



For All the Commitments You Make®

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

PUBLIC OFFICIALS LIABILITY EMPLOYMENT PRACTICES LIABILITY AMENDATORY ENDORSEMENT

IMPORTANT NOTICE — PLEASE READ CAREFULLY

The Limits Of Liability And Deductible Contained In This Endorsement Include “Damages” And “Defense Expenses”. The Limits Of Liability Contained In The Endorsement And The Policy Shall Be Reduced By The Amounts Paid For Under This Endorsement. In The Event The Limits Of Liability Under The Endorsement Become Exhausted, No Further Coverage Is Provided By This Endorsement. In The Event The Limits Of Liability Under This Policy Become Exhausted, No Further Coverage Is Provided By This Policy. Please Discuss This With Your Agent.

In consideration of an additional premium of \$ _____ we agree as follows:

The provisions of this endorsement apply only as respects Employment Practices Liability Coverage afforded hereunder.

ENDORSEMENT SCHEDULE

Limits of Insurance

Each "Claim"	\$
Deductible - Each "Claim"	\$
Aggregate Sublimit	\$

SECTION I — COVERAGE

LIMITS OF INSURANCE AND DEDUCTIBLE (SECTION II); and

A. Insuring agreement

1. We will pay those sums the Insured becomes legally obligated to pay as “damages” because of “employment practices” to which this insurance applies. This includes “claims” brought against an Insured by another Insured arising out of “employment practices”. We will have the right and duty to defend the Insured against any “claim” seeking those “damages” and to pay for related “defense expenses”. However, we will have no duty to defend the Insured against any “claim” seeking “damages” for “employment practices” to which this insurance does not apply; or against any “claim” otherwise excluded under this policy. We may, at our discretion, investigate any “employment practice” and settle any “claim” that may result. But:

b. Our right and duty to defend “claims” end when we have used up the applicable limit of insurance in the payment of “damages” or “defense expenses”. This applies to both “claims” pending at that time and any “claims” made thereafter.

No other obligation or liability to pay sums or perform acts or services is covered.

2. Employment Practices Liability Coverage applies to “damages” only if:

a. Such “damages” are caused by an “employment practice” that takes place in the “coverage territory”;

b. The “employment practice” takes place on or after the Retroactive Date shown in the

Declarations and before the end of the policy period; and

- c. The "claim" for "damages" is first made against any Insured in accordance with paragraph 3. below, during the policy period, or any Extended Reporting Period we provide under **EXTENDED REPORTING PERIODS (Section V)**.
3. A "claim" will be deemed to have been made at the earlier of the following times:
 - a. When notice of such "claim" is received and recorded by any Insured or by us, whichever comes first; or
 - b. When notice of an incident or "wrongful act" is first received by us before any resulting "claim" is first made against any Insured; or
 - c. When we make settlement in accordance with paragraph 1. above.
 4. All "claims" arising out of an "employment practice" to the same person, including "damages" claimed by any person for care, loss of services or death resulting at any time, will be deemed to have been made at the time the first of such "claims" is made, regardless of the number of "claims" subsequently made.
 5. All "claims" for "damages" based on or arising out of:
 - a. One "employment practice"; or
 - b. An interrelated series of "employment practices":

by one or more Insureds shall be deemed to be one "claim" and to have been made at the time the first of those "claims" is made against any Insured(s).

B. Exclusions

1. This insurance does not apply to any "claims" arising directly or indirectly from any:
 - a. (1) "Employment practice" which was the subject of any demand, suit or other proceeding which was initiated against any Insured; or
 - (2) Facts and circumstances which would cause a reasonable person to believe a "claim" would be made and which were known to any Insured.

prior to the effective date of the earlier of (i) the first coverage part of this type that we issued to you, of which this amendatory endorsement is an uninterrupted renewal, or (ii) this amendatory endorsement.

- b. Breach of any express contract of employment or any express obligation to make payments in the event of termination of employment.
 - c. Obligation to pay "damages" by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for "damages" that the Insured would have in the absence of the contract or agreement.
 - d. Obligations under any of the following laws:
 - (1) Workers' compensation, disability benefits or unemployment compensation law, social security, or any similar federal, state or local law, any amendments to such law, or any rules or regulations promulgated under such law;
 - (2) Employees' Retirement Income Security Act of 1974, Public Law 93-406, (E.R.I.S.A.), or any similar federal, state or local law, any amendments to such law, or any rules or regulations promulgated under such law. This exclusion includes fiduciary liability, liability arising out of the administration of any "employee" benefit plan, and any other liability under any such laws; or
 - (3) The Fair Labor Standard Acts, the National Labor Relations Act of 1938, the Labor-Management Relations Act of 1947, the Worker Adjustment and Retraining Notification Act (Public Law 100-37991988), the Consolidated Omnibus Budget Reconciliation Act of 1985, also applies to any similar federal, state or local law, any amendments to such law, or any rules or regulations promulgated under such law.
2. This insurance also does not apply to any "claims" for that of "damages" awarded for the cost or replacement of any insurance benefits due or alleged due to any current or former "employee" or "leased worker".
 - a. Dishonest, criminal or fraudulent acts of the Insured or the willful failure by the Insured or with the Insured's consent to comply with any

law or any governmental or administrative order or regulations relating to "employment practices". Willful means acting with intentional or reckless disregard for such employment related laws, orders, or regulations. The enforcement of this exclusion against any Insured under this endorsement shall not be imputed to any other Insured.

- b. Lockout, strike, picket line, related worker replacement(s) or other similar actions resulting from labor disputes or labor negotiations, as well as any "claims" or grievances made pursuant to the terms of a collective bargaining agreement or the arbitration of any such "claims" or grievances.
- c. Retaliation against an "employee", "leased worker" or "temporary worker":
 - (1) For declining to perform an act that would violate public policy as reflected in legislation, administrative rules, regulations or decisions, judicial decisions, and professional codes of ethics; or
 - (2) For filing a "claim", giving testimony or otherwise exercising the "employee's", "leased worker's", or "temporary worker's" constitutional rights.
- d. Any costs of complying with the physical modifications to your premises or any changes to your usual business operations as mandated by the Americans with Disabilities Act of 1990; any similar federal, state or local law; any amendments to such laws, or any regulations promulgated under any such law.
- e. Oral or written publication of material, if such material:
 - (1) Was published by or at the direction of any Insured with knowledge of the material's falsity; or
 - (2) Was first published before the Retroactive Date.
- f. "Employment practices" which occur when or after:
 - (1) You file for or are placed in any bankruptcy, receivership, liquidation or reorganization proceeding; or
 - (2) Any other business entity acquires an

ownership interest in you which is greater than fifty percent.

- g. Reorganization operations, down-sizing operations, closure of one or more plants or business operations resulting in the termination, within any sixty (60) day period:
 - (1) of a total of twenty (20%) or more "employees" and "leased workers", or
 - (2) a total of five (5) or more "employees" and "leased workers" whichever is greater.

SECTION II — LIMITS OF INSURANCE AND DEDUCTIBLE

- 1. The Limits of Insurance shown in the endorsement schedule for Each "Claim" is the most we will pay for the sum of:
 - a. All "damages" arising out of the same "wrongful act" to which this insurance applies; or
 - b. All "damages" arising out of one "claim", whether such "claim" is brought by one or more claimants; and
 - c. All "defense expenses" associated with the "wrongful act" or "claim".
- 2. a. The Limits of Insurance shown in the endorsement schedule for Each "Claim" applies in excess of the deductible shown in the endorsement schedule.
 - b. We may, at our discretion, pay all or part of any deductible shown in the endorsement schedule. Upon notice of such payment you shall promptly reimburse us for the amount we paid.
 - c. "Claims" based on or arising out of the same "wrongful act" or the related "wrongful acts" of one or more Insureds will be considered a single "claim".
- 3. The Aggregate Sublimit shown in the endorsement schedule is the most we will pay for the sum of all "claims" brought under this coverage extension. The Aggregate Sublimit shown in the endorsement schedule is included within the Aggregate Limit shown in the policy Declarations for all damages to which this insurance applies.

The deductible, as referred to in this endorsement, will apply to the sum of "damages" and "defense expenses".

SECTION III — SPECIAL CONDITIONS

The following conditions, in addition to those conditions set forth in the policy, are applicable to this amendatory endorsement. To the extent there is any inconsistency between the conditions in the policy and the conditions of this amendatory endorsement, the conditions set forth below control, but only with respect to the coverage provided under this amendatory endorsement and for no other purposes whatsoever.

1. Administrative Hearings Settlement Authority

Upon prior notice to us and our approval, the first Named Insured is authorized to act on behalf of all Insureds with respect to the payment of "damages" in settlement of any Administrative Hearing or other non-judicial proceeding before the Federal Equal Employment Opportunity Commission, or any similar federal, state or local body or commission. This authorization is limited to:

- a. "Damages" covered by this endorsement arising out of "employment practices";
- b. "Defense expenses" incurred in conjunction with the administrative or other non-judicial proceeding; and
- c. Amounts not in excess of two times the amount of the deductible stated in the Declarations.

SECTION IV — SPECIAL DEFINITIONS

The following definitions, in addition to those definitions set forth in the policy, are applicable to this amendatory endorsement. To the extent there is any inconsistency between the definitions in the policy and the definitions of this amendatory endorsement, the definitions set forth below control, but only with respect to the coverage provided under this amendatory endorsement and for no other purposes whatsoever.

- 1. "Claim" means a "suit" or a written demand for "damages" arising out of a "wrongful act" to which this insurance applies.
 - a. "Claim" also means a written notice presented by:
 - (1) Any current or former "employee", "leased worker", or "temporary worker", or applicant for employment by you; or
 - a. Civil, criminal, administrative or other fines or penalties
 - b. Any portion of a judgment or award that represents a multiple of the compensatory amounts, liquidated damages or punitive or exemplary damages;
 - c. Equitable relief, injunctive relief, declarative

- (2) The Equal Employment Opportunity Commission or any other federal, state or local administrative or regulatory agency on behalf of such person in item a. immediately preceding.

- b. "Claim" includes any civil proceeding in which either "damages" are alleged or fact finding will take place as a result of any "employment practices" to which this insurance applies. This includes:

- (1) An arbitration proceeding in which either "damages" are claimed and to which the Insured submits with our consent;
- (2) Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the Insured submits with our consent; or
- (3) Any administrative proceedings established under applicable federal, state, or local laws as may be applicable to "employment practices" covered under this insurance.

- c. "Claim" also means an incident which might result in a "claim". You must report such an incident to us as soon as you become aware of it. The report of such incident should include:

- (1) the date, time and place of the incident;
- (2) all available information about the circumstances concerning the incident;
- (3) the names and addresses of any witnesses and persons seeking damages.
- (4) what "claim" you think may result.

- 2. "Damages" means compensatory monetary amounts the Insured is legally obligated to pay as judgments, awards, and settlements to which we have agreed in writing. "Damages" do not include:

relief or any other relief or recovery other than monetary amounts; or

- d. Judgments or awards because of acts deemed uninsurable by law.

- 3. "Employee" means a person (i) employed by you for wages or salary, or (ii) who is a current or former member of your board of directors. But "employee" does not include any independent

contractor, any "employees" of any independent contractor while acting within the scope of their employment, any leased worker" or any "temporary worker ".

4. "Leased Worker" means a person leased by you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your

business. "Leased worker" does not include a "temporary worker".

5. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.