs** is in addition to and is not part of the Limit of Liability specified in Item 3. of the Declarations. Payment by the **Underwriter** of **Defense Costs** incurred on account of any **Claim** shall not serve to reduce the Limit of Liability stated in Item 3. of the Declarations, but the **Underwriter** is not obligated to pay any **Defense Costs** after the applicable Limit of Liability has been exhausted by payment of **Damages**.
- E. The Limit of Liability for any Extension Period, if applicable, shall be a part of and not in addition to the respective Limit of Liability applicable to the **Policy Period**.

II. RETENTION CLAUSE

- A. The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

III. DEFENSE AND SETTLEMENT

- A. The **Insured** and not the **Underwriter** shall have the responsibility to defend any **Claim**. However, the **Insured** shall have the right, as soon as practicable after a **Claim** is first made, to tender the defense of such **Claim** to the **Underwriter**. Upon written notice to the **Underwriter** of such election by the **Insured** and subject to all of the provisions of this Section III. DEFENSE AND SETTLEMENT, the **Underwriter** shall undertake and manage the defense of such **Claim**, even if such **Claim** is groundless, false or fraudulent.
- B. If the **Insured** has assumed the defense of a **Claim** pursuant to A. above, the **Underwriter** shall advance **Defense Costs** prior to the final disposition of a **Claim**. The **Insured** shall elect counsel of its choice subject to approval by the **Underwriter**, such approval shall not be unreasonably withheld. The **Underwriter** shall not be liable for **Defense Costs** incurred, settlements made or judgments admitted by the **Insured** without the **Underwriter's** prior written consent, which shall not be unreasonably withheld.
- C. The **Underwriter** may investigate and, with the consent of the **Insured**, settle any **Claim** or **Workplace Violence Act** as the **Underwriter** deems expedient, but the **Underwriter** is not obligated to pay any **Loss** after the Limit of Liability has been exhausted.
- D. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall take reasonable measures to protect their interests.
- E. If more than one **Insured** is involved in a **Claim**, the **Underwriter** may, in its sole discretion, appoint separate counsel for one or more of such **Insureds** if there is a material (actual or potential) conflict of interest among any such **Insureds**.
- F. The **Insured** agrees to provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and agrees that in the event of a **Claim** or a

Workplace Violence Act, the **Insured** will do nothing that may prejudice the **Underwriter's** position or its potential rights of recovery.

- G. If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Costs** incurred, up to the date of such refusal, plus 50% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4. of the Declarations.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be reactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount set forth in Item 4. of the Declarations, even if consent is given to a subsequent settlement.

IV. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Underwriter** at the following address:

Philadelphia Insurance Companies
One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
Attention: Claims Department

The date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. Any notice to the **Underwriter** shall specify the Part(s) of this Policy under which the notice is being given and shall be treated as notice only under such specified Part(s).

- A. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice of such **Claim** or **Workplace Violence Act** as soon as practicable to the **Underwriter** during this **Policy Period**, or, if applicable, during any Extension Period, but, not later than 60 days after the expiration date of this Policy or any Extension Period, if applicable.
- B. If during this **Policy Period** an **Insured** first becomes aware of any circumstances which may subsequently give rise to a **Claim** being made against any **Insured** for a specific alleged **Wrongful Act**, and as soon as practicable thereafter, but before the expiration or cancellation of this Policy, gives written notice to the **Underwriter** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to the **Wrongful Act**, dates and persons involved, then any **Claim** which is subsequently made against the **Insured** arising out of such **Wrongful Act** will be considered made during this **Policy Period**.

- C. All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts**, or the same or related **Workplace Violence Acts**, shall be deemed one **Loss** on account of one **Claim** or one **Workplace Violence Act**. Such **Claim** or **Workplace Violence Act** shall be deemed to be first made or to have first occurred when the earliest of such **Claims** or **Workplace Violence Acts** were first made or first occurred.

V. CANCELLATION AND NON-RENEWAL

- A. The **Underwriter** may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the **Parent Organization** for such cancellation to be effective.
- B. The **Parent Organization** may cancel this Policy for itself and all other **Insureds** by surrender of this Policy to the **Underwriter** or any of its authorized agents or by mailing to the **Underwriter** written notice stating when thereafter the cancellation shall be effective. If the **Parent Organization** cancels, earned premium shall be computed in accordance with the customary short rate table procedure.
- C. The **Underwriter** shall not be required to renew this Policy; however, written notice of the **Underwriter's** intent to non-renew this Policy shall be sent to the **Parent Organization** at least 30 days prior to expiration of the **Policy Period**.

VI. REPRESENTATIONS AND SEVERABILITY

- A. The **Insured** represents that the particulars and statements contained in the **Application** are true and agrees that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of the Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the **Underwriter** under this Policy; and (3) this Policy is issued in reliance upon the truth of such representations.
- B. Except for material facts or circumstances known to the **Individual Insured** signing the **Application**, no statement in the **Application** or knowledge or information possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the **Underwriter** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery. The **Insured** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without the **Underwriter's** express written consent.

VIII. EXTENSION PERIOD

- A. If the **Underwriter** refuses to renew this Policy the following will apply:

For no additional premium, the **Underwriter** will provide a 60 day extension of the coverage granted under Parts 1, 2, 3, and 5 of this Policy for any **Claim** first made against the **Insured** during the 60 days after the non-renewal date, but only with respect to any **Wrongful Act** committed before such non-renewal date and otherwise covered by this Policy (the "Automatic Extension"). This Automatic Extension shall not apply if the **Insured** has purchased similar insurance from the **Underwriter** or any other insurer covering such **Claim**.

Upon expiration of the Automatic Extension, the **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium to an extension of

the coverage granted by this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to **Wrongful Acts** committed before the non-renewal date and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

- B. If the **Parent Organization** cancels or does not renew this Policy or the **Underwriter** cancels for nonpayment of premium, the following will apply:

The **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium, to an extension of the coverage granted under Parts 1, 2, 3 and 5 of this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Acts** committed before the date of such cancellation or non-renewal and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made within 60 days following the date of such cancellation or non-renewal. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the **Underwriter** cancels for the non-payment of premium, the **Parent Organization** may purchase the Extension Period only after any earned premium due to the **Underwriter** is paid within 10 days after the date of cancellation or policy expiration, whichever comes first.

- C. All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

IX. CHANGES

Except by written endorsement issued to the **Insured** forming a part of this Policy, nothing shall effect a change in or addition to the provisions of this Policy. Furthermore, under no circumstances shall the **Underwriter** be deemed to have waived or be estopped from asserting any right under this Policy, at law, or in equity respecting any **Claim** or **Workplace Violence Act**, except as stated in writing by the **Underwriter's** authorized Claims Department representative.

X. ASSIGNMENT

Assignment of interest in this Policy shall not bind the **Underwriter** until the **Underwriter's** consent is endorsed hereon.

XI. AUTHORIZATION CLAUSE AND NOTICES

By acceptance of this Policy, the **Insured** agrees that the **Parent Organization** shall act on behalf of any **Insured** with respect to the giving and receiving of any return premiums and notices that may become due under this Policy. Notice to the **Parent Organization** shall be directed to the individual named in the **Application**, or such other person as shall be designated by the **Parent Organization** in writing. Such notice shall be deemed to be notice to any **Insured**. The **Parent Organization** shall be the agent of any **Insured** to effect changes in this Policy.

XII. OTHER INSURANCE

If the **Insured** has any other insurance for **Claims** or **Workplace Violence Acts** covered hereunder, the insurance provided by this Policy shall be excess over such other insurance, regardless of whether such other insurance is collectible or designated as primary or excess.

XIII. TERMS OF POLICY CONFORMED TO STATUTE

Terms of this Policy which are in conflict with the statutes of any state in which this Policy is issued are hereby amended to conform to such statutes.

XIV. ACCEPTANCE

This Policy embodies all agreements existing between the parties hereunder or any of their agents relating to this insurance.

XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION

- A. No person or entity shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Underwriter** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Underwriter** of its obligations hereunder.
- B. Any dispute relating to this Policy or the alleged breach, termination, or invalidity thereof, which cannot be resolved through negotiations between any **Insured** and the **Underwriter**, shall be submitted to binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Underwriter** and a third independent arbitrator selected by the first two arbitrators.

XVI. CHANGE IN OWNERSHIP OR CONTROL

- A. If after the inception of the **Policy Period**:
 1. The **Organization** merges into or consolidates with another entity such that the other entity is the surviving entity; or
 2. Another entity or person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the **Organization**; or
 3. Another entity or person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the **Organization's** directors or trustees;

(1., 2., and 3. above, hereinafter referred to as the "Merger"), then coverage under Parts 1, 2, 3, and 5 of this Policy shall remain in force, but only for **Claims** made during the **Policy Period** (or the Extension Period, if purchased) for **Wrongful Acts** committed prior to the effective date of the Merger and only if the following conditions are met:

 1. The **Insured** provides written notice of the Merger to the **Underwriter** within 45 days of the effective date of such Merger; and
 2. The **Insured** provides the **Underwriter** with such information as the **Underwriter** deems necessary.

If **Insured** fails to meet conditions 1. and 2. above, this Policy shall be deemed cancelled by the **Underwriter** as of the effective date of the Merger and the **Underwriter** shall return any unearned premium on a pro rata basis. The **Insured** shall have the right to purchase the Extension Period.

Coverage under Part 4 of this Policy shall cease with respect to any **Workplace Violence Act** occurring after the effective date of the Merger.

B. If after the inception of the **Policy Period**:

1. The **Organization** acquires or assumes more than fifty percent (50%) of the assets, liabilities, or equity of, or merges with any for profit entity or creates a for profit subsidiary, no coverage shall be afforded under this Policy for **Claims** arising out of, based upon or attributable to such transaction unless all of the following conditions are met:
 - a. The **Underwriter** receives from the **Parent Organization** full details of such transaction; and
 - b. The **Underwriter**, at its sole discretion, agrees by written endorsement to this Policy to provide coverage to the for profit entity upon such terms, conditions and limitations as it may require.

XVII. TERRITORY AND VALUATION

This Policy shall extend to any **Wrongful Act** committed or any **Workplace Violence Act** occurring anywhere in the world.

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of **Loss** is due, respectively.

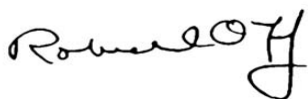
XVIII. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER

It is the **Underwriter's** stated intention that the various coverage parts or policies issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, do not provide any duplication or overlap of coverage for the same **Claim** or **Workplace Violence Act**. Notwithstanding the other insurance provision, if this Policy and any other policy issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, apply to the same **Wrongful Act, Workplace Violence Act**, professional incident, occurrence, offense, accident or **Loss**, then the maximum Limit of Liability under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

XIX. ALLOCATION

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes both covered and uncovered matters, or because a **Claim** is made against both the **Individual Insured** and/or the **Organization**, and others, the **Insured** and the **Underwriter** shall use their best efforts to agree upon a fair and proper allocation of such amount between covered **Loss** and uncovered **Loss**. Any such allocation shall be based upon the relative legal exposures of the parties to covered and uncovered matters.

IN WITNESS WHEREOF, the **Underwriter** has caused this Policy to be signed by its President and Secretary, but the same shall not be binding upon the **Underwriter** unless signed by an authorized representative of the **Underwriter**.



President & CEO



Secretary

SPECIMEN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

SHARED LIMITS ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

It is agreed the combined/shared Limit of Liability available for any **Claim** under Part(s) 1
and any **Claim** under Part(s) 2 shall be \$ 1,000,000.

Notwithstanding the foregoing, the Limit of Liability available for any **Claim** under a coverage Part
shall also be subject to such Parts Limit of Liability as stated in Item 3 of the Declarations.

SPECIMEN

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

**PROFESSIONAL SERVICES EXCLUSION (SUPERVISION
CARVE-OUT)**

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part 1, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the **Insured's** performance of or failure to perform professional services for others.

Provided, however, that the foregoing shall not be applicable to any derivative action **Claim** alleging failure to supervise those who performed or failed to perform such professional services.

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF EXCLUSIONS

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

With regard to Part 1 (**DIRECTORS & OFFICERS LIABILITY INSURANCE**), the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for retaliation; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 2 (**EMPLOYMENT PRACTICES LIABILITY INSURANCE**), Section III (EXCLUSIONS), item B. is replaced by:

- B. for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for **Retaliation**; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 6 (**COMMON POLICY DEFINITIONS**), is supplemented by:

Earned Wages means wages or overtime pay for services rendered.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**PRO-PAK ELITE ENHANCEMENT**

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE**I. DIRECTORS & OFFICERS COVERAGE ENHANCEMENTS**

Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance is amended as follows:

- A. Section III. EXCLUSIONS, Item B., Paragraphs 3. and 4. are deleted in their entirety.
- B. Section III. EXCLUSIONS, Item C. will not apply to **Claims** with respect to coverage provided under Section I. INSURING AGREEMENTS, Item A.
- C. ORDER OF PAYMENTS

It is further understood and agreed that if a **Loss** shall be payable under more than one of the INSURING AGREEMENTS in Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, then the **Underwriter** shall, to the maximum extent practicable and subject at all times to the **Underwriter's** Limits of Liability specified in the Declarations, pay each **Loss** as follows:

- 1. First, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Individual Insureds** Section I. INSURING AGREEMENTS, Item A.;
- 2. Second, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against **Individual Insureds** and indemnified by the **Organization** under Section I. INSURING AGREEMENTS, Item B.;
- 3. Third, the **Underwriter** shall make such other payments which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against the **Organization** under Section I. INSURING AGREEMENTS, Item C.

II. EMPLOYMENT PRACTICES LIABILITY COVERAGE ENHANCEMENTS

Part 2 Employment Practices Liability Insurance is amended as follows:

- A. Section IV. DEFINITIONS, Item A. **Employment Practice Act** is deleted in its entirety and replaced by the following:

Employment Practice Act means any actual or alleged:

- 1. Wrongful dismissal, discharge or termination of employment;
- 2. Breach of a written or oral employment contract or implied employment contract;
- 3. Employment related misrepresentation;
- 4. Wrongful failure to promote;
- 5. Violation of employment discrimination laws (including harassment);
- 6. Wrongful deprivation of a career opportunity;

7. Employment related wrongful discipline;
8. Negligent employee evaluation, training or supervision;
9. Employment related invasion of privacy;
10. Employment related defamation (including libel and slander);
11. Sexual or workplace harassment of any kind;
12. Constructive discharge of employment;
13. Employment related retaliatory treatment;
14. Employment related humiliation;
15. Wrongful demotion;
16. Negligent reassignment;
17. Negligent hiring or retention;
18. Failure to grant tenure;
19. Failure to provide or enforce consistent employment policies and procedures;
20. Failure to employ;
21. Violation of any federal, state or local civil rights laws; and
22. Acts described in 1. through 21. above arising from the use of the **Organization's** Internet, e-mail, blog, telecommunication or similar system, including communications on any **Social Media Network**;

And committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practice Act** means any actual or alleged discrimination, harassment or violation of such **Third Party's** civil rights in relation to such discrimination or harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

- B. Section II. DEFINITIONS, Item B. **Third Party** is deleted in its entirety and replaced by the following:

Third Party means any natural person who is not an **Individual Insured**.

- C. Section II. DEFINITIONS is amended to include the following:

Social Media Network shall mean a web-based service that allows an individual to:

1. Construct a public or semi-public profile within a system; or
2. Articulate a list of other users with whom they share a connection; or

3. View and traverse their list of connections and those made by others within the network.

D. Section III. EXCLUSIONS, Item C. is amended by the addition of the following:

However, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is participating in the above labor actions.

III. FIDUCIARY LIABILITY COVERAGE ENHANCEMENTS

Part 3 Fiduciary Liability Insurance is amended as follows:

This section only applies if a Limit of Liability is specified for Fiduciary Liability Insurance on the Declarations Page.

A. VOLUNTARY COMPLIANCE EXTENSION

Section I. INSURING AGREEMENTS, is amended by the addition of the following:

The **Underwriter** will pay on behalf of the **Insured**, in an amount not to exceed \$100,000, any **Voluntary Compliance Fee** incurred with respect to a **Voluntary Compliance Notice**. Such amount shall be subject to the Retention stated in Item 4. (C) of the Declarations Page and shall be part of and not in addition to the Limit of Liability stated in Item 3. (C) of the Declarations Page. This Insuring Agreement shall not apply to any **Voluntary Compliance Fee** incurred with respect to any **Insured's** participation in any **Voluntary Compliance Program** initiated prior to the inception of this Policy.

B. Section II. DEFINITIONS, Item B. **Benefit Plan** is deleted in its entirety and is replaced by the following:

Benefit Plan means:

1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**;
2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**, provided that coverage was available with respect to such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;
3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the **Individual Insureds** of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion. The 90-day notice requirement shall not apply, however, if the total assets of the acquired or formed **Pension Benefit Plan**, as of the effective date of such acquisition or formation, do not exceed ten percent (10%) of the total plan assets shown on the most recent application submitted by the **Parent Organization**, or (2) the acquisition or formation occurs less than ninety (90) days prior to the end of the **Policy Period**; and
4. Any government-mandated benefit program for workers compensation, unemployment, social security or disability benefits for **Individual Insureds** of the **Organization**.

However, **Benefit Plan** does not include any multi-employer plan or any employee stock ownership plan unless said plan is added by specific written endorsement to this Policy.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

- C. Part 6 Common Policy Definitions, Item D. **Defense Cost** is amended by the addition of the following:

d. **Voluntary Compliance Fee.**

- D. Part 6 Common Policy Definitions, Item I. **Loss** is amended by the addition of the following:

Loss means any penalties or other awards imposed by the Pension Ombudsman of England or Occupational Pensions Regulatory Authority of England pursuant to the English Pension Scheme Act 1933, the English Pensions Act 1995, the UK Pensions Act 2004 as amended, and any rules and regulations promulgated thereunder, provided always that no part of the premium for this Policy attributable to this exception has been funded, paid or reimbursed from the funds or assets of any pension scheme insured under this Policy.

- E. Part 6 Common Policy Definitions is amended by the addition of the following:

Voluntary Compliance Fee means any costs of corrections, fees, penalties or sanctions imposed by law under a **Voluntary Compliance Program** that any **Insured** becomes legally obligated to pay as a result of a **Fiduciary Wrongful Act**, but shall not include any other costs, charges, expenses, fees, penalties, sanctions, assessments, damages, taxes or matters that may be deemed to be uninsurable under the law pursuant to which this Policy shall be construed.

Voluntary Compliance Notice means any written notice given to the **Underwriter** indicating an **Insured's** intent to participate in a **Voluntary Compliance Program** during the **Policy Period**.

Voluntary Compliance Program means any voluntary compliance resolution program or similar voluntary settlement program administered by the Internal Revenue Service or Department of Labor of the United States, including, but not limited to, the Employee Plans Compliance Resolution System, the Self-Correction Program, the Audit Closing Agreement Plan, the Delinquent Filer Voluntary Compliance program and the Voluntary Fiduciary Correction program.

IV. AMENDMENT OF DEFINITIONS

Part 6 Common Policy Definitions, is amended as follows:

- A. Item B. **Claim** is deleted in its entirety and replaced by the following:

Claim means for the purposes of Parts 1, 2, 3 and 5:

1. Any of the following:
 - a. Any written demand for monetary or non-monetary relief (including injunctive); or
 - b. Any civil proceeding, including any appeals therefrom, commenced by the filing, notice or service of complaint, pleading, summons or similar document; or
 - c. Any criminal proceeding, including any appeals therefrom, commenced by the return of an indictment or the filing of notice of charges or similar document; or

- d. Any formal administrative, judicial, regulatory or tribunal proceeding, including any proceeding before the Equal Employment Opportunity Commission or any similar governmental agency, commenced by the filing of notice of charges, formal investigative order, service of summons, subpoena or similar document; or
- e. Any arbitration, mediation or similar alternative dispute resolution proceeding commenced by receipt of a demand for such proceeding,

Against an **Insured** for a **Wrongful Act**; or

- 2. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

A **Claim** shall be considered made when an **Insured** first receives notice of the **Claim**.

- B. Solely with respect to Parts 1, 2, 3 and 5, Item C. **Damage** is deleted in its entirety, and replaced by the following:

Damage means a monetary judgment, award or settlement, including punitive and exemplary damages or multiple portion thereof, (including pre and post judgment interest thereon) to the extent such punitive and exemplary damages or multiple portion thereof, are insurable under applicable law of any jurisdiction which has a substantial relationship to the **Insured** or to the **Claim** seeking such damage, and which is most favorable to the insurability of such damage.

- C. Item D. **Defense Cost** will also mean any pre-judgment interest and post-judgment interest on the portion of any judgment for which the **Underwriter** is liable under this Policy, until the **Underwriter** has tendered or deposited in court or otherwise, such judgment amount for which the **Underwriter** is liable.
- D. With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, Item F. **Individual Insured** will also mean any independent contractor working on behalf of the **Organization**, but only if the **Organization** has agreed in writing to indemnify the independent contractor prior to the occurrence of the **Employment Practices Act** that is the basis of the **Claim**.
- E. With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, Item F. **Individual Insured** will also mean any applicant for employment with the **Organization**.
- F. Item F. **Individual Insured** will also mean the lawful domestic partner of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such director, officer, governor, trustee, or equivalent executive for which such domestic partner may be liable as the domestic partner of such director, officer, governor, trustee, or equivalent executive.
- G. Item I. **Loss** will also include fines and penalties resulting from a **Claim** provided that they are brought:
 - 1. Seeking coverage for an **Excess Benefit Transaction Excise Tax**; or
 - 2. Alleging violations of the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. 1396dd, et seq., and any other similar state or local statute.

The foregoing is subject to the following provisions:

- a. The Limit of Liability specified in the Declarations is replaced by \$100,000 per **Claim** and \$100,000 for all **Claims** in the **Policy Period**. This Limit of Liability will apply to the total of all **Loss** and **Defense Cost** combined, even if this Policy is endorsed to provide **Defense Cost** in addition to the Limit of Liability.

This inclusion of **Defense Cost** within the Limit of Liability, for all coverage provided by Item I. **Loss** above, will supersede any provision to the contrary.

The **Underwriter** will not be liable for **Damage** arising out of an **Excess Benefit Transaction Excise Tax**, as provided herein, for amounts exceeding \$10,000 that an **Individual Insured** is obligated to pay as a result of a **Claim**.

- b. Coverage will exist if and only to the extent that indemnification is provided by the **Organization** to any **Insured** for any **Excess Benefit Transaction Excise Tax**.
- c. The **Underwriter** will not be liable to make payment for any **Loss** or **Defense Cost** in connection with any **Claim** for any excise tax imposed by the Internal Revenue Service on any Disqualified Person for any **Excess Benefit Transaction**.
- d. **Excess Benefit Transaction** means an "excess benefit transaction" as that term is defined in the Taxpayer Bill of Rights 2, P.L. 104-188.
- e. **Excess Benefit Transaction Excise Tax** means any excise tax imposed by the Internal Revenue Service on an **Individual Insured** as a result of the **Individual Insured's** participation in an **Excess Benefit Transaction**.

H. Item J. **Organization** will also mean:

- 4. Any entity or person as a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.

I. Item M. **Subsidiary** will also mean any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as an Affiliate in the **Application**.

J. Item L. **Policy Period** is amended to include that if the calendar date upon which this Policy is scheduled to expire is a "Weekend" or "National Holiday" then this Policy's expiration date is automatically extended to the next day immediately following the "Weekend" or "National Holiday".

For the purpose of clause J. above, the following applies:

- 1. "Weekend" shall mean the calendar days of Saturday and Sunday.
- 2. "National Holiday" shall mean the calendar days designated as such by the United States Federal Government per U.S. Federal law (5 U.S.C. 6103).

V. AMENDMENT OF EXCLUSIONS

Part 7 Common Policy Exclusions, is amended as follows:

- A. Item C. will not apply to **Claims** with respect to coverage provided under Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, Section I. INSURING AGREEMENTS, Item A.

- B. Items D., G., and H. are deleted in their entirety.
- C. Item F. Paragraph 2. is deleted in its entirety and replaced by the following:
 - 2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance, with a similar type of coverage, prior to inception of this Policy; or
- D. Item F., Paragraph 3. is deleted in its entirety.
- E. Item J. will not apply to any **Claim** brought as a derivative action, or similar action, on behalf of the **Organization**, provided the **Claim** is brought without the assistance of any current or former director, officer, governor, trustee or equivalent executive of the **Organization** who has not served in such capacity within four (4) years immediately proceeding the date the **Claim** is first made.

VI. AMENDMENT OF CONDITIONS

Part 8 Common Policy Conditions, is amended as follows:

A. AGGREGATE RETENTION

Section II. RETENTION CLAUSE, is deleted in its entirety and replaced with the following:

The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations Page. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

During the **Policy Period** an "Aggregate Retention" will apply for each coverage Part. The "Aggregate Retention" will be triple (3 times) the amount of the Retention(s) stated in Item 4. of the Declarations Page.

B. MODIFICATION OF CONSENT TO SETTLE

Section III. DEFENSE AND SETTLEMENT, Item G. is deleted in its entirety and replaced by the following:

If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Cost** incurred, up to the date of such refusal, plus 80% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 20% of such **Loss** in excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4 of the Declarations Page.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to

the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount stated in Item 4. of the Declarations Page, even if consent is given to a subsequent settlement.

C. AMENDMENT OF SEVERABILITY

Section VI. REPRESENTATIONS AND SEVERABILITY is deleted in its entirety and replaced by the following:

1. In granting coverage to any **Insured** under this Policy, the **Underwriter** has relied upon the declarations and statements in the written **Application(s)** for this Policy. Such declarations and statements are the basis of the coverage under this Policy and shall be considered as incorporated in and constituting part of this Policy.
2. Any written **Application(s)** shall be construed as a separate **Application(s)** for coverage by each **Insured**. With respect to the declarations and statements in such **Application(s)**:
 - a. No fact pertaining to, or knowledge possessed by any **Individual Insured** shall be imputed to any other **Individual Insured** for the purpose of determining if coverage is available; and
 - b. Only facts pertaining to, and knowledge possessed by the Chief Financial Officer, President, Executive Director or Chairperson of any part of the **Organization** or any other individual signing such **Application(s)** shall be imputed to the **Organization** for the purpose of determining if coverage is available.

D. AUTOMATIC UNLIMITED REPORTING PERIOD FOR FORMER DIRECTORS & OFFICERS

Section VIII. EXTENSION PERIOD is amended by the addition of the following:

If the **Parent Organization** cancels or does not renew this Policy for a reason other than being sold, acquired or bankrupt, any former director, officer, governor, trustee, or equivalent executive of the **Parent Organization** who was not serving in the capacity as a director, officer, governor, trustee, or equivalent executive of the **Parent Organization** at the time of the cancellation or non-renewal shall be provided an "Unlimited Extension Period" to report any **Claim** which may be first made against such former director, officer, governor, trustee, or equivalent executive after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Act** committed before the date of such cancellation or non-renewal.

However, this "Unlimited Extension Period" shall only be afforded if no other Directors and Officers Liability policy, or policy providing essentially the same type of coverage, or Extension Period other than B. above, is in effect at the time the **Claim** is made.

E. BROADENED OTHER INSURANCE CLAUSE

Section XII. OTHER INSURANCE is deleted in its entirety and replaced with the following:

Insurance provided under this Policy shall apply only as excess over any other valid and collectible insurance, unless such other insurance is specifically written as excess. This Policy shall be excess over any other policy under which another insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay a **Claim** as a result of **Loss**.

F. FULL ALLOCATION

Solely with respect to **Claims** for which the **Insured** has tendered control of the defense to the **Underwriter**, per Part 8 Common Policy Conditions, Item III. DEFENSE AND SETTLEMENT, Item A.; Section XIX. ALLOCATION is deleted in its entirety and replaced by the following:

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes, both covered and uncovered amounts, or because a **Claim** is made against both covered and uncovered parties, then coverage shall apply as follows:

1. **Defense Costs:** one hundred percent (100%) of reasonable and necessary **Defense Costs** incurred by such **Insured** and authorized by the **Underwriter** from such **Claim** will be considered covered **Loss**; and
2. **Loss** other than **Defense Costs:** all remaining **Loss** incurred by such **Insured** will be determined based upon the relative legal exposures of the parties to such matters.

All other terms of the policy remain unchanged.

SPECIMEN

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Amended Third Party Definition

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

AMEND THIRD PARTY DEFINITION

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

This Policy is amended as follows:

1. Part 2, EMPLOYMENT PRACTICES LIABILITY INSURANCE, Section II. DEFINITIONS, paragraph B. is deleted in its entirety and replaced by the following:

B. Third Party means any natural person who is not an Individual Insured.

Page 1

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Alaska Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALASKA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section V. CANCELLATION AND NON-RENEWAL under Common Policy Conditions is amended by the addition of the following:

1. If the Underwriter cancels this Policy per above, written notice of cancellation will be mailed to the Parent Organization and the agent or broker of record. Such notice will state the reason for cancellation.
 2. We will mail our notice to your last known address and the last known address of the agent or broker of record.
 3. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.
 4. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.
 5. If this Policy is cancelled, the Underwriter will return any premium refund due to the agent or broker of record, or directly to the Parent Organization, or, if applicable, to the premium finance company. If:
 - a. The Underwriter cancels, the refund will be the pro rata unearned premium. The refund will be returned or credited before the effective date of cancellation. Any unearned premium shall be returned or credited within 45 days after the cancellation notice is given; or
 - b. The Parent Organization cancels, the refund:
 - (1) Will be the pro rata unearned premium minus a cancellation fee of 7.5% of the pro rata unearned premium. However, we will not retain this cancellation fee if this Policy is cancelled:
 - (a) And rewritten with us or in our company group;
 - (b) At our request;
 - (c) Because you no longer have a financial or insurable interest in the property or business operation that is the subject of this insurance; or
 - (d) After the first year for a prepaid policy written for a term of more than one year.
 - (2) Will be returned or credited:
 - (a) By the effective date of cancellation; or
 - (b) Within 45 days of your request to cancel;
- whichever is later.

If the Policy is selected for audit, we will complete the audit within 45 days of receipt of the request for cancellation. The refund will be returned within 45 days of completion of an audit, or the effective date of

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

cancellation, whichever is later.

6. If we decide not to renew this Policy, we will mail written notice of non-renewal, by first class mail, to you and the agent or broker of record at least 45 days before:

- a. The expiration date; or
- b. The anniversary date if this Policy has been written for more than one year or with no fixed expiration date.

7. We need not mail notice of non-renewal if:

- a. We have manifested in good faith our willingness to renew; or
- b. The first Named Insured has failed to pay any premium required by this Policy; or
- c. The first Named Insured fails to pay the premium required for renewal of this Policy.

8. Any notice of non-renewal will be mailed to your last known address and the last known address of the agent or broker of record. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

B. The following Condition is added:

NOTICE OF PREMIUM OR COVERAGE CHANGES ON RENEWAL

If the premium to renew this Policy increases more than 10% for a reason other than an increase in coverage or exposure basis, or if after the renewal there will be a material restriction or reduction in coverage not specifically requested by the Insured, the Underwriter will mail written notice to your last known address and the last known address of the agent or broker of record at least 45 days before:

1. The expiration date; or
2. The anniversary date if this Policy has been written for more than one year or with no fixed expiration date.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Arkansas Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Under Part 7, Common Policy Exclusions - Paragraph C., is deleted and replaced by the following:

C. Arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke from a hostile fire, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, or any cost of expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;

B. Under Part 7, Common Policy Exclusions - Paragraph D., is deleted and replaced with the following:

D. Arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke or asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke or asbestos to any persons and in any environment, building or structure;

C. Under Part 7, Common Policy Exclusions - Paragraph E., is deleted and replaced with the following:

E. Arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material, (except as may be payable under the Terrorism Exclusion Endorsement), which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto and any similar provisions of any federal, state or local statutory or common law;

D. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER, is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, may be submitted to arbitration, if both parties, by mutual consent, agree in writing to non-binding arbitration of the disagreement. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Arizona Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARIZONA - CHANGES

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Part 8, Section V. CANCELLATION AND NON-RENEWAL is replaced with the following:

A. The Parent Organization shown in the Declarations may cancel this Policy by mailing or delivering to the Company advanced written notice of cancellation.

B. The Company may cancel this Policy, subject to the provisions of this Policy, by first class mailing, or by delivering, of a written notice of cancellation to the Parent Organization and any agent, to their last mailing address known to the Company. Notice of cancellation will state the effective date of cancellation. The Policy Period will end at that date.

C. 1. If this Policy is a new Policy and has been in effect for fewer than 60 days, the Company may cancel for any reason by giving notice at least:

- a. 10 days before the effective date of cancellation, if the Company cancels for nonpayment of premium; or
- b. 30 days before the effective date of cancellation, if the Company cancels for any other reason.

2. If this Policy has been in effect for 60 days or more, or if it is a renewal of a Policy the Company issued, the Company may cancel only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Misrepresentation or fraud made by you or with your knowledge in obtaining the Policy or in pursuing a Claim under the Policy;
- c. An act or omission by you or your representative that substantially increases or changes the risk insured;
- d. Refusal by you to eliminate a known condition that increases the potential for loss after notification by us that the condition must be removed;
- e. Substantial change in the risk assumed, except to the extent that the Company should reasonably have foreseen the change or contemplated the risk when writing the contract;
- f. Loss of reinsurance by us which provided coverage to us for a significant amount of the underlying risk insured;
- g. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the Arizona insurance laws; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

h. Substantial breach of contractual duties or conditions.

The Company will give notice at least:

- (1) 10 days before the effective date of cancellation, if the Company cancels for nonpayment of premium; or
- (2) 60 days before the effective date, if the Company cancels for one of the reasons listed above, other than nonpayment of premium.

D. If this Policy is cancelled, the Company will send the Parent Organization any premium refund due. If the Company cancels, the refund will be pro rata. If the Parent Organization cancels, the refund may be less than pro rata. The cancellation will state the reason for cancellation.

E. Non-Renewal

If the Company decides not to renew this Policy, the Company will mail, by first class mail, or deliver written notice of non-renewal to the Parent Organization and any agent, to their last mailing addresses known to us, at least 60 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

F. Renewal

1. If the Company elects to renew this Policy and the renewal is subject to any of the following:

- a. Increase in premium;
- b. Change in Deductible;
- c. Reduction in limits of insurance;
- d. Substantial reduction in coverage;

the Company will mail or deliver written notice of the change(s) to the Parent Organization, at the last mailing address known to the Company, at least 60 days before the anniversary or expiration date of the Policy.

2. If renewal is subject to any condition described in 1.a. through 1.d. above, and the Company fails to provide notice 60 days before the anniversary or expiration date of this Policy, the following procedures apply:

a. The present Policy will remain in effect until the earlier of the following:

- i. 60 days after the date of mailing or delivery of notice; or
- ii. The effective date of replacement coverage obtained by the Parent Organization.

b. If the Parent Organization elects not to renew, any earned premium for the period of extension of the terminated Policy will be calculated pro rata

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

at the lower of the following rates:

- i. The rates applicable to the terminated Policy; or
- ii. The rates presently in effect.
- c. If the Parent Organization accepts the renewal, the premium increase, if any, and other changes are effective the day following this Policy's anniversary or expiration date.
2. The In Witness Clause is replaced by the following:

IN WITNESS WHEREOF, THE COMPANY HAS CAUSED THIS POLICY TO BE SIGNED BY THE PRESIDENT AND SECRETARY OF THE COMPANY. THIS POLICY SHALL BE SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE COMPANY; HOWEVER, FAILURE BY SUCH AUTHORIZED REPRESENTATIVE TO COUNTERSIGN THIS POLICY WILL NOT INVALIDATE THIS POLICY.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

California Changes - Cancellation and Non-Renewal

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALIFORNIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

The following is added to and supersedes any provisions to the contrary in Part 8. Section V. CANCELLATION AND NONRENEWAL:

1. All Policies In Effect For 60 Days Or Less

If this policy has been in effect for 60 days or less, and is not a renewal of a policy the Company has previously issued, the Company may cancel this policy by mailing or delivering to the "Parent Organization," at the mailing address shown in the policy, and to the provider of record, advance written notice of cancellation, stating the reason for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for:

- (1) Nonpayment of premium; or
- (2) Discovery of fraud by:
 - (a) Any insured or his or her representative in obtaining this insurance; or
 - (b) You or your representative in pursuing a claim under this policy.

b. 30 days before the effective date of cancellation if the Company cancels for any other reason.

2. All Policies In Effect For More Than 60 Days

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

a. If this policy has been in effect for more than 60 days, or is a renewal of a policy the Company issued, the Company may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

(1) Nonpayment of premium, including payment due on a prior policy the Company issued and due during the current policy term covering the same risks.

(2) Discovery of fraud or material misrepresentation by:

(a) Any insured or his or her representative in obtaining this insurance; or

(b) You or your representative in pursuing a claim under this policy.

(3) A judgment by a court or an administrative tribunal that you have violated a California or Federal law having as one of its necessary elements an act which materially increases any of the risks insured against.

(4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.

(5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.

(6) A determination by the Commissioner of Insurance that the:

(a) Loss of, or changes in, the Company's reinsurance covering all or part of the risk would threaten its

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

financial integrity or solvency; or

(b) Continuation of the policy coverage would:

(i) Place the Company in violation of California law or the laws of the state where it is domiciled; or

(ii) Threaten the Company's solvency.

(7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.

b. The Company will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the "Parent Organization," at the mailing address shown in the policy, and to the producer of record, at least:

(1) 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium or discovery of fraud; or

(2) 30 days before the effective date of cancellation if the Company cancels for any other reason listed in Paragraph 2.a.

If this policy is cancelled, the Company will send the "Parent Organization" any premium refund due.

The refund, if any, will be computed on a pro rata basis. However, the refund may be less than pro rata if the Company made a loan to you for the purpose of payment of premiums for this policy.

The cancellation will be effective even if we have not made or offered a refund.

3. Nonrenewal

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

a. Subject to the provisions of Paragraphs 3.b. below, if the Company elects not to renew this policy, the Company will mail or deliver written notice, stating the reason for nonrenewal, to the "Parent Organization" shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

The Company will mail or deliver our notice to the "Parent Organization," and to the producer of record, at the mailing address shown in the policy.

b. The Company is not required to send notice of nonrenewal in the following situations:

(1) If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between the Company and a member of the Company's insurance group.

(2) If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph 3.a.

(3) If you have obtained replacement coverage, or if the "Parent Organization" has agreed in writing, within 60 days of the termination of the policy, to obtain that coverage.

(4) If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.

(5) If the "Parent Organization" requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.

(6) If the Company has made a written offer to the "Parent Organization," in accordance with the timeframes shown in Paragraph 3.a., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Connecticut Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONNECTICUT AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section VIII. EXTENSION PERIOD under Common Policy Conditions is amended as follows:

A. If this Policy is terminated for any reason, the Underwriter will provide to the Insured, with no additional premium required, an automatic 30 day extension of the coverage granted by this Policy to any Claim(s) which may be first made against the Insured during the 30 days after the date of such termination of coverage but only in respects of any Wrongful Acts committed during the Policy Period and before the date of such termination of coverage.

B. If this Policy is terminated for any reason, the Parent Organization shall have the right to purchase, for an additional 50%, 75%, 100% of this Policy's annual premium, an extension of the coverage granted by this Policy for any Claim first made against the Insured during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to Wrongful Acts committed before the termination and otherwise covered by this Policy (the "Extension Period"); provided, however, that the request for this Extension Period must be made to the Underwriter in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any Claims first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

C. The Policy aggregate liability limit for the optional extended reporting period offered shall be at least equal to the aggregate liability limit specified in the Declarations at the time of termination of coverage.

For the purpose of this endorsement, "termination" shall have the following meaning:

Termination of coverage means, whether made by the Insured or insurer at any time, cancellation or non-renewal, decrease in limits, reduction of coverage, increased deductible or self-insured retention, new exclusion, or any other change in coverage less favorable to the insured.

B. Section V. CANCELLATION AND NON-RENEWAL under Common Policy Conditions is amended as follows:

1. Paragraph C. is deleted and replaced with the following:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

C. Section XVI. CHANGE IN OWNERSHIP OR CONTROL, the paragraph that states: "If the Insured fails to meet Conditions 1. and 2. above" is deleted and replaced with the following:

If Insured fails to meet Conditions 1. and 2. above, this Policy shall be subject to cancellation by the Underwriter. The Insured shall have the right to purchase the Extension Period.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

District of Columbia Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISTRICT OF COLUMBIA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

Part 8, Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

If the Underwriter cancels this Policy for failure to pay a premium when due, 30 days notice shall be given to the Parent Organization for such cancellation to be effective.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Florida Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE INSURANCE	LIMITS OF
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Key Individual Replacement Expenses \$50,000

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee:
\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

Workplace Violence Counseling \$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, in this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

2. Limits of liability or limits of insurance identified in Section I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs

by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

4. A disease process.
- B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined.

No deductible applies to this coverage.

C. Donation Assistance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

be based on the fair market value of said non-cash donation at the time of the "failed donation claim";

3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":

a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and

b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;

4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period and

5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declaration during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct, this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

H. Key Individual Replacement Expenses

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

- d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined.

No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of

body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation costs;
3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expense" mean:

1. Travel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

2. The unemployment or incapacitation of a natural person preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" whenever used in this endorsement, other than in Section III. A. Business Travel, means any physical damage to the body caused by violence, fracture or an accident.

L. "Key individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. "Natural catastrophe" means hurricane, tornado, earthquake or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

flood.

N. "Non-reimbursable expenses" means the following travel-related expenses incurred after a
seventy-two (72) hour waiting period, beginning from the time documented on the proof of
cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

P. "Principal location" means the headquarters, home office or main location where most business
is substantially conducted.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Q. "Unforeseeable destruction" means damage resulting from a
"certified act of terrorism," fire,
collision or collapse which renders all of the insured's "principal
locations" completely unusable.

R. "Workplace violence" means any intentional use of or threat to use
deadly force by any person
with intent to cause harm and that results in bodily "injury" or
death of any person while on the
insured's premises.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Florida Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

1. Under Part 7, Common Policy Exclusions - Paragraph D is deleted and replaced with the following:

D. arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke or asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke, or asbestos in any persons and in any environment, building or structure;

2. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 45 days prior to expiration of the Policy period.

3. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Any application under this law may be made to the court of the county in which the other party to the agreement or provision for arbitration resides or has a place of business or, if she or he has no residence or place of business in this state, then to the court of any country. All applications

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

under this law subsequent to an initial application shall be made to the court hearing the initial application unless sit shall order otherwise.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Florida - Notice

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

FLORIDA NOTICE

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

To obtain information or make a complaint:

1. You may call Philadelphia Indemnity Insurance Company's toll-free telephone number for information or to make complaint at:

1-877-438-7459

2. You may write to Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100

Bala Cynwyd, PA 19004

FAX # (610) 617-7940

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Hawaii Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF
INSURANCE	
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee:
\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

Workplace Violence Counseling \$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverage which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

2. Limits of liability or limits of insurance identified in Section I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Coverages provided herein are not applicable to the generation of claim adjustment costs

by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined.

No deductible applies to this coverage.

B. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.
No deductible applies to this coverage.

C. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**D. Fundraising Event Blackout**

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any identity theft first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

G. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

H. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of him or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs on any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

officer has not yet returned to work;

b. Discovery of their death;

c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined.

No deductible applies to this coverage.

I. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

M. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation expenses;
3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" means any physical damage to the body caused by violence, fracture or accident.

L. "New individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

N. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States;
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

State.

P. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

Q. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

R. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in "bodily injury" or death of any person while on the insured's premises.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Hawaii Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HAWAII AMENDATORY ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

I. Part 8, Section V. CANCELLATION AND NON-RENEWAL is deleted and replaced with the following:

V. CANCELLATION AND NON-RENEWAL

A. The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case 30 days written notice shall be given to the Parent Organization for such cancellation to be effective.

B. The Parent Organization may cancel this Policy for itself and all other Insureds by surrender of this Policy to the Underwriter or any of its authorized agents or by mailing to the Underwriter written notice stating when thereafter the cancellation shall be effective. If the Parent Organization cancels, earned premium shall be computed in accordance with the customary short rate table procedure.

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 45 days prior to expiration of the Policy Period.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Iowa Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IOWA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 45 days prior to expiration of the Policy Period.

2. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Paragraph B. is deleted in its entirety.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Illinois Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

1. Under Part 7, Common Policy Exclusions - Section D and Section E are deleted and replaced with the following:

D. arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke or asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke or asbestos by any persons and in any environment, building or structure;

E. arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes Source Material, Special Nuclear Material and byproduct material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto and any similar provisions of any federal, state or local statutory or common law;

2. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to: (1) non-renew this Policy; or (2) renew directly to the Parent Organization with a renewal increase of 30% or more, or with a change in deductible or coverage that materially alters the policy, shall be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

3. Under Part 8, Common Policy Conditions - Section XII. OTHER INSURANCE

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

is deleted and replaced with the following:

If the Insured has any other insurance for Claims or Workplace Violence Acts covered hereunder, the insurance provided by this Policy shall share proportionately with any other valid or collectible insurance contract.

4. The following applies to Item F Individual Insured under Part 6. Common Policy Definitions:

If the definition of an Individual Insured is amended to include a lawful domestic partner of a director, officer, governor, trustee, or equivalent executive of the Organization, but only for actual or alleged Wrongful Acts of such executive for which such domestic partner may be liable as the domestic partner of such executive, Individual Insured will also include a party to a civil union with a director, officer, governor, trustee, or equivalent executive of the Organization, but only for actual or alleged Wrongful Acts of such executive for which the party to a civil union may be liable due to the civil union.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Kansas Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KANSAS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph A. is deleted and replaced with the following:

A. The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case 30 days written notice shall be given to the Parent Organization for such cancellation to be effective.

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

2. Under Part 8, Common Policy Conditions - Section V. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, shall be submitted to binding arbitration, if both parties, by mutual consent, agree in writing to the binding arbitration of the disagreement. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Kentucky Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KENTUCKY AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

The Underwriter may not cancel this Policy except for failure to pay a premium when due, in which case at least 14 days written notice, stating the reason for cancellation, shall be given to the Parent Organization for such cancellation to be effective.

2. Paragraph C. is deleted and replaced with the following:

The Underwriter shall not be required to renew this Policy upon its expiration. If the Underwriter decides not to renew this Policy, at least 75 days written notice of non-renewal, stating the specific reason(s) for non-renewal, shall be given to the Parent Organization for such non-renewal to be effective.

3. Paragraph D. is added as follows:

When any Policy terminates because the renewal premium is not received on or before the due date, the Underwriter shall, within fifteen (15) days, deliver or mail to the Parent Organization a notice that the Policy was not renewed and the date on which the coverage under it ceased to exist.

B. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof which cannot be resolved through negotiations between any Insured and the Underwriter, may be submitted to arbitration, if both parties, by mutual consent, agree in writing to arbitration of the disagreement. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the other two arbitrators.

C. Under Part 8, Common Policy Condition XVI. CHANGE IN OWNERSHIP OR CONTROL, Section A. is amended as follows:

XVI. CHANGE IN OWNERSHIP OR CONTROL

A. If after the inception of the Policy Period:

1. The Organization merges into or consolidates with another entity such that the other entity is the surviving entity;

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. Another entity or person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the Organization; or

3. Another entity or person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the Organization's directors or trustees;

(1., 2., and 3. above, hereinafter referred to as the "Merger"), then coverage under Parts 1., 2., 3. and 5. of this Policy shall remain in force, but only for Claims made during the Policy Period (or the Extension Period, if purchased) for Wrongful Acts committed prior to the effective date of the Merger and only if the following conditions are met:

1. The Insured provides written notice of the Merger to the Underwriter within 45 days of the effective date of such Merger; and

2. The Insured provides the Underwriter with such information as the Underwriter deems necessary.

If Insured fails to meet conditions 1. and 2. above, this Policy shall be cancelled by the Underwriter in accordance with state requirements (14 days notice if the policy has only been in effect 60 days or less, or 75 days notice if the policy has been in effect longer than 60 days) and the Underwriter shall return any unearned premium on a pro rata basis. The Insured shall have the right to purchase the Extension Period.

Coverage under Part 4 of this Policy shall be cancelled by the Underwriter in accordance with state requirements (14 days notice if the Policy has only been in effect 60 days or less, or 75 days notice if the Policy has been in effect longer than 60 days) with respect to any Workplace Violence Act occurring after the effective date of the Merger.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Massachusetts Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MASSACHUSETTS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

A. The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the Parent Organization for such cancellation to be effective. A post office certificate of mailing to the Parent Organization at the last known mailing address will be sufficient proof of notice.

2. Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy, however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 30 days prior to expiration of the Policy Period. A post office certificate of mailing to the Parent Organization at the last known mailing address will be sufficient proof of notice.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Maine Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MAINE AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

The Underwriter may not cancel this Policy except for failure to pay a premium when due, in which case, cancellation will not be effective prior to 10 days after the receipt by the Parent Organization of the notice of cancellation.

The notice of cancellation will state the effective date of and reasons for cancellation.

A post office certificate of mailing to the Parent Organization at the last known mailing address will be conclusive proof of receipt of notice on the third calendar day after mailing.

2. Paragraph C. is deleted and replaced with the following:

The Underwriter shall not be required to renew this Policy. However, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization.

Non-renewal will not be effective prior to 30 days after the receipt by the Parent Organization of the notice of non-renewal.

A post office certificate of mailing to the Parent Organization at the last known mailing address will be conclusive proof of receipt of notice on the third calendar day after mailing.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Maine - Notice to Applicant

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

MAINE APPLICATION ADDENDUM - NOTICE TO APPLICANT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

NOTICE TO APPLICANT

1. In the event the company or insured cancels or nonrenews a policy, the insured shall have a right to purchase an extended reporting period in addition to any automatic extended reporting period that may be available. The extended reporting period provides an extension of coverage granted by this policy to any claim which may first be made against the insured during the policy period and prior to the termination of coverage. The claim must be made after the termination date of the policy and before the extension period purchased. The claim must be made in respect of any wrongful act committed during the policy period and before the cancellation or nonrenewal. The limit of liability during any extension period shall be reinstated to, and not exceed, the limit of liability specified in the Declarations.

2. The words "warrants" and "warranty" as it appears in the application, is deleted and replaced with "represents" and "representation", respectively.

Page 1 of 1

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Michigan Policy Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

MICHIGAN POLICY CHANGES

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

NOTICE TO APPLICANT

1. In the event the company or insured cancels or nonrenews a policy, the insured shall have a right to purchase an extended reporting period in addition to any automatic extended reporting period that may be available. The extended reporting period provides an extension of coverage granted by this policy to any claim which may first be made against the insured during the policy period and prior to the termination of coverage. The claim must be made after the termination date of the policy and before the extension period purchased. The claim must be made in respect of any wrongful act committed during the policy period and before the cancellation or nonrenewal. The limit of liability during any extension period shall be reinstated to, and not exceed, the limit of liability specified in the Declarations.

2. The words "warrants" and "warranty" as it appears in the application, is deleted and replaced with "represents" and "representation", respectively.

Page 1 of 1

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Michigan Amendatory Endorsement/Insured Participation in Defense

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

MICHIGAN AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

I. Provided the Limit of Liability is no less than \$1,000,000, it is hereby understood and agreed that the insured shall have the option to:

A. select the defense attorney or to consent to the insurer's defense attorney, which consent shall not be unreasonably withheld;

B. the insured can participate in, and assist in, the direction of, the defense of a claim; and

C. the insured can consent to a settlement, which consent shall not be unreasonably withheld. The Insurer will provide the insured with complete information, including losses paid, reserve funds, legal expenses, and the balance of the limit of liability remaining on the policy at least quarterly, once a claim has been made during the policy period. This provision is added to the policy and supersedes anything to the contrary.

II. As used in this endorsement "Insurer" means the insurance company that issues this policy. Insurer may be referred to as "the Company" in your policy

Page 1 of 1

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Minnesota Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MAINE AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

The Underwriter may not cancel this Policy except for failure to pay a premium when due, in which case, cancellation will not be effective prior to 10 days after the receipt by the Parent Organization of the notice of cancellation.

The notice of cancellation will state the effective date of and reasons for cancellation.

A post office certificate of mailing to the Parent Organization at the last known mailing address will be conclusive proof of receipt of notice on the third calendar day after mailing.

2. Paragraph C. is deleted and replaced with the following:

The Underwriter shall not be required to renew this Policy. However, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization.

Non-renewal will not be effective prior to 30 days after the receipt by the Parent Organization of the notice of non-renewal.

A post office certificate of mailing to the Parent Organization at the last known mailing address will be conclusive proof of receipt of notice on the third calendar day after mailing.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Missouri - Notice

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

IMPORTANT NOTICE

To obtain information or make a complaint:

1. You may call Philadelphia Indemnity Insurance Company's toll-free telephone number for information or to make a complaint at:

1-877-438-7459

2. You may write to Philadelphia Indemnity Insurance Company at our principal place of business:

Philadelphia Indemnity Insurance Company

One Bala Plaza, Suite 100

Bala Cynwyd, PA 19004

(610) 617-7900

FAX # (610) 617-7940

Page 1

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Missouri Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE INSURANCE	LIMITS OF
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Key Individual Replacement Expenses \$50,000

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee:
\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

Workplace Violence Counseling \$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, in this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

2. Limits of liability or limits of insurance identified in Section I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs

by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

4. A disease process, except for a pyogenic infection resulting from an accidental bodily injury or a bacterial infection resulting from the accidental ingestion of contaminated substances.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assistance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

said pledge was made to the insured;

2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";

3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":

a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and

b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;

4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and

5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

H. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined.

No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States or America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of

body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation costs;
3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from an area of "political unrest"; and
4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

credit agencies;

2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper

acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" whenever used in this endorsement, other than in Section III. A. Business Traveler, means any physical damage to the body caused by violence, fracture or an accident.

L. "Key individual replacement expenses" mean the following necessary expenses:

1. Cost of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to,

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

N. "Non-reimbursable expenses" means the following travel-related expenses incurred after a
seventy-two (72) hour waiting period, beginning from the time documented on the proof of
cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that compromises the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

P. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

Q. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

R. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Missouri Amendatory Endorsement

AMENDATORY ENDORSEMENT

MISSOURI

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

Part 8 Common Policy Conditions, Item V. is replaced by the following

V. CANCELLATION AND NON-RENEWAL

CANCELLATION

a. The first Named Insured may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by sending by certified mail, or delivering, to you a written notice, stating the actual reason(s) for cancellation, at your last mailing address known to us.

Cancellation will be effective:

(1) 10 days after you receive notice of cancellation if we cancel for nonpayment of premium;

(2) 30 days after you receive notice of cancellation if we cancel for fraud or material misrepresentation by you affecting this policy or a claim filed under this policy; or

(3) 60 days after you receive notice of cancellation if we cancel for any other reason,

unless we specify a later date in our notice as the effective date of cancellation.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

c. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

NON-RENEWAL

If we decide not to renew this policy, we will send written notice of Non-renewal to you, stating the actual reason(s) for non-renewal, at least 60 days before the end of the policy period. We will send our non-renewal notice by certified mail, or deliver it, to you at your last mailing address known to us.

PI-NPD-MO 1 (01/02)

Philadelphia Indemnity Insurance Company

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SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Mississippi Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MISSISSIPPI AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, may be submitted to non-binding arbitration, if both parties agree to the non-binding arbitration. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Montana Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONTANA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. The following is added to Part 8 Common Policy Conditions and supersedes any wording to the contrary:

Conformity with Montana statutes. The provisions of this Policy or Coverage Part conform to the minimum requirements of Montana law and control over any conflicting statutes of any state in which you reside on or after the effective date of this Policy or Coverage Part.

2. Under Part 8 Common Policy Conditions, Section VIII. EXTENSION PERIOD, Paragraph C. is deleted and replaced with the following:

C. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Montana Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONTANA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. The following is added to Part 8 Common Policy Conditions and supersedes any wording to the contrary:

Conformity with Montana statutes. The provisions of this Policy or Coverage Part conform to the minimum requirements of Montana law and control over any conflicting statutes of any state in which you reside on or after the effective date of this Policy or Coverage Part.

2. Under Part 8 Common Policy Conditions, Section VIII, EXTENSION PERIOD, Paragraph C. is deleted and replaced with the following:

C. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

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SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

North Carolina - Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NORTH CAROLINA - AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FlexiPlus Five

1. Under Part 8. Common Policy Conditions, Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

A. Cancellation Requirements

a. Policies In Effect Less Than 60 Days

If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the Parent Organization written notice of cancellation at least:

(1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

b. Policies In Effect More Than 60 Days

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy prior to the:

(1) Expiration of the policy term; or

(2) Anniversary date,

stated in the policy only for one or more of the following reasons:

(a) Nonpayment of premium;

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

(b) An act or omission by the insured or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy or presenting a claim under this policy;

(c) Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk;

(d) Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk;

(e) A fraudulent act against us by the insured or his or her representative that materially affects the insurability of the risk;

(f) Willful failure by the insured or his or her representative to institute reasonable loss control

measures that materially affect the insurability of the risk after written notice by us;

(g) Loss of facultative reinsurance or loss of or substantial changes in applicable reinsurance as provided in G.S.58-41-30;

(h) Conviction of the insured of a crime arising out of acts that materially affect the insurability of the risk;

(i) A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina; or

(j) You fail to meet the requirements contained in our corporate charter, articles of incorporation or by-laws when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

We will mail or deliver written notice of cancellation to the first Named Insured at least:

(i) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

(ii) 30 days before the effective date of cancellation if we cancel for any other reason.

c. Cancellation for nonpayment of premium will not become effective if you pay the premium amount due before the effective date of cancellation.

d. We may also cancel this policy for any reason not stated above provided we obtain your prior written consent.

B. The following provisions are added and supersede any other provisions to the contrary:

1. Nonrenewal

a. If we elect not to renew this policy, we will mail or deliver to the Parent Organization shown in the Declarations written notice of nonrenewal at least 45 days prior to the:

- (1) Expiration of the policy if this policy has been written for one year or less; or
- (2) Anniversary date of the policy if this policy has been written for more than one year or for an indefinite term.

b. We need not mail or deliver the notice of nonrenewal if you have:

- (1) Insured property covered under this policy, under any other insurance policy;
- (2) Accepted replacement coverage; or
- (3) Requested or agreed to nonrenewal of this policy.

c. If notice is mailed, proof of mailing will be sufficient proof of notice.

d. The written notice of cancellation or nonrenewal will:

- (1) Be mailed or delivered to the Parent Organization and any designated mortgagee or loss payee at their addresses shown in the policy, or if not indicated in the policy, at their last known addresses; and
- (2) State the reason or reasons for cancellation or nonrenewal.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. Under Part 8. Common Policy Conditions, Section VIII. EXTENSION PERIOD the following provisions are

added and supersede any other provisions to the contrary.

A. If the Underwriter cancels or non-renews this policy there shall be a 30-day period after the effective date of cancellation or non-renewal during which the Parent Organization may elect to purchase the extended reporting period.

B. The limit of liability in the policy aggregate for the extended reporting period shall be one hundred percent (100%) of the expiring policy aggregate that was in effect at the inception of the policy.

C. Within 45 days after the mailing or delivery of the written request of the Parent Organization, the Underwriter shall mail or deliver the following loss information covering a three-year period:

- (1) Aggregate information on total closed claims, including date and description of occurrence,
and any paid losses;
- (2) Aggregate information on total open claims, including date and description of occurrence,
and amounts of any payments;
- (3) Information on notice of an occurrence, including date and description of occurrence.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New Hampshire Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW HAMPSHIRE AMENDATORY ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

I. Any reference to the punitive portion of a judgment, award or settlement, means punitive if provided by law when used in Definition C. Damage, found in Part 6 Common Policy Definitions.

II. Exclusion D., found in Part 7 Common Policy Exclusions, is deleted and replaced with the following:

D. Arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke or asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke or asbestos to any persons and in any environment, building or structure;

III. The following sentence is added to Condition IV, found in Part 8 Common Policy Conditions:

Notice given in writing to an appointed agent of the Underwriter shall be considered notice given to the Underwriter.

IV. Paragraph D. is added to Condition V. CANCELLATION AND NON-RENEWAL, found in Part 8 Common Policy Conditions:

D. If the Underwriter elects not to renew this Policy, the Underwriter shall mail or deliver written notice of non-renewal, stating the reasons for non-renewal, at least 60 days prior to the expiration of this Policy, or on its anniversary date if this Policy is written for a term of more than one year. This notice of non-renewal shall be mailed to the Parent Organization's last mailing address known to the Underwriter. If notice is mailed, proof of mailing shall be sufficient proof of notice.

All other terms and conditions of this Policy remain unchanged. This endorsement is part of your Policy and takes effect on the effective date of your Policy, unless another effective date is shown below.

Policy No.:

Effective on and after:

Issued to:

Expiration Date:

By:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AUTHORIZED REPRESENTATIVE

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New Hampshire Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NEW JERSEY CANCELLATION/NONRENEWAL ENDORSEMENT

Wherever, used in this endorsement: 1) "we", "us", "our", and "insurer" mean the insurance company which issued this policy; and 2) "you", "your", "named insured", "first named insured", and "insured" mean the Named Corporation, the Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "other insured(s)" mean all

other persons or entities afforded coverage under this policy.

Other words and phrases that may appear in quotation marks or bold format have special meanings and you should refer to the definition section of this Policy for such meanings.

In consideration for the premium paid, it is hereby understood and agreed this policy is modified as follows:

"Pursuant to New Jersey law, this policy cannot be canceled or nonrenewed for any underwriting reason or guideline(s) which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an Insurer can use to cancel or nonrenew this policy are maintained by the Insurer in writing and will be furnished to the Insured and/or the Insured's lawful representative upon written request.

This shall not apply to any policy which has been in effect for less than sixty(60) days at the time the notice is mailed or delivered, unless the policy is a renewal policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

limits of insurance will apply. In no instance will multiple limits apply to

coverages which are duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. Limits of liability or limits of insurance identified in Section I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

B. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

C. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person. Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended in advertising, for replacing an officer as a result of "improper acts" and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

pay a ransom demand or extortion threat;

3. Travel costs and accommodations incurred by the named insured;

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and

5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:

a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;

b. Discovery of their death;

c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

G. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state

of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are

not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

I. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

necessitates that he/she incurs "emergency travel expenses." The limit of
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductibly applies to this coverage.

K. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.
- C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation costs;
3. The cost of obtaining replacements of lost or stolen travel documents

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

necessary for evacuation from the area of "political unrest"; and

4. Translation services, message transmittals and other communication expenses, provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism"; provided that these expenses are not otherwise reimbursable.

F. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

G. "Identity theft" means the act of knowingly transferring or using, without lawful authority, the means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

H. "Identity theft expenses" mean:

1. Costs for notary fees, affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

incorrect credit information.

I. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

J. "Injury" means any physical damage to the body caused by violence, fracture or an accident.

K. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

L. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

M. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff for which either an alert or travel warning has been issued by the United States Department of State.

N. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

O. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

insured's "principal locations" completely unusable.

P. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.

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SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New Jersey Cancellation/Nonrenewal Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NEW JERSEY CANCELLATION/NONRENEWAL ENDORSEMENT

Wherever, used in this endorsement: 1) "we", "us", "our", and "insurer" mean the insurance company which issued this policy; and 2) "you", "your", "named insured", "first named insured", and "insured" mean the Named Corporation, the Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "other insured(s)" mean all

other persons or entities afforded coverage under this policy.

Other words and phrases that may appear in quotation marks or bold format have special meanings and you should refer to the definition section of this Policy for such meanings.

In consideration for the premium paid, it is hereby understood and agreed this policy is modified as follows:

"Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline(s) which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an Insurer can use to cancel or nonrenew this policy are maintained by the Insurer in writing and will be furnished to the Insured and/or the Insured's lawful representative upon written request.

This shall not apply to any policy which has been in effect for less than sixty(60) days at the time the notice is mailed or delivered, unless the policy is a renewal policy.

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All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Nevada Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEVADA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8 Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

2. Under Part 8 Common Policy Conditions - Section VIII. EXTENSION PERIOD is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. With respect to the Extension Period, if the Policy is cancelled we will send the Parent Organization any premium refund due. If we cancel the Policy the refund shall be pro rata. If the Parent Organization cancels the Policy the refund will be calculated with the customary short rate procedure. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Amendatory Endorsement/Legal Defense Costs Outside the Limit

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NEW YORK AMENDATORY ENDORSEMENT LEGAL DEFENSE COSTS OUTSIDE THE LIMIT OF
LIABILITY AND DEDUCTIBLE

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

I. In consideration of the premium charged, it is hereby understood and agreed that Legal Defense Costs incident to a claim of legal liability and incurred in defending said claim under this policy shall be in addition to and not part of the limit of liability specified in this policy. It is further understood and agreed that Legal Defense Costs shall not be applied against any deductible. The insurer's obligation to pay any claim or

judgment or to defend or to continue to defend any suit, if applicable, shall end when the limit of liability specified in the policy is exhausted by payments of judgments and/or settlements. This provision is added to the policy and supersedes anything to the contrary.

II. As used in this endorsement:

A. "Legal Defense Costs" means allocated attorney and all other litigation expenses that can be separately identified as arising from the defense of a specific claim. These expense items are referred to in various policies by various terms such as "Defense Costs" or "Costs, Charges and Expense" or "Claim Expenses". Please refer to your policy form for the terminology used in this policy.

B. "Insurer" means the insurance company that issues this policy. Insurer may be referred to as "the Company" in your policy.

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All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Amendatory Endorsement/Insured Participation in Defense

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NEW YORK AMENDATORY ENDORSEMENT INSURED PARTICIPATION IN DEFENSE OF A CLAIM

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

I. In consideration of the premium charged, it is hereby understood and agreed that the insured shall have the option to:

- A. select the defense attorney or to consent to the insurer's defense attorney, which consent shall not be unreasonably withheld.
- B. the insured can participate in, and assist in, the direction of, the defense of a claim; and
- C. the insured can consent to a settlement, which consent shall not be unreasonably withheld. This provision is added to the policy and supersedes anything to the contrary.

II. As used in this endorsement "Insurer" means the insurance company that issues this policy. Insurer may be referred to as "the Company" in your policy.

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SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Application and Declaration Page Addendum

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

NEW YORK APPLICATION AND DECLARATION PAGE ADDENDUM

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

THIS IS A CLAIMS MADE POLICY FOR LIABILITY COVERAGES. This policy provides no coverage for litigation or circumstances arising out of incidents, occurrences, acts or omissions which were pending or reported to another carrier prior to the Prior and Pending Date stated in the policy. For all liability coverages, this policy covers only claims actually made against the insured while the policy remains in effect and all coverages under this policy cease upon the termination of the policy, except for the automatic extended reporting period coverage, unless you purchase additional extended reporting period coverage. If coverage is terminated, the insured shall have

the right to a 60 day, 90 day if a public entity, automatic extended reporting period in which to report claim(s) made against the insured for incidents that occurred after the retroactive date, if any, and prior to the

date of termination of coverage. The insured also have the right to purchase

an optional extended reporting period for up to three years in which to report claims made against the insured. When the automatic, or optional (if purchased), extended reporting period ends there exists the potential for gaps in coverage where the insured will not be covered for claims made after

the expiration date of such extended reporting period.

Rates for claims made policies are normally lower in early years of a claims made relationship, as compared to occurrence policies, and increase with each renewal until the claims made relationship reaches maturity. Any rate revision, and its respective effective date, which the insurer has implemented in New York during the five-year period immediately preceding the effective date of the policy shall be provided upon the written request of the insured. Such revisions may or may not be indicative of future rate revisions.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT,

WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO

EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH

SUCH

VIOLATION.

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SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**New York - Changes**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK - CHANGES

Wherever used in this endorsement: 1) we, us, our, and insurer mean the insurance company which issued this policy; and 2) you, your, named insured, first named insured, and Insured mean the Named Corporation, the Named Organization, Named Sponsor, Named Insured, or Insured stated in the Declarations Page; and 3) other insured(s) means all other persons or entities afforded coverage under this Policy.

I. The following conditions are added to the Policy and supersede anything to the contrary in the Policy:

A. AUTOMATIC EXTENDED REPORTING PERIOD

1. Upon termination of coverage the insurer will provide to the Insured a 60 day Automatic Extended Reporting Period, or 90 days for a public entity, beginning with the effective date of such termination, provided the Insured has not purchased similar insurance from this or any other insurer covering Claims first made during the Automatic Extended Reporting Period. In the event similar insurance is in force, coverage as provided by this endorsement shall be excess over any other valid and collectible insurance, except insurance written specifically in excess of the liability limits of the Policy. The aggregate Limit of Liability shall be equal to the amount of coverage remaining in the terminated Policy's annual aggregate Limit of Liability.

B. OPTIONAL EXTENDED REPORTING PERIOD

1. The Insured shall have the option, upon payment of the required additional premium, plus any premium for the Policy Period which is owed and not yet paid, or less any return premium owed because of termination of coverage, to purchase a one, two or three year Extended Reporting Period following the effective date of termination of coverage in which to give written notice to the insurer of Claims first made against the Insured during said one, two or three year period for any Wrongful Act that occurs on or after the retroactive date, if any, and prior to the effective date of termination, and is otherwise covered by this Policy.

2. The right to an optional Extended Reporting Period shall terminate, however, unless written notice of such election together with payment of the required additional premium due, plus any premium for the Policy Period which is owed and not yet paid, or less any return premium owed because of termination of this Policy, is received by the insurer not later than the later of:

- a. 60 days after the effective date of termination of coverage; or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

b. 30 days after the insurer has mailed or delivered to the Insured a written advice of the amount of the required additional premium, if the insurer is obligated to give such written advice.

3. The additional premium for each optional Extended Reporting Period shall be a percentage of the rates for such coverage in effect on the date the Policy was issued or last renewed as set forth below:

One year: Expiring annual premium x .50
Two years: Expiring annual premium x .85
Three years: Expiring annual premium x 1.10

4. If coverage afforded by this Policy has been continuous and uninterrupted for three years or more, the aggregate Limit of Liability for the Extended Reporting Period shall be equal to 100% of such Policy's annual aggregate Limit of Liability.

5. If coverage afforded by this Policy has been continuous and uninterrupted for less than three years, the aggregate Limit of Liability for the Extended Reporting Period shall be the greater of:

a. The amount of coverage remaining in the terminated Policy's annual aggregate Limit of Liability; or

b. Fifty percent (50%) of the Policy's annual aggregate Limit of Liability. In no event shall the Limit of Liability afforded by any or all Extended Reporting Periods exceed the annual aggregate Limit of Liability afforded by the Policy to which this extension applies.

6. If termination of coverage is due only to a decrease in the Policy's annual aggregate Limit of Liability, then the aggregate Limit of Liability for the Extended Reporting Period shall not exceed the amount of such decrease.

7. Not later than 30 days after the effective date of termination of coverage, the insurer shall mail or deliver to the Insured a written advice of the Automatic Extended Reporting Period coverage and the availability thereof, and the amount of the required additional premium for and the importance of purchasing the optional Extended Reporting Period. However, if this Policy is cancelled by the insurer due to nonpayment of premium or fraud on the part of the Insured, the insurer shall not be required to provide such a premium quotation unless requested by the Insured.

8. If coverage is terminated by the insurer because of non-payment of premium or fraud, and at the effective date of such termination of coverage the insurer has provided this insurance to the Insured on a claims-made basis without interruption for less than one year, there shall be no right

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

to elect or purchase an optional Extended Reporting Period. For the purpose of this paragraph, Extended Reporting Period coverage shall not be considered as time when the insurer was providing this coverage.

9. Any person employed or otherwise affiliated with the Insured, and named as an Insured under this Policy during such affiliation, shall continue to be covered under such Policy and any Extended Reporting Period after such affiliation has ceased for such person's Wrongful Acts during such affiliation.

10. If this Policy is issued to a corporation, partnership or other entity, any person covered as an Insured under this Policy shall have the right to purchase the optional Extended Reporting Period upon termination of coverage as respects only himself, if:

- a. Such entity has been placed in liquidation or bankruptcy or permanently ceases operations;
- b. The entity or its designated trustee does not purchase the optional Extended Reporting Period; and
- c. Within 120 days of the termination of coverage the insurer has received from such Insured a written request for optional Extended Reporting Period coverage.

11. If the Insured has not paid the required additional premium for the optional Extended Reporting Period, which said premium shall be commensurate with such coverage, when due, then such optional Extended Reporting Period shall be void ab initio.

12. The Extended Reporting Period shall not be cancellable, and the required additional premium for the optional Extended Reporting Period shall be fully earned by the Insured at the inception of the optional Extended Reporting Period.

C. CANCELLATION OR NON-RENEWAL: This Policy may be cancelled by the Insured by surrender thereof to the insurer at its address stated in the Declarations or by mailing to the insurer written notice stating when thereafter such cancellation shall be effective. If cancelled by the Insured, the insurer shall retain the customary short rate proportion of the premium.

1. Cancellation of policies in effect:

a. 60 days or less:

The insurer may cancel this Policy by mailing or delivering to the Insured, and his authorized insurance agent or broker, written notice of cancellation at least:

- (1) 30 days before the effective date of cancellation if the insurer

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

cancels for any reason not included in Paragraph 1.a.(2) below.

(2) 15 days before the effective date of cancellation if the insurer cancels for any of the following reasons:

- (a) Non-payment of premium;
- (b) Conviction of a crime arising out of acts increasing the hazard insured against;
- (c) Discovery of fraud or material misrepresentation in the obtaining of the Policy or in the presentation of a Claim;
- (d) After issuance of the Policy or after the last renewal date, discovery of an act of omission, or a violation of any Policy condition that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current Policy Period;
- (e) Required pursuant to a determination by the Superintendent that continuation of the insurer's present premium volume would jeopardize the insurer's solvency or be hazardous to the interest of the insurer's policyholders, the insurer's creditors or the public;
- (f) A determination by the Superintendent that the continuation of the Policy would violate, or would place the insurer in violation of, any provision of the Insurance Code;
- (g) Where the insurer has reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the Insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds; or
- (h) If the Insured's license to practice this profession is revoked or suspended.

b. More than 60 days:

If this Policy has been in effect for more than 60 days, or if this Policy is a renewal or continuation of a Policy the insurer issued, the insurer may cancel this Policy only for any reason listed in Paragraph 1.a.(2) above, provided the insurer mails the Insured written notice at least 15 days before the effective date of cancellation.

2. The insurer will mail or deliver notice, including the reason for cancellation, to the Insured at the address shown in the Declarations and to his authorized insurance agent or broker. Such notice will state the effective date of cancellation. The Policy Period will end on that date.

3. If this Policy is cancelled, the insurer will send the Insured any premium refund due. If the insurer cancels, the refund will be pro rata. If the Insured cancels, the refund may be less than pro rata.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

4. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Non-Renewal and Conditional Renewal:

a. The insurer may refuse to renew this Policy for any specific underwriting reason. If the insurer decides not to renew this Policy the insurer will send notice as provided below, along with the reason for non-renewal.

b. The insurer may condition its renewal upon changes of limits, changes in type of coverage, reduction of coverage, increased self insured retention, addition of exclusion or upon increased premiums in excess of ten percent. If the insurer decides to condition renewal of this Policy upon one or more of said conditions, the insurer will send notice to the Insured as provided below, along with the reason for conditional renewal.

c. Mailing of Notice:

(1) In the event the insurer refuses to renew this Policy, or bases renewal on a change in conditions, the insurer shall mail to the Insured, not less than 60 days but not more than 120 days prior to the expiration of this Policy, written notice of non-renewal or conditional renewal. Such notice shall be conclusive on all Insureds.

(2) Notice will be mailed or delivered to the Insured at the address shown in the Declarations and to his authorized insurance agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.

(3) The insurer will not send notice of non-renewal or conditional renewal if the Insured, the Insured's authorized agent or broker or another insurer of Insured mails or delivers notice that the Policy has been replaced or is no longer desired.

D. TRANSFER OF DUTIES WHEN THE LIMIT OF INSURANCE IS USED UP:

1. If the insurer concludes that based on Claims which have been reported to us and to which this insurance may apply, that the Limit of Liability is likely to be used up in payment of Damages or Losses, the insurer will notify the Insured to that effect.

2. When the Limit of Liability has actually been used up in the payment of Damages or Losses:

a. The insurer will notify the Insured in writing as soon as practical that:

- (1) Such limit has actually been used up; and
- (2) The insurer's obligation to defend or pay Defense Costs has ended.

b. The insurer will initiate, and cooperate in, the transfer in control, to any appropriate Insured, of all Claims seeking Damages or Losses which

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

are subject to the Limit of Liability and were reported to the insurer before that limit was used up. The Insured must cooperate in the transfer of control of said Claims. The Insured, and any other Insured involved in a Claim seeking Damages or Losses must arrange for the defense of such Claim within such time period as agreed between the appropriate Insured and the insurer. Absent any such agreement, arrangements for defense must be made as soon as practicable. The insurer will take such steps as deemed appropriate to avoid a default in, or continue the defense of, such suit until such transfer is completed, provided the Insured is cooperating in completing such transfer.

The Insured will reimburse the insurer for Defense Costs it incurs in taking these steps. The insurer will take no action whatsoever with respect to any Claim or suit seeking Damages or Losses that would have been subject to that limit, had it not been used up, if the Claim is reported to the insurer after that Limit of Liability has been used up.

3. The exhaustion of the Limit of Liability and the resulting end of the insurer's obligation to defend or pay Defense Costs will not be affected by any failure of the insurer to comply with any of the provisions of this Condition.

E. NOTIFICATION TO THE INSURER

1. Failure to give notice to the insurer within the time prescribed in the Policy shall not invalidate any Claim made by the Insured, an injured party, or Third Party claimant, if it shall be shown not to have been reasonably possible to give such notice within the prescribed time and that notice was given as soon as reasonably possible thereafter. Notice given to any licensed agent of the insurer, with particulars sufficient to identify the Insured, shall be deemed notice to the insurer.

2. Failure to give any notice to the insurer within the time prescribed in the Policy shall not invalidate any Claim made by the Insured, injured person or any other claimant, unless the failure to provide timely notice has prejudiced the insurer, except as provided in Paragraph 1. above. With respect to a claims-made policy, however, the Policy may provide that the Claim shall be made during the Policy Period, any renewal thereof, or any Extended Reporting Period, except as provided in Paragraph 1. above. As used in this paragraph, the terms claims-made policy and Extended Reporting Period shall have their respective meanings as provided in a regulation promulgated by the superintendent.

3. With respect to a Claim arising out of death or personal injury of any person, if the insurer disclaims liability or denies coverage based upon the

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

failure to provide timely notice, then the injured person or other claimant may maintain an action directly against such insurer, in which the sole question is the insurer's disclaimer or denial based on the failure to provide timely notice, unless within 60 days following such disclaimer or denial, the Insured or the insurer:

a. Initiates an action to declare the rights of the parties under the insurance Policy; and

b. Names the injured person or other claimant as a party to the action.

F. OTHER INSURANCE

If the Insured has any other insurance for Claims covered under this Policy, the insurance provided by this Policy shall be excess over any other valid and collectible insurance; however, if such other insurance is specifically designated as excess over this Policy, then this insurance shall be primary.

II. This endorsement modifies insurance provided under this Policy as follows:

A. The definition for Application is deleted from this Policy and replaced with the following:

Application means the Application attached to and forming part of this Policy, including any materials submitted in connection therewith, and on file with the insurer.

B. The definition of Claim is amended to include:

Any written demand or binding adjudication of liability for non-pecuniary relief under Item 1. or 2. of the definition of Claim.

A Claim will be deemed to have been made when such written notice is first received by the Insurer.

It is a condition precedent to coverage under this Policy that all Claims be reported in compliance with the Notice/Claim Reporting Provisions of this Policy.

C. The following is added to this Policy:

1. The insurer shall not be obligated to provide nor pay for the defense of any Claim made against any Insured if it is determined when the Claim is first made that coverage for such Claim exists under this policy.

2. If a Claim with multiple allegations is made against an Insured, the insurer shall provide coverage for the Claim as stated in this Policy, provided, however, that at least one of the allegations is covered under this Policy, regardless of the fact that one or more of the allegations are specifically excluded from coverage under this Policy.

D. The first paragraph of Form PI-NPD-1 NY (6/03) is deleted and replaced

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

with the following:

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS-MADE BASIS FOR ALL LIABILITY COVERAGES AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING DURING THE POLICY PERIOD, ANY SUBSEQUENT RENEWAL, OR EXTENDED REPORTING PERIOD, IN ACCORDANCE WITH SECTION IV. OF THE POLICY, BUT NOT LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD, OF ANY SUBSEQUENT POLICY PERIOD FOLLOWING POLICY RENEWAL, OR OF ANY EXTENDED REPORTING PERIOD.

E. The headings on the first pages of FLEXI PLUS FIVE APPLICATION PI-NPD-NEW APP and FLEXI PLUS FIVE RENEWAL APPLICATION PI-NPD-RENEWAL APP are deleted and replaced with the following:

THIS IS AN APPLICATION FOR A POLICY THAT IS CLAIMS-MADE FOR ALL LIABILITY COVERAGES. PLEASE READ YOUR POLICY CAREFULLY.

F. Definition A., Administration, found on Page 5 of Policy Form PI-NPD-2 NY (06/03), is deleted and replaced with the following:

Administration means: (i) giving counsel, other than legal advice, to employees, beneficiaries or participants regarding any Benefit Plan, (ii) providing interpretations and handling records in connection with any Benefit Plan, or (iii) effecting enrollment, termination or cancellation of employees or participants under any Benefit Plan.

G. The following Item E. is added to Section III. EXCLUSIONS, found on page 8 of Policy Form PI-NPD-2 NY (06/03):

E. Arising out of any criminal act in which the Insured is involved as a (the) perpetrator(s).

H. Section XVIII. OTHER OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER, found in Part 8, Common Policy Conditions of Policy Form PI-NPD-2 NY (06/03) is deleted.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Amendment of Exclusions

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

AMENDMENT OF EXCLUSIONS - NEW YORK

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

This endorsement modifies insurance provided under the following: DIRECTORS & OFFICERS PROTECTION FLEXI PLUS INSURANCE POLICY Part II. DEFINITIONS, is supplemented by: "Earned Wages" means wages or overtime pay for services rendered. Section III. EXCLUSIONS is supplemented by: The Company shall not be liable to make payment for "loss" or "defense cost" in connection with any "claim" made against any "insured" arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law provided, further, however, there is no coverage provided under this policy for any "claim" related to, arising out of, based upon, or attributable to a refusal, failure or inability of any "insured(s)" to pay "earned wages" (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any "insured(s)" from any employee(s) or purported employee(s), including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay "earned wages", or (ii) any "claim" seeking "earned wages" because any employee(s) or purported employee(s) were improperly classified or mislabeled as "exempt."

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All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

NEW YORK BELL ENDORSEMENT

New York Bell Endorsement

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE LIMITS OF INSURANCE

Conference Cancellation \$25,000

Emergency Real Estate Consulting Fee \$50,000

Fundraising Event Blackout \$25,000

Identity Theft Expense \$50,000

Image Restoration and Counseling \$50,000

Key Individual Replacement Expenses \$50,000

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee:

\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

C. Claim Expenses

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

B. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after a quittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

has not yet returned to work;

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

b. Discovery of their death;

c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

H. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

I. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "qualified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "nonreimbursable expenses" they incur as a result of the cancellation

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

IV. DEFINITIONS

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Polio.
- C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. "Emergency evacuation expenses" mean:
 1. Additional lodging expense;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 4. Translation services, message transmittals and other communication expenses; provided that these expenses are not otherwise reimbursable.
- E. "Emergency travel expenses" mean:
 1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
 2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism"; provided that these expenses are not otherwise reimbursable.
- F. "Fundraising expenses" mean deposits forfeited and other charges paid by

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

G. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

All other terms and conditions of this Policy remain unchanged.

H. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

I. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation;
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

J. "Injury" means any physical damage to the body caused by violence, fracture or an accident.

K. "Key individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

L. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

M. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

All other terms and conditions of this Policy remain unchanged.

4. Emergency prescription and non-prescription drug expense

N. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff for which either an alert or travel warning has been issued by the United States Department of State.

O. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

P. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," a collision or collapse which renders all of the insured's "principal locations" completely unusable.

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All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

New York Amendatory - Retention and Coinsurance

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NEW YORK AMENDATORY - RETENTION AND COINSURANCE

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

I. In consideration for the premium charged, it is hereby understood and agreed that ITEM 4. of the Declarations Page is amended to include the following

ITEM 4. RETENTION:

NON INDEMNIFIABLE LOSS:

A. Each Claim, Per Director or Officer

B. Each Claim, Aggregate for all Directors and Officers

COMPANY REIMBURSEMENT AND INDEMNIFIABLE LOSS

C. Each Claim, Organization

The Company shall only be liable for the amount of "loss", and "defense cost" if applicable, arising from a "claim" which is in excess of the retention amount stated in ITEM 4 of the Declarations, such retention amount to be borne by the "insured" and shall remain uninsured. A single retention amount shall apply to "loss", and "defense cost" if applicable, arising from all "claims" alleging the same wrongful "act" or related "wrongful acts". The amount stated as the retention "per Director and Officer" in ITEM

4.A. of the Declarations applies separately to each Director and/or Officer,

subject to the aggregate retention for any single "loss". In cases where such maximum retention applies, the retention shall then be prorated among the "insureds" in proportion to each Director and/or Officer respective "loss". The amount stated in ITEM 4.C. of the Declarations applies to all "loss" which the "organization" has indemnified or is permitted or required to indemnify the Directors or Officers.

II. In consideration of the premium charged, it is hereby understood and agreed that the Company shall be liable to pay % of the first \$1,000,000 of loss and 100% of loss excess of the first \$1,000,000 of loss, excess of the retention amount, if any, stated in ITEM 4. up to the Limit of Liability stated in ITEM 3. of the Declarations.

Page 1 of 1

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Ohio Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

A. The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case we will mail 10 days written notice of cancellation to the Parent Organization and agent, if any, at the last known mailing address known to us. Proof of mailing will be sufficient proof of notice.

2. Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be mailed to the Parent Organization and agent, if any, to the last mailing address known to us, at least 30 days prior to expiration of the Policy Period. The notice will contain the date of the notice and the policy number, and will state the expiration date of the Policy. Proof of mailing will be sufficient proof of notice.

B. With respect to any judgment or Claim brought within the jurisdiction of the state of Ohio to which this insurance applies, Part 6, Common Policy Definitions, C. Damage and I. Loss are amended to read:

C. Damage means a monetary judgment, award or settlement or, with respect to Part 4 (Workplace Violence Insurance), Violence Damage.

I. Loss means:

1. Damage;

2. Defense Costs;

but Loss does not include:

1. Criminal or civil fines or penalties imposed by law;

2. Taxes;

3. Matters deemed uninsurable under the law to which this Policy shall be construed;

4. Any amounts other than Defense Cost, which an Insured is obligated to pay as a result of a Claim seeking relief or redress in any form other than monetary Damages;

5. Any costs other than Defense Cost associated with any accommodation required pursuant to the Americans With Disabilities Act, the Civil Rights Act of 1964, rules or regulations promulgated thereunder, amendments

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

thereto, or similar provisions of any federal, state or local law or common law; or

6. Punitive, exemplary or multiple portion of any Damage.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Oklahoma Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OKLAHOMA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

A. Subsection A of the CANCELLATION AND NON RENEWAL Common Policy Condition is deleted in its entirety and replaced with the following:

The Underwriter may cancel this Policy by delivering to the Insured Organization written notice of cancellation at least:

1. 10 days before the effective date of cancellation if the Underwriter cancels for nonpayment of premium; or
2. 30 days before the effective date of cancellation if the Underwriter cancels for any other reason, except the Underwriter shall not cancel a Policy based upon the insured exercising their right to request a hearing regarding a medical professional liability rate change application.

After coverage has been in effect for more than 45 business days or after the effective date of a renewal of this Policy, no notice of cancellation will be issued by the Underwriter unless it is based on at least one of the following reasons:

- a. Nonpayment of premium;
- b. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted under it;
- c. Discovery of willful or reckless acts or omissions by an Insured that increase any hazard insured against;
- d. The occurrence of a change in the risk that substantially

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

increases any hazard insured against after insurance coverage has been issued or renewed;

e. A violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any covered property or its occupancy that substantially increases any hazard insured against;

f. A determination by the Insurance Commissioner that the continuation of the Policy would place the Underwriter in violation of the insurance laws of this state;

g. An Insured's conviction of a crime having as one of its necessary elements an act increasing any hazard insured against; or

h. Loss of or substantial changes in applicable insurance.

B. Subsection C of the CANCELLATION AND NON RENEWAL Policy Condition is deleted in its entirety and replaced with the following:

1. If the Underwriter elects not to renew this Policy, the Underwriter will mail or deliver written notice of nonrenewal to the Parent Organization at least 45 days before:

a. The expiration date of this Policy; or

b. An anniversary date of this Policy, if it is written for a term longer than one year or with no fixed expiration date.

2. Any notice of nonrenewal will be mailed or delivered to the Parent Organization at the last mailing address known to the Underwriter.

3. If notice is mailed:

a. It will be considered to have been given to the Parent Organization on the day it is mailed.

b. Proof of mailing will be sufficient proof of notice.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

4. If notice of nonrenewal is not mailed or delivered at least 45 days before the expiration date or an anniversary date of this Policy, coverage will remain in effect until 45 days after notice is given. Earned premium for such extended period of coverage will be calculated pro rata based on the rates applicable to the expiring Policy.

5. The Underwriter will not provide notice of nonrenewal if:

a. The Underwriter, or another company within the same insurance group, has offered to issue a renewal Policy; or

b. The Parent Organization has obtained replacement coverage or has agreed in writing to obtain replacement coverage.

6. If the Underwriter has provided the required notice of nonrenewal as described in B.1. above, and thereafter extend the Policy for a period of 90 days or less, the Underwriter will not provide an additional nonrenewal notice with respect to the period of extension.

7. The Underwriter shall not refuse to renew the Policy based upon the Insured exercising their right to request a hearing regarding a medical professional liability rate change application.

C. The following Subsection D is added to the CANCELLATION AND NON RENEWAL Common Policy Condition:

1. If the Underwriter elects to renew this Policy, the Underwriter will give written notice of any premium increase, change in deductible, or reduction in limits of coverage, to the Parent Organization, at the last mailing address known to the Underwriter.

2. Any such notice will be mailed or delivered to the Parent Organization at least 45 days before:

a. The expiration date of this Policy; or

b. An anniversary date of this Policy, if it is written for a term longer than one year or with no fixed expiration date.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

3. If notice is mailed:

a. It will be considered to have been given to the Parent Organization on the day it is mailed.

b. Proof of mailing will be sufficient proof of notice.

4. If the Parent Organization accepts the renewal, the premium increase or coverage changes will be effective the day following the prior Policy's expiration or anniversary date.

5. If notice is not mailed or delivered at least 45 days before the expiration date or anniversary date of this Policy, the premium, deductible, limits and coverage in effect prior to the changes will remain in effect until:

a. 45 days after notice is given; or

b. The effective date of replacement coverage obtained by the Insured; whichever occurs first.

If the Parent Organization then elects not to renew, any earned premium for the resulting extended period of coverage will be calculated pro rata at the lower of the new rates or rates applicable to the expiring Policy.

6. The Underwriter will not provide notice of the following:

a. Changes in a rate or plan filed pursuant to the Property and Casualty Competitive Loss Cost Rating Act and applicable to an entire class of business; or

b. Changes based upon the altered nature or extent of the risk insured; or

c. Changes in Policy forms filed with or approved by the Insurance Commissioner and applicable to an entire class of business.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Oregon Changes - Cancellation and Nonrenewal

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OREGON CHANGES - CANCELLATION AND NON-RENEWAL

1. Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is modified as follows:

If the Underwriter cancels this Policy for failure to pay a premium when due, the effective date for such cancellation will be 10 working days after the Parent Organization receives the written notice of cancellation.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Pennsylvania Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PENNSYLVANIA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

A. The following is added to I. INSURING AGREEMENTS in Parts 1 through 5:

The Underwriter will pay, in addition to the Limit of Liability, pre-judgment interest awarded against the Insured on that part of the judgment the Underwriter pays. If the Underwriter makes an offer to pay the applicable limit of insurance, we will not pay any pre-judgment interest based on that period of time after the offer.

B. Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

1. Paragraph A. is deleted and replaced with the following:

The Underwriter may not cancel this policy except for failure to pay premium when due, in which case 15 days written notice stating the reason for cancellation, shall be given to the Parent Organization for such cancellation to be effective.

2. Paragraph C. is deleted and replaced with the following:

The Underwriter shall not be required to renew this policy upon its expiration. If the Underwriter decides not to renew this policy, 60 days written notice of non-renewal, stating the specific reason(s) for non-renewal, shall be given to the Parent Organization for such non-renewal to be effective.

3. Paragraph D. is added as follows:

If the Underwriter decides to increase the policy premium at the time of policy renewal, the Underwriter will provide to the Insured no less than 60 days notice of intent to increase the Insured's renewal premium. The Underwriter will also provide the Insured with 30 days notice of an estimate of the renewal premium.

C. Section VIII. EXTENSION PERIOD is amended as follows:

Paragraph A. is amended as follows:

This paragraph shall apply if the Underwriter or the Parent Organization cancels or does not renew this policy. If the cancellation or non-renewal is for the nonpayment of premium, this extension will not go into effect until any earned premium due is paid within 60 days after the effective date of such cancellation or expiration.

Paragraph B. is hereby deleted in its entirety.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

South Dakota Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOUTH DAKOTA AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

1. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION, is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, may be submitted to non-binding arbitration, if both parties, agree to the non-binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

2. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph A. is deleted and replaced with the following:

A. The Underwriter may not cancel this Policy except for failure to pay premium when due. In which case 20 days written notice shall be given to the Parent Organization for such cancellation to be effective.

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

3. Under Part 6, Common Policy Definitions - Definition C. Damage is deleted in its entirety and replaced with the following:

C. Damage means a monetary judgment, award or settlement, or, with respect to Part 4 (Workplace Violence Insurance), Violence Damage, but does not include the punitive, exemplary or multiple portion of any Damage.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Tennessee Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 60 days prior to expiration of the Policy Period.

2. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, shall be submitted to binding arbitration if both parties, by mutual consent, agree in writing to the binding arbitration of the disagreement. The rules of the American Arbitration Association shall apply except with respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Tennessee Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

TENNESSEE CHANGES

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

In consideration for the premium paid, it is understood and agreed that policy is amended as follows:

I. This policy is amended to include punitive or exemplary damages or the multiple portion of any damage awards.

II. The following is added to the policy and supersedes anything to the contrary:

CANCELLATION AND NON-RENEWAL

1. Cancellation

A. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.

B. The Company may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least: (1) 10 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or (2) 30 days before the effective date of cancellation if the Company cancels for any other reason.

C. The Company will mail or deliver our notice to the first Named Insured's last mailing address known to us.

D. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.

E. If this Policy is canceled, the Company will send the first Named Insured any premium refund due. If the Company cancels, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if the Company has not made or offered a refund.

F. If notice is mailed, proof of mailing will be sufficient proof of notice.

G. If this Policy has been in effect for 60 days or more, or if this Policy is a renewal of a policy issued, the Company may cancel this Policy only for one or more of the following reasons:

(1) Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manuals, justified by a physical change

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

in the insured property or a change in its occupancy or use;

(2) Your conviction of a crime increasing any hazard insured against;

(3) Discovery of fraud or material misrepresentation on the part of either of the following: a. The Insured or the Insured's representative in obtaining this insurance; or b. The Insured in pursuing a claim under this Policy;

(4) Failure to comply with written loss control recommendations;

(5) Material change in the risk which increases the risk of loss after the Company issued or Renewed insurance coverage.

(6) Determination by the insurance commissioner that the continuation of the Policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state.

(7) Your violation or breach of any Policy terms or conditions; or

(8) Other reasons that are approved by the insurance commissioner.

H. Notice of cancellation will state the reason for cancellation.

2. Nonrenewal

A. If the Company decides not to renew this Policy, the Company will mail or deliver written notice of nonrenewal to the first Named Insured and agent, at least 60 days before the expiration date unless: (1) The Company has offered to issue a renewal policy; or (2) You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

B. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the Policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

Page 2 of 2

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Texas Notice to Policyholders

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

IMPORTANT NOTICE TO TEXAS POLICYHOLDERS

To obtain information or make a complaint:

1. You may call Philadelphia Indemnity Insurance Company's toll-free telephone number for information or to make a complaint at:

1-877-438-7459

2. You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at 1-800-252-3439

3. You may write to Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100

Bala Cynwyd, PA 19004

FAX # (610) 617-7940

4. You may write the Texas Department of Insurance at

P.O. Box 149104

Austin, TX 78714-9104

FAX # (512) 475-1771

5. PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact Philadelphia Indemnity Insurance Company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

6. ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

Page 1 of 1

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Texas Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF
INSURANCE	
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee:
\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

Workplace Violence Counseling \$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverage which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

2. Limits of liability or limits of insurance identified in Section I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Coverages provided herein are not applicable to the generation of claim adjustment costs

by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined.

No deductible applies to this coverage.

B. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.
No deductible applies to this coverage.

C. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**D. Fundraising Event Blackout**

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any identity theft first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

G. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

H. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of him or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs on any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

officer has not yet returned to work;

b. Discovery of their death;

c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined.

No deductible applies to this coverage.

I. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

M. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined.

No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.

B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation expenses;
3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or

2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;

2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" means any physical damage to the body caused by violence, fracture or accident.

L. "New individual replacement expenses" mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

N. "Non-reimbursable expenses" means the following travel-related expenses incurred after a
seventy-two (72) hour waiting period, beginning from the time documented on the proof of
cancellation, and for which your director or officer produces receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States;
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

State.

P. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

Q. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

R. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in "bodily injury" or death of any person while on the insured's premises.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Texas Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS AMENDATORY ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

I. Part 8, Section V. CANCELLATION AND NON-RENEWAL is deleted and replaced with the following:

V. CANCELLATION AND NON-RENEWAL

A. The Underwriter may not cancel:

1. This Policy of liability insurance if it is a renewal or continuation policy; or
2. This Policy of liability insurance if it is in its initial policy period after the 60th day following the date on which this Policy was issued.

B. The Underwriter may cancel this Policy at any time during the term of this Policy for the following reasons:

1. Fraud in obtaining the coverage;
2. Failure to pay premiums when due;
3. On an increase in hazard within the control of the Insured which would produce an increase in rate;
4. Loss of the Underwriter's reinsurance covering all or part of the risk covered by this Policy; or
5. The Underwriter has been placed in supervision, conservatorship, or receivership, if the cancellation or non-renewal is approved or directed by the supervisor, conservator, or receiver.

The Underwriter will deliver by mail to the Parent Organization, at the address stated in the Declarations, written notice of cancellation, not less than ten (10) days prior to the expiration date of this Policy. If this Policy is cancelled by the Underwriter, earned premium shall be computed pro rata.

C. In the event the Underwriter refuses to renew this Policy, the Underwriter shall mail to the Parent Organization, at the address stated in the Declarations, written notice of non-renewal, not less than sixty (60) days prior to the expiration of this Policy. Such notice shall be conclusive on all Insureds.

D. The Underwriter shall not cancel or refuse to renew this Policy solely because an Individual Insured is an elected official.

II. The following provision is added to Part 8, Section III. DEFENSE AND SETTLEMENT:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

H. The Underwriter shall notify the Insured in writing of a first offer to compromise or settle a claim against the Insured, not later than ten (10) days after the date on which the offer is made.

The Underwriter shall notify the Insured in writing of any settlement of a claim against the Insured not later than thirty (30) days after the date of the settlement.

III. The following language is added to Sexual Abuse Exclusion Endorsement PI-NPD-27 (01/02):

For the purpose of this endorsement, abuse means an act which is committed with the intent to cause harm.

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Virginia Notice to Policyholders

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

NOTICE FOR VIRGINIA INSURED

(Claims-Made Liability Insurance)

You have purchased a claims-made liability insurance policy. Please read this policy carefully to understand your coverage. There are certain circumstances in which you must be provided the opportunity to purchase extended reporting period coverage. These are explained in your policy. If you have any questions, please contact your company or your agent.

Page 1 of 1

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Virginia Bell Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

VIRGINIA BELL ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE LIMITS OF INSURANCE

Conference Cancellation \$25,000

Donation Assurance \$50,000

Emergency Real Estate Consulting Fee \$50,000

Fundraising Event Blackout \$25,000

Identity Theft Expense \$50,000

Image Restoration and Counseling \$50,000

Kidnap Expense \$50,000

Political Unrest \$5,000 per employee

\$25,000 policy limit

Temporary Meeting Space Reimbursement \$25,000

Terrorism Travel Reimbursement \$50,000

Travel Delay Reimbursement \$1,500

Workplace Violence Counseling \$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

limits of insurance will apply. In no instance will multiple limits apply

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.

2. Limits of liability or limits of insurance identified in Section I.

SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

B. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for

Page 2 of 9

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;

2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";

3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":

a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and

b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;

4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and

5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after a verdict of the natural person insured;
2. The costs charged by a recruiter or expended on advertising for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period.

Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim. Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

- a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
- b. Discovery of their death;
- c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

- d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

H. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States or America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state

of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

I. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a

hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are

not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

J. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

K. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

L. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

A. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in conference with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the Federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.

C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation or under the terms and provisions of any employee benefit or other program established by the named insured.

D. "Emergency evacuation expenses" mean:

1. Additional lodging expenses;
2. Additional transportation costs;
3. The cost of obtaining replacements of lost or stolen travel documents

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

necessary for evacuation from the area of "political unrest"; and

4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
2. The increased amount incurred which may result from re-scheduling comparable transport to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism"; provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" means any physical damage to the body caused by violence,

fracture or an accident. L. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

M. "Non-reimbursable expenses" means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

N. "Political unrest" means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff for which either an alert or travel warning has been issued by the United States Department of State.

O. "Principal location" means the headquarters, home office or main location where most business is substantially conducted.

P. "Unforeseeable destruction" means damage resulting from a "certified act of terrorism," fire, collision or collapse which renders all of the insured's "principal locations" completely unusable.

Q. "Workplace violence" means any intentional use of or threat to use

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.

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All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Virginia Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA AMENDATORY ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXI PLUS FIVE

I. Part 8, Section V. CANCELLATION AND NON-RENEWAL is deleted and replaced with the following:

A. The Underwriter may cancel this Policy by mailing or delivering to the Parent Organization written notice of cancellation, stating the reason for cancellation, at least:

1. 15 days before the effective date of cancellation if the Underwriter cancels for nonpayment of premium; or
2. 45 days before the effective date of cancellation if the Underwriter cancels for any other reason.

Notice of cancellation will state the effective date of cancellation. The Policy Period shall end on that date. If the Underwriter cancels this Policy, the refund will be pro rata.

B. The Parent Organization may cancel this Policy for itself and all other Insureds by surrender of this Policy to the Underwriter or any of its authorized agents or by mailing to the Underwriter written notice stating when thereafter the cancellation shall be effective. If the Parent Organization cancels, earned premium shall be computed in accordance with the customary short rate table procedure.

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least:

1. 15 days before the expiration date if the non-renewal is due to nonpayment of premium; or
2. 45 days before the expiration date if the non-renewal is for any other reason.

D. The Underwriter shall send written notice of cancellation or non-renewal by registered or certified mail or deliver written notice to the Parent Organization's last mailing address known to the Underwriter.

E. If the Underwriter cancels or non-renews this Policy, the Parent Organization has a right to request in writing, within 15 days after receiving the notice, that the Commissioner review the Underwriter's action pertaining to the cancellation or non-renewal.

II. The definition of Parent Organization in Part 6, Common Policy Definitions, is deleted and replaced with the following definition:

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Parent Organization means the entity named in Item 1. of the Declarations Page.

III. The Extended Reporting Period described in Part 8, Section VIII. EXTENSION PERIOD, is deleted and replaced with the following:

EXTENSION PERIOD

A. If the Underwriter cancels this Policy for other than non-payment of premium or fraud, refuses to renew this Policy, advances the retroactive date, excludes existing coverage which is added after issuance of initial policy (not including changes in policy limits or deductibles) or renewal of coverage is on other than a claims-made basis the following shall apply: For no additional premium, the Underwriter will provide a 60 day extension of the coverage granted under Parts 1, 2, 3, and 5 of this Policy for any Claim first made against the Insured during the 60 days after cancellation for other than non-payment of premium or fraud, non-renewal, advancement of the retroactive date, exclusion of existing coverage or renewal on other than a claims-made basis, but only with respect to any Wrongful Act committed before the date of cancellation for other than non-payment of premium or fraud, non-renewal, advancement of the retroactive date, exclusion of existing coverage or renewal on other than a claims-made basis and otherwise covered by this Policy (the "Automatic Extension"). This Automatic Extension shall not apply if the Insured has purchased similar insurance from the Underwriter or any other insurer covering such Claim. Upon expiration of the Automatic Extension, the Parent Organization shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium for an extension of the coverage granted by this Policy for any Claim first made against the Insured during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to Wrongful Acts committed before the cancellation date, non-renewal date, advancement of the retroactive date, exclusion of existing coverage from that provided in the initial Policy (not including changes in policy limits or deductibles) date of renewal of coverage on other than a claims-made basis, and otherwise covered by this Policy (the "Extension Period"); provided, however, that the request for this Extension Period must be made to the Underwriter in writing and payment of the additional premium must be made prior to the expiration of the 60 day Automatic Extension. In the event similar insurance is in force covering any Claims first made during this Extension Period, coverage provided by this Policy shall be excess over

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

any such other insurance.

B. If the Parent Organization cancels or does not renew this Policy, advances the retroactive date, excludes existing coverage or requests renewal of coverage on other than a claims-made basis, or the Underwriter cancels for nonpayment of premium, the following will apply:

The Parent Organization shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium, to an extension of the coverage granted under Parts 1, 2, 3 and 5 of this Policy for any Claim first made against the Insured during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, advancement of the retroactive date, exclusion of existing coverage or date of renewal of coverage on other than a claims-made basis, but only with respect to any Wrongful Acts committed before the date of such cancellation or non-renewal, advancement of the retroactive date, exclusion of existing coverage or renewal of coverage on other than a claims-made basis and otherwise covered by this Policy (the "Extension Period"); provided, however, that the request for this Extension Period must be made to the Underwriter in writing and payment of the additional premium must be made within 60 days following the date of such cancellation, non-renewal, advancement of the retroactive date, exclusion to existing coverage or renewal of coverage on other than a claims-made basis. In the event similar insurance is in force covering any Claims first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the Underwriter cancels for the non-payment of premium, the Parent Organization may purchase the Extension Period only after any earned premium due to the Underwriter is paid within 10 days after the date of cancellation or Policy expiration, whichever comes first.

C. All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. If purchased, separate limits equal to the policy limits will apply to the Extended Reporting Period. For the purpose of this Section VIII., any change in premium or terms of renewal shall not constitute a refusal to renew. Once in effect the Underwriter may not cancel the Extension Period except for failure to pay the premium when due or fraud.

IV. Subsection E. of Part 8, Section I. LIMITS OF LIABILITY, is deleted and replaced with the following:

The Limit of Liability for any Extension Period, if applicable, shall be equal to the respective Limit of Liability applicable to the Policy Period.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

V. The following exclusion is added to Section III. EXCLUSIONS, under Part 1, Not-for-Profit Organization Directors & Officers Liability Insurance:

The Underwriter shall not be liable under this Part 1 to make any payment for Loss in connection with a Claim made against an Insured if such Claim arises from any anti-trust, copyright or patent litigation, any disciplinary action by any regulatory agency or association, any action where a license was revoked or suspended, any administrative proceeding charging violation of a federal or state law or regulation, or any other criminal action, if the Applicant or any person proposed for coverage herein has been the subject of, or been involved in any of these circumstances, during the past five years.

VI. Part 8, Section VI. REPRESENTATIONS AND SEVERABILITY is deleted and replaced with the following:

A. The Insured represents that the particulars and statements contained in the Application are true and agree that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy, and (2) this Policy is issued in reliance upon the truth of such representations. No statement in an Application or in an affidavit made before or after Loss under this Policy shall bar a recovery upon this Policy unless it is clearly proved that such answer or statement was material to the risk when assumed and was untrue.

B. Except for circumstances known to the Individual Insured signing the Application, no statement in the Application or knowledge or information possessed by any Insured shall be imputed to any other Individual Insured for the purpose of determining the availability of coverage.

VII. Subparagraph B. of Part 8, Section XV. ACTION AGAINST THE UNDERWRITER; LIMITATION, is deleted and replaced with the following:

B. No action shall lie against the Underwriter unless, as a condition precedent thereto, the Insured shall have fully complied with all the terms of this Policy, nor until the amount of the Insured's obligation to pay has been finally determined, either by judgment against the Insured after actual trial, or by written agreement of the Insured, the claimant and the Underwriter. Any person or organization or the legal representative thereof who has secured such judgment or written agreement, shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy.

VIII. Subsection A. of Part 8, Section IV. NOTICE/CLAIM REPORTING

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

PROVISIONS, is deleted and replaced with the following:

A. In the event that a Claim is made against the Insured or a Workplace Violence Act occurs, the Insured shall, as a condition precedent to the obligations of the Underwriter under this Policy, give written notice of such Claim or Workplace Violence Act as soon as practicable to the Underwriter during this Policy Period, or, if applicable, during any Extension Period.

IX. Part 8, Section XVI. CHANGE IN OWNERSHIP OR CONTROL is revised by deleting the paragraph that reads: If Insured fails to meet conditions 1. and 2. above, this Policy shall be deemed cancelled by the Underwriter as of the effective date of the Merger and the Underwriter shall return any unearned premium on a pro rata basis. The Insured shall have the right to purchase the Extension Period. The deleted paragraph is replaced with the following: If Insured fails to meet conditions 1. and 2. above, this Policy shall be subject to Part 8, Section V. CANCELLATION AND NON-RENEWAL as shown in Item I. on this endorsement. The Underwriter shall return any unearned premium on a pro rata basis. The Insured shall have the right to purchase the Extension Period.

X. Extended Reporting Period Endorsement PI-NPD-2 (1/02) is revised by deleting the sentence that reads: If that premium is paid when due, the EXTENSION PERIOD may not be cancelled. The deleted sentence is replaced with the following: The Underwriter may not cancel the EXTENSION PERIOD except for failure to pay the premium when due.

XI. The IN WITNESS WHEREOF provision is deleted and replaced with the following:

IN WITNESS WHEREOF, the Underwriter has caused this Policy to be signed by its President and Secretary. This Policy shall be signed by a duly authorized representative of the Underwriter; however, failure by its authorized representative to countersign this Policy will not invalidate this Policy.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Vermont Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VERMONT AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

1. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph A. is deleted and replaced with the following:

A. The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case 15 days written notice shall be given to the Parent Organization for such cancellation to be effective. Written notice may be sent by certificate of mailing or certified mail.

Paragraph C. is deleted and replaced with the following:

C. The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 45 days prior to expiration of the Policy Period. Such notice will be sent by mailing, by certified mail, or delivering written notice of non-renewal to the Parent Organization's last mailing address known to us.

2. Under Part 8, Common Policy Conditions - Section I. LIMITS OF LIABILITY is amended as follows:

Paragraph E. is deleted and replaced with the following:

E. The Limit of Liability for an Extension Period, if applicable, shall be reinstated to the respective Limit of Liability applicable to the Policy Period.

3. Under Part 8, Common Policy Conditions - Section XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION, is amended as follows:

Paragraph B. is deleted and replaced with the following:

B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any Insured and the Underwriter, shall be submitted to binding arbitration, if both parties, by mutual consent, agree in writing to the binding arbitration of the disagreement. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such Insured, one arbitrator selected by the Underwriter and a third independent arbitrator selected by the first two arbitrators.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Washington - Changes

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WASHINGTON - CHANGES

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

Part 8, Section V. CANCELLATION AND NON-RENEWAL is replaced with the following:

V. CANCELLATION AND NON-RENEWAL

CANCELLATION

The Underwriter may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the Parent Organization for such cancellation to be effective.

If the Underwriter cancels it will send by mail, or deliver to the Parent Organization and its agent or broker, a written notice including the actual reason(s) for cancellation at the last mailing address known to us.

The Parent Organization may cancel this Policy for itself and all other Insureds by surrender of this Policy to the Underwriter or any of its authorized agents or by mailing to the Underwriter written notice stating when thereafter the cancellation shall be effective. If the Parent Organization cancels, earned premium shall be computed in accordance with the customary short rate table procedure.

NON-RENEWAL

The Underwriter shall not be required to renew this Policy; however, written notice of the Underwriter's intent to non-renew this Policy shall be sent to the Parent Organization at least 45 days prior to expiration of the Policy Period.

If the Underwriter does not renew this Policy it will send by mail, or deliver to the Parent Organization and its agent or broker, a written notice including the actual reason(s) for non-renewal at the last mailing address known to us.

Part 8, Section XVI. CHANGE IN OWNERSHIP OR CONTROL is amended by addition of the following:

If the Underwriter cancels it will send by mail, or deliver to the Parent Organization and its agent or broker, a written notice including the actual reason(s) for cancellation at the last mailing address known to us.

Written notice of cancellation, accompanied by the actual reason therefore, shall be delivered or mailed to the Parent Organization not less than 45 days prior to the effective date of cancellation.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Wisconsin Amendatory Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

WISCONSIN AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

Wherever, used in this endorsement: 1) "we", "us", "our", and "insurer" mean

the insurance company which issued this policy; and 2) "you", "your", "named insured", "first named insured", and "insured" mean the Named Corporation, the Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "other insured(s)" mean all

other persons or entities afforded coverage under this policy.

In compliance with the insurance regulations of the State of Wisconsin, the following provisions are hereby added to this Policy. In the event a similar provision is already contained in this Policy, the provisions of this endorsement shall take precedence over such similar provision.

1) CANCELLATION, RENEWAL AND NON RENEWAL

A. Cancellation

This Policy may be canceled by the Parent Organization for itself and all other Insureds by surrender of the Policy to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. If the Parent Organization cancels, earned premium shall be computed in accordance with the customary short rate table and procedure.

This Policy may be cancelled by the Company as follows:

1. CANCELLATION OF POLICIES IN FORCE FOR LESS THAN 60 DAYS

Insurance under this Policy which has been in force for less than 60 days may be cancelled by the Company by mailing or delivering to the Organization written notice stating when, not less than 10 days thereafter, such cancellation shall be effective.

2. CANCELLATION FOR NONPAYMENT OF PREMIUM

Insurance under this Policy may be cancelled by the Company if the Organization fails to discharge when due, any of its obligations in connection with the payment of premium for such Policy or any installment thereof by mailing to the Organization written notice stating when, not less than 10 days thereafter, such cancellation shall be effective.

Page 1 of 3

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

3. MID TERM CANCELLATION OF POLICIES IN FORCE FOR 60 DAYS OR MORE

Other than for nonpayment of premium as provided for in paragraph 2. above, insurance under this Policy which has been in effect for 60 days or more may be cancelled by the Company prior to the expiration of the Policy only for one of the following specified reasons:

- (a) Material misrepresentation;
- (b) Substantial change in the risk assumed;
- (c) Substantial breaches of contractual duties, conditions or warranties. Notice may be given by mailing to the Organization written notice stating when, not less than 10 days thereafter, such cancellation shall be effective.

4. CANCELLATION OF POLICIES WITH A TERM OF MORE THAN ONE YEAR

In addition to the right of the Company to cancel as provided for in paragraphs 2. and 3. above and provided that this Policy is written without a fixed expiration date or for a Policy Period longer than one year, this Policy may be cancelled by the Company effective on the expiration of any annual period, commencing with its original effective date, by mailing or delivering to the Organization written notice of such cancellation not less than 60 days prior to the expiration of such annual period. The time of surrender of this Policy or the effective date and hour of cancellation stated in the notice shall become the end of the Policy Period. Delivery of a written notice either by the Company or by an authorized representative of the Company shall be equivalent to mailing. If the Organization cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustments may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not condition of cancellation.

B. Renewal of Policy.

This Policy may be renewed for one or more subsequent Policy Periods:

- 1. By mailing to the Organization, at the last known address as shown in this Policy, a renewal premium notice for the applicable renewal term, or
- 2. By issuing or offering to issue a renewal policy, certificate or other evidence of renewal at the applicable renewal premium in accordance with the Company's then current rules, rates, rating plans, premiums and minimum premiums applicable to this insurance. Any obligation for dividends or

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

other credit shall not in any way extend or change the Policy Period.

C. Non Renewal of Policy.

Page 2 of 3

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

The Organization shall have a right to renewal of this Policy, on the terms then being applied by the Company to similar risks, for an additional period of time equivalent to the expiring Policy Period if the agreed Policy

Period is a year or less, or for one year if the agreed Policy Period is longer than one year, unless 60 days prior to the date of expiration of the Policy Period, a notice of intention not to renew the Policy beyond such agreed expiration date is mailed to the Organization.

If the Organization has insured elsewhere, has accepted replacement coverage or has requested or agreed to non renewal, the provisions of this Non Renewal of Policy condition does not apply.

2) CHANGES CLAUSE

This Policy contains all the agreements between the Organization and the Company concerning the insurance afforded. The Organization shown in the Declarations is authorized to make changes in the terms of this Policy, but only with the consent of the Company. This Policy's terms can be amended or waived only by endorsement issued by the Company and made a part of this Policy. Knowledge of an agent to the Company shall be knowledge to the Company and any fact which breaches a condition of the Policy, and is known to our agent, shall not void the Policy or defeat a recovery thereon in the event of Loss.

3) ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance by the Organization and Insureds with all of the terms of this Policy. Any person or organization or

the legal representative thereof shall be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. Bankruptcy or insolvency of the Organization or Insureds or of the Insured's estate shall not relieve the Company of any of its obligations hereunder.

4) SUBROGATION

The Company has the right to subrogation, but only after the Organization or Insureds has been made whole and is fully compensated for damages.

Page 3 of 3

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Wyoming Policyholder Notice

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

All other terms and conditions of this Policy remain unchanged.

WYOMING POLICYHOLDER NOTICE

This insurance contract has neither been filed with nor approved by the Insurance Commissioner of the state of Wyoming for use in this state. If you have any questions concerning coverage contract your agent or the Company to obtain an explanation.

Page 1

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Extended Reporting Period Endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTENDED REPORTING PERIOD ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part(s) 1 and 2,

Extended Reporting Period: From 9/30/2017 To 9/30/2020

In consideration of an additional premium of \$300, it is hereby agreed and understood that an Extended Reporting Period Endorsement is provided for the period shown above, subject to Part 8, Common Policy Conditions, I. LIMITS OF LIABILITY, VIII. EXTENSION PERIOD. The EXTENSION PERIOD does not reinstate or increase the available Limits of Liability, extend the policy period or change the scope of coverage provided under this policy.

The EXTENSION PERIOD will not take effect unless the additional premium for it is paid when due. If the premium is paid when due, the EXTENSION PERIOD may not be cancelled and need not return any part of the premium paid for the EXTENSION PERIOD for any reason whatsoever.

All other terms and conditions of this Policy remain the unchanged. This endorsement is part of your Policy and takes effect on the effective date of

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

your Policy, unless another effective date is shown below.

Policy #: PID0113835-00

Effective on and after: 9/30/2017

Issued to: Seattle Officials of Womens' Basketball

Expiration date: 9/30/2020

By: _____

REPRESENTATIVE

AUTHORIZED

SPECIMEN

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.

SPECIMEN