ENDORSEMENT #1

This endorsement, issued by **United States Liability Insurance Company**
to **Ohio Rivers Trail** forms a part of
Policy Number **NDO1552656** effective on **03/01/2012** at 12:01 A.M.

Named Insured/Address Change Endorsement

It is hereby agreed and understood that the named insured and/or address of the named insured is amended to read as follows:

Ohio River Trail Council
1100 Pennsylvania Avenue
Monaca, PA 15061

All other terms and conditions of this Policy remain unchanged.

NEW
Renewal of Number

POLICY DECLARATIONS

No. NDO1552656

United States Liability Insurance Company

1190 Devon Park Drive, Wayne, Pennsylvania 19087
A Member Company of United States Liability Insurance Group

NAMED INSURED AND ADDRESS:
Ohio Rivers Trail
1100 Pennsylvania Avenue
Monaca, PA 15061

POLICY PERIOD: (MO. DAY YR.) From: 03/01/2012 To: 03/01/2013

12:01 A.M. STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

BUSINESS DESCRIPTION: Non-Profit Directors and Officers

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.

	PREMIUM
Professional Liability Coverage Part	$744.00
TOTAL:	**$744.00**

Coverage Form(s) and Endorsement(s) made a part of this policy at time of issue

See Endorsement EOD (1/95)

Agent: **W.N. TUSCANO AGENCY, INC. (GREENSBURG, PA) (1212)**
P.O. Box 1027
Greensburg, PA 15601-1615

Issued: **2/17/2012**

Broker: Bechtel/Kopac Insurance Agency, Inc.
1036 Pennsylvania Avenue
Monaca, PA 15061

By: _____
Authorized Representative

UPD (08-07) THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

EXTENSION OF DECLARATIONS

Policy No. NDO1552656 Effective Date: **03/01/2012**

12:01 AM STANDARD TIME

FORMS AND ENDORSEMENTS

The following forms apply to the Professional Liability coverage part

Endt#	*Revised*	*Description of Endorsements*
DO-100	04/07	Coverage Part A. Non Profit Directors and Officers Liability
DO-207	01/94	Failure to Maintain Insurance Exclusion Endorsement
DO-291	01/11	Excess Benefit Transaction Excise Tax Endorsement
DO-PA	02/01	Pennsylvania State Amendatory Endorsement
NPPLA	06/09	Non Profit Professional Liability Application - All States
DO Jacket	09/10	Non Profit Professional Liability Policy
DO-283	05/11	Data & Security Endorsement
USL-DOJ	03/08	Non Profit Professional Liability Common Conditions

PROFESSIONAL LIABILITY COVERAGE PART DECLARATIONS

PLEASE READ YOUR POLICY CAREFULLY.

THIS IS A CLAIMS MADE POLICY COVERAGE FORM AND UNLESS OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS FORM IS LIMITED TO LIABILITY FOR CLAIMS FIRST MADE DURING THE POLICY PERIOD, OR THE EXTENSION PERIOD, IF APPLICABLE. DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION.

No. NDO1552656

Effective Date: **03/01/2012**
12:01 AM STANDARD TIME

ITEM I. PARENT ORGANIZATION AND PRINCIPAL ADDRESS

Ohio Rivers Trail
1100 Pennsylvania Avenue
Monaca, PA 15061

ITEM II. POLICY PERIOD: (MO. DAY YR.) From: 03/01/2012 To: 03/01/2013

Coverage Part A: Non Profit Directors and Officers Liability

ITEM III. LIMITS OF LIABILITY

a. Non Profit Directors & Officers	$1,000,000	EACH CLAIM
b. Non Profit Directors & Officers	$1,000,000	IN THE AGGREGATE

ITEM IV. RETENTION:	$0	EACH CLAIM
ITEM V. PREMIUM:	$744	

Coverage Part B: Employment Practices Liability

ITEM III. LIMITS OF LIABILITY

a. Employment Practices	NOT COVERED
b. Employment Practices	

ITEM IV. RETENTION:	NOT COVERED
ITEM V. PREMIUM:	NOT COVERED

ITEM VI. Coverage Form(s)/Part(s) and Endorsement(s) made a part of this policy at time of issue:
See Endorsement EOD (01/95)

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

Non Profit Professional Liability Application - All States

APPLICANT MAY QUALIFY FOR AN INSTANT QUOTE BY COMPLETING SECTION I. BELOW. SECTION II ANSWERS WILL BE REQUIRED PRIOR TO BINDING AND ARE SUBJECT TO UNDERWRITING APPROVAL.

This is an application for a claims made policy - Please read your policy carefully. Application for Non Profit Directors & Officers Liability Insurance (Coverage Part A) and Employment Practices Liability Insurance (Optional Coverage Part B) and Fiduciary Liability Insurance (Optional)

I. INSTANT QUOTE INFORMATION

Instant Quote is not available for accounts with losses in the past 5 years. If there is a loss history, please complete Section I, and submit details in a claim supplement

Applicant's Name: Ohio Rivers Trail

Location Address: 1100 Pennsylvania Avenue ☐ Same as mailing address or complete section III.

City: Monaca State: PA Zip: 15061

Web Address: NONE Email Address of primary contact: NONE

Description of Operations:

Recreational trails

Total Annual Revenue: $50,000 (If > $2 million attach the most recent 12-month financial statement)

If less than 3 years in operation, annual revenue: this year $50,000 next year: _____ third year: _____

Total Fund Balance (Total Assets minus Total Liabilities): _____

Full Time Employees: 0 Part Time: 0 Temporary/Seasonal: 0 Volunteers: 0

Does the organization perform any operations located outside the U.S.? NO In Existence Since: _____

II. UNDERWRITING INFORMATION

1. Does the organization have an anti-harassment and anti-discrimination policy? ☒ Yes ☐ No
2. Does the organization have tax exempt status by the I.R.S.? ☒ Yes ☐ No
3. Does the organization have General Liability Insurance? ☐ Yes ☒ No
4. Expiring Information: Carrier _____ Limits _____ Retention _____ Premium _____

(Attach a statement of details for all "yes" answers to the following questions)

5. Is any entity proposed for insurance involved in any of the following:
   a) Research, development or testing? ☐ Yes ☒ No
   b) Certification, accreditation or standard-setting? ☐ Yes ☒ No
   c) Disciplinary actions as a result of peer review activities? ☐ Yes ☒ No
   d) Administration or sponsorship of any insurance programs? ☐ Yes ☒ No
   e) Labor/union negotiations or collective bargaining? ☐ Yes ☒ No
6. Does the applicant have any chapters or subsidiaries requiring coverage? ☐ Yes ☒ No
7. Has any entity proposed for insurance closed, downsized, laid off, reduced staff, sold, merged with or acquired any company in the past 12 months or anticipates doing so in the next 12 months? ☐ Yes ☒ No

8. a) Within the last 5 years, has any inquiry, complaint, notice of hearing, claim or suit been made against any entity proposed for Insurance, or any person proposed for Insurance in the capacity of Director, Officer, Trustee, Employee or Volunteer of any entity proposed for Insurance? ☐Yes ☒No

b) Is any person(s) proposed for this insurance aware of any fact, circumstance or situation which may result in claim against any entity proposed for Insurance or any of its Directors, Officers, Trustees, Employees or Volunteers? ☐Yes ☒No

9. Has any Policy for Directors and Officers or Employment Practices Liability ever been cancelled or non-renewed? (Do not answer if applicant is located in Missouri) ☐Yes ☒No

III. FIDUCIARY (Available for 100 employees or less)

(All questions must be answered in order for Fiduciary Liability coverage to be bound.)

1. Does each Pension Plan use an outside Investment Manager? ☐Yes ☐No
2. Does each Plan subject to ERISA comply with all applicable requirements of ERISA and the Internal Revenue Code of 1982, as amended (the "Code") including: eligibility, participation, vesting, fiduciary responsibility and funding standards? ☐Yes ☐No
3. In the past 2 years has there been or is there now under consideration any material changes to a Plan or termination/consolidation of a Plan? ☐Yes ☐No
4. Has there been or is there now pending any claim(s) against any proposed Insured arising out of any Plan? ☐Yes ☐No
5. Does any proposed Insured have knowledge or information of any act, error or omission which might give rise to a claim under the proposed Fiduciary Liability Coverage? ☐Yes ☐No

IV. ADDITIONAL APPLICANT INFORMATION

Applicant's Mailing Address: 1100 PENNSYLVANIA AVE

City: MONACA State: PA Zip: 15061

Pennsylvania Fraud Statement: Any person who knowingly and with intent to defraud any insurance company or other person files an application fo insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Fraud Statement (All Other States): Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Retail Agency Name: BECHTEL / KOPAC INSURANCE License #:

Main Agency Phone Number: 724-775-1784

Agency Mailing Address: 1036 PENNSYLVANIA AVE

City: MONACA State: PA Zip: 15061

The signer of this application acknowledges and understands that the information provided in this Application is material to the insure decision to provide the requested insurance and is relied on by the Insurer in providing such insurance. The signer of this application represents that the information provided in this Application is true and correct in all matters. The signer of this Application further represents that any changes in matters inquired about in this Application occurring prior to the effective date of coverage, which rend the information provided herein untrue, incorrect or inaccurate in any way will be reported to the Insurer immediately in writing. The Insurer reserves the right to modify or withdraw any quote or binder issued if such changes are material to the insurability or premium charged, based on the Insurer's underwriting guides. The Insurer is hereby authorized, but not required, to make any investigation an inquiry in connection with the information, statements and disclosures provided in this Application. The decision of the Insurer not to make or to limit any investigation or inquiry shall not be deemed a waiver of any rights by the Insurer and shall not estop the Insurer from relying on any statement in this Application in the event the Policy is issued. It is agreed that this Application shall be the basis o the contract should a policy be issued and it will be attached and become a part of the Policy.

Applicant's Signature: [signature] Title: CEO Date: 2/15/12

COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY

NOTICE: This is a Claims Made Policy. This Policy only covers those **Claims** first made against the **Insured** during the **Policy Period** or Extended Reporting Period, if purchased. **Defense Costs** shall be applied against the RETENTION.

In consideration of the payment of the premium and reliance upon all statements made and information furnished to the **Company**, including the statements made in the **Application** and all attachments and materials submitted therewith, and subject to all the provisions of this Policy, the **Company** agrees as follows:

I. INSURING AGREEMENT

A. The **Company** will pay on behalf of the **Insured Loss** in excess of the RETENTION, not exceeding the Limit of Liability for which this Coverage Part applies, that the **Insured** shall become legally obligated to pay because of **Claims** first made against the **Insured** during the **Policy Period** or during the Extended Reporting Period, if applicable, for **Wrongful Acts** arising solely out of an **Insured's** duties on behalf of the **Organization**.

B. The **Company** has the right and duty to defend any **Claim** to which this insurance applies, even if the allegations of the **Claim** are groundless, false, or fraudulent.

II. FULL PRIOR ACTS COVERAGE PROVISION

Coverage shall apply to any **Claim** made against the **Insured** for **Wrongful Acts** arising solely out of the **Insured's** duties on behalf of the **Organization** committed prior to the expiration date of this Policy, or the effective date of cancellation or non-renewal of this Policy, provided that the **Claim** is first made during the **Policy Period**, or the Extended Reporting Period if applicable, and written notice of said **Claim** is reported to the **Company** as soon as practicable. There shall be no coverage for any **Claim** reported to the **Company** later than sixty (60) days after the end of the **Policy Period** or after the expiration of the Extended Reporting Period, if applicable.

However, coverage shall not apply to any **Claim** based upon or arising out of any **Wrongful Act** or circumstance likely to give rise to a **Claim** of which the person or persons signing the **Application** had knowledge, or otherwise had a reasonable basis to anticipate might result in a **Claim**, prior to the earlier of:

A. The inception date of this Policy; or

B. The inception date of the first Policy of this type the **Company** has issued to the **Parent Organization**, provided that the **Company** has written continuous coverage for the **Parent Organization** from such date to the inception date of this Policy.

III. DEFINITIONS

A. "**Application**" means:

(1) An application and any material submitted for this Policy and

(2) An application(s), including any material submitted, for all previous Policies issued by the **Company** providing continuous coverage until the inception date of this Policy.

The content of (1) and (2) above is incorporated by reference in this Policy as if physically attached hereto.

B. "**Claim**" means:

(1) Any written demand seeking money damages; or

(2) Any proceeding initiated against the **Insured**, including any appeal there from, before any governmental body legally authorized to render an enforceable judgment or order for money damages or other relief against such **Insured** alleging that the **Insured** has committed, or is responsible for, a **Wrongful Act.**

A **Claim** shall be considered first made when the **Insured** or its legal representative or agent first receives notice of the **Claim**.

C. "**Company**" means the insurer identified in the Policy Declarations.

D. "**Defense Costs**" means reasonable and necessary legal fees and expenses incurred by the **Company**, or by any attorney designated by the **Company** to defend the **Insureds**, resulting from the investigation, adjustment, defense and appeal of a **Claim. Defense Costs** includes other fees, costs, costs of attachment or similar bonds (without any obligation on the part of the **Company** to apply for or furnish such bonds), but does not include salaries, wages, overhead or benefits expenses of the **Insured**.

E. "**Domestic Partner**" means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law.

F. "**Employee**" means any natural person whose labor or service is engaged by and directed by the **Organization** while performing duties related to the conduct of the **Organization's** business and includes leased, part-time, seasonal and temporary workers, independent contractors, volunteers and interns. An **Employee's** status as an **Insured** will be determined as of the date of the **Wrongful Act** that results in a **Claim**.

G. "**Individual Insureds**" means any persons who were, now are, or shall be directors, trustees, officers, **Employees,** or committee members of the **Organization**, including their estates, heirs, legal representatives or assigns in the event of their death, incapacity or bankruptcy.

H. "**Insured**(s)" means the **Organization** and the **Individual Insureds**.

I. "**Loss**" means damages, settlements, pre-judgment and post judgment interest awarded by a court and punitive or exemplary damages to the extent such damages are

insurable under applicable law, but does not include fines, penalties, taxes, the multiplied portion of any multiple damage award, and other monetary sanctions that are uninsurable by operation of law.

For the purpose of determining the insurability of punitive damages and exemplary damages, the laws of the jurisdiction most favorable to the insurability of such damages shall control, provided that such jurisdiction has a substantial relationship to the relevant **Insured** or to the **Claim** giving rise to the damages.

J. "**Organization**" means:
(1) The **Parent Organization**;
(2) Any **Subsidiary** of the **Parent Organization**; or
(3) Any entity in its capacity as a debtor in possession of (1) or (2) above under the United States bankruptcy law or equivalent status under the law of any other jurisdiction.

K. "**Outside Entity**" means any not-for-profit organization that qualifies as such under Section 501(c) of the Internal Revenue Code of 1986 (as amended).

L. "**Parent Organization**" means the entity named in ITEM I. of the Policy Declarations.

M. "**Personal Injury Act**" means any actual or alleged malicious prosecution, invasion of privacy, wrongful entry or eviction, libel, slander or defamation.

N. "**Policy Period**" means the period from the effective date of this Policy set forth in ITEM II. of the Policy Declarations, to the expiration date or the effective date of cancellation or non-renewal date, if any.

O. "**Subsidiary**" means any nonprofit entity which is more than 50% owned or controlled by the **Parent Organization** as of the effective date of this Policy and is disclosed as a subsidiary in an **Application** to the **Company**.

A non profit entity formed or acquired after the effective date of this Policy is a **Subsidiary** if:
(1) its assets total less than 25% of the total consolidated assets of the **Parent Organization** at the time of formation or acquisition; and
(2) the formation or acquisition with full particulars about the new **Subsidiary** has been disclosed to the **Company** by the **Parent Organization** as soon as practicable but no later than the expiration date of the Policy, or effective date of cancellation or non-renewal of this Policy.

Any non profit entity formed or acquired after the effective date of this Policy whose assets total more than 25% of the total consolidated assets of the **Parent Organization** or any for profit entity formed or acquired after the effective date of this Policy is a **Subsidiary** only if:

(1) the **Parent Organization** provides written notice to the **Company** of such **Subsidiary** as soon as practicable, but not later than sixty (60) days of the formation or acquisition of the **Subsidiary**; and
(2) the **Parent Organization** provides the **Company** with such information as the **Company** may deem necessary to determine insurability of the **Subsidiary**; and
(3) the **Parent Organization** accepts any special terms, conditions, exclusions, limitations or premium imposed by the **Company**; and
(4) the **Company**, at its sole discretion, agrees to insure the **Subsidiary**.

A **Subsidiary** which is sold or dissolved:
(1) after the effective date of this Policy and which was an **Insured** under this Policy; or
(2) prior to the effective date of this Policy and which was an **Insured** under a prior Policy issued by the **Company**;

shall continue to be an **Insured**, but only with respect to **Claims** first made during this **Policy Period** or Extended Reporting Period, if applicable, arising out of **Wrongful Acts** committed or allegedly committed during the time the entity was a **Subsidiary** of the **Parent Organization.**

P. **"Wrongful Act"** means any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duties, or **Personal Injury Act** committed or allegedly committed;
(1) by the **Organization**; or
(2) by the **Individual Insureds** arising solely from duties conducted on behalf of the **Organization** or asserted against an **Individual Insured** because of (1) above.

It is further agreed that the same **Wrongful Act**, an interrelated series of **Wrongful Acts** or a series of similar or related **Wrongful Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Act** and to have commenced at the time of the earliest **Wrongful Act**.

IV. EXCLUSIONS
The **Company** shall not be liable to make payment for **Loss** or **Defense Costs** in connection with any **Claim** made against the **Insured** arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

A. Any actual or alleged bodily injury, sickness, humiliation, mental anguish, emotional distress, assault, battery, disease or death of any person, or damage to or destruction of any tangible property including any resulting loss of use. This exclusion shall not apply to **Claim** for humiliation, mental anguish or emotional distress resulting from any **Claim** from a **Personal Injury Act**;

B. Any dishonest, fraudulent or criminal **Wrongful Act** by the **Insured**, however, this exclusion shall not apply unless and until a final adjudication or judgment is rendered against the **Insured** as to this conduct;

C. Any of the **Insureds** gaining any profit, remuneration or advantage to which the **Insured** was not legally entitled provided, however, this exclusion shall not apply unless and until a final adjudication or judgment is rendered against the **Insured** as to this conduct;

D. The actual, alleged or threatened discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, noise, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water, whether or not such actual, alleged or threatened discharge, dispersal, release or escape is sudden, accidental or gradual in nature, or any cost or expense arising out of any request, demand, or order that the **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;

E. Any radioactive, toxic or explosive properties of nuclear material which includes, but is not limited to, source material, "special nuclear material", and "by product material" as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto and any similar provisions by any federal, state or local statutory or common law;

F. Any pension, profit sharing, welfare benefit or other employee benefit program established in whole or in part for the benefit of any **Individual Insured**, or based upon, arising out of or in any way involving the Employee Retirement Income Security Act of 1974 (or any amendments thereof or regulations promulgated there under) or similar provisions of any federal, state or local statutory law or common law;

G. Any **Claim** by, at the behest of, or on behalf of the **Organization** and/or any **Individual Insured**; provided that this Exclusion shall not apply to:
(1) any derivative action on behalf of, or in the name or right of the **Organization**, if such action is brought and maintained totally independent of, and without the solicitation, assistance, participation or intervention of, any of the **Insureds**; or
(2) a **Claim** that is brought and maintained by or on behalf of any **Individual Insured** for contribution or indemnity which is part of or results directly from a **Claim** which is otherwise covered by the terms of this Policy;

H. Any actual or alleged: refusal to employ; termination of employment; employment related coercion, demotion, evaluation, reassignment, discipline, workplace conditions, false imprisonment, defamation, harassment, humiliation, or discrimination of employment; other employment-related practices, policies, acts or omissions; or sexual harassment by the **Insured** against any person(s) or entity; or negligence involving any of the foregoing;

it being understood that this Exclusion applies whether the **Insured** may be held liable as an employer or in any other capacity and to any obligation to contribute with or indemnify another with respect to such **Claim**;

I. Any **Claims** made against the **Insured** based upon, arising out of, or in any way involving any actual or alleged discrimination, including but not limited to discrimination based on religion, race, creed, color, sex, age, marital status, sexual preference, pregnancy, handicap or disability;

J. For actual or alleged liability of the **Insured** under any express contract or agreement; provided, however, this exclusion shall not apply to any **Claim** against an **Individual Insured**;

K. Any pending or prior litigation, administrative or regulatory proceeding, claim, demand, arbitration, decree, or judgment of which the **Insured** had written notice before the effective date of this Policy; or any fact, circumstance, event, situation, or **Wrongful Act** which before the effective date of this Policy was the subject of any notice to an **Insured** under any other similar policy of insurance to the **Insured;** or any future **Claims** or litigation based upon the pending or prior litigation or derived from the same or essentially the same facts, actual or alleged;

provided that, if this Policy is a renewal of a Policy or Policies previously issued by the **Company** and if the coverage provided by the **Company** was continuous from the effective date of the first such other Policy to the effective date of this Policy, the effective date of this Policy will mean the effective date of the first Policy under which the **Company** first provided continuous coverage to an **Insured**;

L. The rendering or failure to render medical, psychological or counseling services or referrals;

M. Any **Claim** against any **Subsidiary** or its **Individual Insureds** for any **Wrongful Act** occurring prior to the date that such entity became a **Subsidiary** or any **Wrongful Act** occurring at any time that such entity is not a **Subsidiary**;

N. The portion of any **Claim** covered under any other Coverage Part of this Policy;

No **Wrongful Act** of any **Individual Insured** nor any fact pertaining to any **Insured** shall be imputed to any other **Individual Insured** for purposes of determining the applicability of exclusions B. and C.

V. LIMITS OF LIABILITY AND RETENTION

Regardless of the number of **Insureds** under this Policy, **Claims** made or brought on account of **Wrongful Acts** or otherwise, the **Company's** liability is limited as follows:

A. The LIMIT OF LIABILITY specified in the Policy Declarations as IN THE AGGREGATE shall be the maximum liability for **Loss** from all **Claims** to which this Coverage Part applies;

B. The LIMIT OF LIABILITY specified in the Policy Declarations as the Limit for EACH **CLAIM** shall be the maximum liability for **Loss** for each **Claim** to which this Coverage Part applies;

C. **Defense Costs** shall be in addition to the LIMIT OF LIABILITY as shown in the Policy Declarations, except for when Item G. below applies;

D. Subject to the Limits of Liability provisions stated above, the **Company** shall be liable to pay only **Defense Costs** and **Loss** in excess of the RETENTION specified in the Policy Declarations hereof as respects each and every **Claim** to which the Coverage Part applies.

E. The **Company** shall have no obligation to pay any part or all of the RETENTION specified in the Policy Declarations for any **Claim** on behalf of an **Insured**. If the **Company**, at its sole discretion, elects to pay any part or all of the RETENTION, the **Insureds** agree to repay such amounts to the **Company** upon demand;

F. The RETENTION shall not apply to **Loss** paid to or on behalf of an **Individual Insured** when the **Organization** has not indemnified an **Individual Insured** for such **Loss** subject to the terms and conditions of Section VII. INDEMNIFICATION/ WAIVER OF RETENTION;

G. The LIMIT OF LIABILITY for the Extended Reporting Period, if applicable, shall be a part of and not in addition to the LIMIT OF LIABILITY specified in the Declarations;

H. **Claims** based upon or arising out of the same **Wrongful Act**, interrelated **Wrongful Acts**, or a series of similar or related **Wrongful Acts** shall be considered a single **Claim** and shall be considered first made during the **Policy Period** or Extended Reporting Period, if applicable, in which the earliest **Claim** arising out of such **Wrongful Act**(s) was first made and all **Loss** for such **Claims** shall be subject to the one Limit of Liability that applies to such earliest **Claim**;

I. The LIMIT OF LIABILITY for this Coverage Part shall apply separately to each consecutive annual period starting with the beginning of the **Policy Period** shown in the Declarations. If this Policy is issued for a period of more than twelve (12) months but less than twenty four (24) months or if the **Policy Period** is extended after issuance, the Extended Reporting Period will be deemed part of the last preceding annual period for the purposes of determining the LIMIT OF LIABILITY.

VI. LIFETIME OCCURRENCE REPORTING PROVISION

If the **Parent Organization** shall cancel or non-renew this Policy for a reason other than being sold, acquired or bankrupt, each **Individual Insured** who was not actively serving on behalf of the **Organization** at the time of the cancellation or non-renewal, shall be provided an unlimited extension of time to report any **Claim**(s) first made against the **Individual Insured** after the effective date of such cancellation or non-renewal.

However, this extension of time to report **Claim**(s) shall only be afforded in the event that the **Wrongful Act** was committed before the date of cancellation or non-renewal, and no Directors and Officers Liability policy, or policy providing essentially the same type of coverage, or extended reporting period, is in effect at the time the **Claim** is made.

VII. INDEMNIFICATION / WAIVER OF RETENTION

Regardless of whether **Loss** and **Defense Costs** resulting from any **Claim** against an **Individual Insured** is actually indemnified by the **Organization**, the RETENTION set forth in the Policy Declarations shall apply to any **Loss** and **Defense Costs** if indemnification of the **Individual Insured** by the **Organization** is legally permissible. The certificate of incorporation, charter, articles of association or other organizational documents of the **Organization**, including by-laws and resolutions, will be deemed to have been adopted or amended to provide indemnification to the **Individual Insured** to the fullest extent permitted by law.

However, if an **Individual Insured** is not indemnified for **Loss and Defense Costs** solely by reason of the **Organization's** financial insolvency or because indemnification is not legally permissible, an **Individual Insured's** RETENTION as stated on the Declarations for Coverage Part A. Non Profit Directors and Officers Liability, shall be amended to $0. This change in Retention shall not affect any other terms or conditions of this Policy.

VIII. SPOUSAL AND DOMESTIC PARTNER EXTENSION

If a **Claim** against an **Individual Insured** includes a **Claim** against the lawful spouse or **Domestic Partner** of such **Individual Insured** solely by reason of (a) such spousal or **Domestic Partner** status; or (b) such spouse's or **Domestic Partner's** ownership interest in property or assets that are sought as recovery for **Wrongful Acts**; any **Loss** which such spouse or **Domestic Partner** becomes legally obligated to pay on account of such **Claim** shall be deemed **Loss** which the **Individual Insured** becomes legally obligated to pay as a result of the **Claim.**

All definitions, exclusions, terms and conditions of this Policy, including the RETENTION, applicable to any **Claim** against or **Loss** sustained by such **Individual Insured** shall also apply to this coverage extension.

The extension of coverage afforded by this Section VIII. shall not apply to the extent the **Claim** alleges any **Wrongful Act**, error, omission, misstatement, misleading statement or neglect or breach of duties by such spouse or **Domestic Partner.**

IX. EXTENSION FOR OUTSIDE DIRECTORSHIP ACTIVITIES

Subject to the terms, conditions, exclusions and limitations of this Policy, coverage shall be extended under this Policy for any **Claim** against any director, officer or trustee of the

Organization while acting in the capacity of a director, officer or trustee of any **Outside Entity**, and performing duties related to the conduct of the **Outside Entity's** business, but only if such service is at the written request of the **Organization**. Coverage under this Policy does not extend to any **Outside Entity** or to any other director, officer, trustee, **Employee**, temporary worker, volunteer or intern of such **Outside Entity**. Any extension of coverage to any director, officer or trustee of the **Organization** as provided in this section shall be considered excess of any other indemnity or insurance available to or the director, officer or trustee under a Policy issued to the **Outside Entity** in question. Any payment for **Loss** under this extension shall reduce the LIMIT OF LIABILITY for this coverage part as set forth in the Declaration Page.

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

This Endorsement modifies insurance provided under the following:

NON PROFIT DIRECTORS & OFFICERS LIABILITY
EMPLOYMENT PRACTICES LIABILITY

FAILURE TO MAINTAIN INSURANCE EXCLUSION ENDORSEMENT

It is hereby agreed that the Company shall not be liable to make any payment for **Loss** or **Defense Costs** in connection with any **Claim** made against any **Insured** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any involving the failure to effect or maintain insurance.

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

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

This endorsement modifies insurance provided under the following:

NON PROFIT DIRECTORS & OFFICERS LIABILITY

EXCESS BENEFIT TRANSACTION EXCISE TAX ENDORSEMENT

For purposes of this endorsement only, it is agreed:

COVERAGE PART A., III. DEFINITIONS, 1. "**Loss**" is amended to include the following:

"Loss" means a ten percent (10%) **Excess Benefit Transaction Excise Tax** assessed by the Internal Revenue Service against any **Individual Insured(s)** who participated as an **Organization Manager** in connection with an **Excess Benefit Transaction**.

"Loss" does not mean:

1. A twenty five percent (25%) **Excess Benefit Transaction Excise Tax** assessed by the Internal Revenue Service against an **Individual Insured** as a **Disqualified Person** in connection with an **Excess Benefit Transaction**; or
2. A two hundred percent (200%) **Excess Benefit Transaction Excise Tax** assessed by the Internal Revenue Service against an **Individual Insured** as a **Disqualified Person** for failing to correct an **Excess Benefit** arising out of or resulting from an **Excess Benefit Transaction.**

COVERAGE PART A., III. DEFINITIONS is amended by the addition of the following:

"**Excess Benefit Transaction"** means a transaction as defined in Internal Revenue Code, Title 26 §4958 (c)(1).

"Excess Benefit" means the excess resulting from an **Excess Benefit Transaction** as defined above.

"**Excess Benefits Transaction Excise Tax"** is any excise tax imposed by the Internal Revenue Service on an **Individual Insured** who is an **Organization Manager** as a result of that **Individual Insured**'s participation in an Excess Benefit Transaction as defined in the Internal Revenue Code, Title 26 §4958 (c)(1).

"Organization Manager" means a person or persons described in Internal Revenue Code, Title 26 §4958(f)(2).

"**Disqualified Person"** means a person or persons described in Internal Revenue Code, Title 26 §4958(f)(1)(A).

COVERAGE PART A., V. LIMITS OF LIABILITY AND RETENTION is amended by the addition of the following:

The maximum Limit of Liability for **Excess Benefit Transaction Excise Tax Claims** covered by the endorsement shall be part of and not in addition to the LIMIT OF LIABILITY

specified in the Declarations as IN THE AGGREGATE and shall not exceed the lesser of such limit or $20,000. **Defense Costs** as provided above shall be part of and not in addition to the LIMIT OF LIABILITY.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the **Parent Organization's** Policy and takes effect on the effective date of the **Parent Organization's** Policy unless another effective date is shown.

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

This endorsement modifies insurance provided under the following:

NON PROFIT PROFESSIONAL LIABILITY

PENNSYLVANIA STATE AMENDATORY ENDORSEMENT

To be attached to and form a part of all Non Profit Professional Liability policies written in Pennsylvania.

It is hereby understood and agreed that:

1) Insuring Agreement 1, COVERAGE PART B (DO-101), Employment Practices Liability, if purchased, is amended in part as follows:

   The **Company** will also pay in addition to the Limit of Liability pre-judgment interest awarded against the **Insured** on that part of the judgment the **Company** pays. If the **Company** makes an offer to pay the applicable limit of insurance, the **Company** will not pay any pre-judgment interest based on that period of time after the offer.

2) COMMON POLICY CONDITIONS, CANCELLATION OR NON-RENEWAL is deleted in its entirety and replaced with the following:

   A. The **Company** may cancel the Policy only in the event of the failure of the **Insured** to pay a premium when due, whether the premium is payable directly to the **Company** or agents or indirectly under a premium finance plan or extension of credit.

   B. Written notice of cancellation will be sent by registered or first class mail to the **Organization** named in Item 1 of the Declarations at least fifteen (15) days prior to the effective date of cancellation. Such written notice will be sent to the **Organization's** last known address, will state when the cancellation will be effective and the reason for cancellation. The **Policy Period** will end on the effective date of cancellation. Proof of mailing will be sufficient proof of notice.

   C. The **Organization** named in Item I of the Declarations may cancel this Policy by writing or giving notice of cancellation.

   D. If the Policy is cancelled, the **Company** will send the **Organization** named in Item 1 of the Declarations any premium refund due. If the **Company** cancels, the refund will be returned within ten (10) business days after the effective date of cancellation. If the **Organization** cancels, the refund may be less than pro rata and will be returned within thirty (30) days after the effective date of cancellation. The cancellation will be effective even if the **Company** has not made or offered a refund.

   E. If the **Company** decides not to renew this Policy, the **Company** will send by registered or first class mail or deliver, to the **Organization** named in Item 1 of the Declarations,

at least sixty (60) days prior to the expiration of this Policy, written notice of non-renewal. The notice will be sent to the last known address of the **Organization** and will state the specific reason(s) for such non-renewal. Proof of mailing will be sufficient proof of notice.

F. If the **Company** increases the **Insured's** renewal premium, the **Company** will send by registered or first class mail or deliver to the **Organization** named in Item 1 of the Declarations:

a. Written Notice of the **Company's** intent to increase the premium at least sixty (60) days before the effective date of the premium increase; and

b. An estimate of the increase at least thirty (30) days before the effective date of premium increase.

Notice of a renewal premium increase will be sent by registered or first class mail or delivered to the **Insured's** last known address. Proof of mailing will be sufficient proof of notice.

3) COMMOM POLICY CONDITIONS, CHANGES, is deleted in its entirety and replaced with the following:

This Policy contains all the agreements between the **Insured** and the **Company** concerning the insurance afforded. The **Parent 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 acknowledged to the **Company** and any fact which breaches a condition of the Policy, and is known to the **Company's** agent, shall not void the Policy or defeat a recovery thereon in the event of **Loss**.

4) COMMON POLICY CONDITIONS, EXTENSION PERIOD, is amended to include the following:

The Company shall offer the Extension Period even if the Policy is terminated due to nonpayment of premium.

The notice provisions are amended as follows:

The **Parent Organization** must notify the **Company** in writing and must pay the additional premium set forth above no later than sixty (60) days after the effective date of the non-renewal or cancellation.

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

NOTICE:
THIS IS A CLAIMS MADE POLICY. THIS POLICY ONLY COVERS THOSE CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. DEFENSE COSTS SHALL BE APPLIED AGAINST THE RETENTION.

NON PROFIT

PROFESSIONAL

LIABILITY

POLICY

UNITED STATES LIABILITY INSURANCE GROUP

A BERKSHIRE HATHAWAY COMPANY

1190 Devon Park Drive
Wayne, PA 19087-2191
888-523-5545 – USLI.COM

This policy jacket together with the policy declarations, coverage forms and endorsements, if any, complete this policy.

The enclosed declarations designates the issuing company.

Read your policy carefully!

In Witness Whereof, the company has caused this Policy to be executed and attested. Where required by law, this Policy shall not be valid unless countersigned by a duly authorized representative of the company.

Secretary

President

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

This endorsement modifies insurance provided under the following:

NON PROFIT DIRECTORS AND OFFICERS LIABILITY

DATA & SECURITY+ 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. This endorsement is part of and subject to the provisions of the Policy to which it is attached.

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Coverages and Limits of Liability provided by this endorsement.

COVERAGE	LIMIT OF LIABILITY
A. Data Breach Expense	$50,000 each claim $50,000 in the aggregate
B. Identity Theft Expense	$50,000 each claim $50,000 in the aggregate
C. Workplace Violence Expense	$50,000 each claim $50,000 in the aggregate
D. Kidnap Expense	$50,000 each claim $50,000 in the aggregate

In no event shall the **Company** pay more than $200,000 in any **Policy Period** for any and all covered incidents. No retention applies to any claim or in the aggregate.

II. COVERAGES:

Words shown in **bold** shall have the meaning provided in III. DEFINITIONS of this endorsement or as provided in COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY, III. DEFINITIONS, as applicable.

A. Data Breach Expense

The **Company** will reimburse the **Organization** up to the **Data Breach** Expense Limit of Liability stated in the schedule above, for the following reasonable costs paid by the **Organization** as a result of a **Data Breach** discovered during the **Policy Period** and reported to the **Company** during the **Policy Period** but in no event later than sixty (60) days after discovery of such **Data Breach**:

1. Development of a plan to assist the **Organization** in responding to a **Data Breach**;
2. Data analysis or forensic investigation to assess the scope of a **Data Breach**;

3. The development, printing and mailing of legally required notification letters to those affected by a **Data Breach;**
4. Development of a website link for use by the **Organization** in communicating about a **Data Breach**;
5. Development of a customer relationship management system for use by the **Organization** in communicating with persons affected by a **Data Breach;**
6. Public relations services or crisis management services retained by the **Organization** to mitigate the adverse affect on the **Organization's** reputation with customers, investors and employees resulting from a **Data Breach** that becomes public.

The **Organization** must first report the **Data Breach** to the **Company** and use a service provider of the **Company's** choice prior to incurring any of the above costs. The **Data Breach** must occur during the **Policy Period**.

B. Identity Theft Expense

The **Company** will reimburse a Director or Officer of the **Organization** up to the **Identity Theft** Expense Limit of Liability stated in the schedule above, for the following expenses, services or fees paid by such Director or Officer after he or she has become a victim of **Identity Theft** discovered during the **Policy Period** and reported to the **Company** during the **Policy Period** but in no event later than sixty (60) days after discovery of the **Identity Theft**:

1. Credit monitoring services provided by a vendor of the **Company's** choice for the affected Director or Officer for up to one year following an **Identity Theft**;
2. Additional application fees paid by a Director or Officer whose loan(s) were rejected based on incorrect credit information resulting from an **Identity Theft**;
3. Notary fees, certified and overnight mail expenses paid by a Director or Officer in connection with reporting an **Identity Theft** to financial institutions, credit bureaus and agencies and law enforcement authorities.

Any Director or Officer of the **Organization** who is a victim of **Identity Theft** must first report the **Identity Theft** to the **Company** and use a service provider of the **Company's** choice prior to incurring any of the above expenses, services or fees. The **Identity Theft** must occur during the **Policy Period**. In no event shall the **Company's** total **Policy Period** payment under this coverage be more than the per claim or aggregate limit shown on the Policy Declarations

C. Workplace Violence Expense

The **Company** will reimburse the **Organization,** up to the Workplace Violence Expense Limit of Liability stated in the schedule above, for the following reasonable costs paid by the **Organization** for a period of thirty (30) days following, and as a result of, a **Workplace Violence Act**:

1. Counseling services rendered to **Employees** and persons on the **Organization's Premises** directly affected by a **Workplace Violence Act**. The counseling services must be rendered by a licensed, professional counselor of the **Organization's** choice.
2. Services rendered by an independent public relations consultant of the **Organization's** choice for the purpose of mitigating the adverse affect of a **Workplace Violence Act** on the **Organization**.

To be covered, the **Workplace Violence Act** must occur during the **Policy Period** and be reported to the **Company** during the **Policy Period** but in no event later than sixty (60) days after the occurrence.

D. Kidnap Expense

The **Company** will pay of behalf of the **Organization,** up to the Kidnap Expense Limit of Liability stated in the schedule above, for the following reasonable costs paid by the **Organization** as a result of a **Kidnapping** occurring during the **Policy Period** and reported to the **Company** during the **Policy Period** but in no event later than sixty (60) days after the occurrence.

1. Retaining an independent negotiator or consultant to facilitate the release of a **Kidnapping** victim. Nothing herein shall obligate the **Company** to recommend, select, retain or arrange for the retention of such independent negotiator or consultant;
2. Interest on a loan obtained by the **Organization** to pay expenses covered under this endorsement that are incurred as a result of a **Kidnapping.** However, there is no coverage for interest accruing prior to thirty (30) days preceding the date of such payment or subsequent to the date the **Company** pays any portion of a Kidnap Expense or for expenses not covered under this endorsement;
3. Travel and accommodations incurred by the **Organization** in direct response to the **Kidnapping.** Nothing herein shall obligate the **Company** to recommend, select, or arrange for such travel and accommodations;
4. A reward up to $10,000 paid by the **Organization** to an informant for information which leads to the arrest and conviction of the person(s) responsible for the **Kidnapping**;
5. The current base salary paid to a Director or Officer of the **Organization** for the Director or Officer's work on behalf of the **Organization**, who is a victim of a **Kidnapping** subject to the following:
   (a) salary reimbursement shall commence on the thirty-first (31st) consecutive day after a **Kidnapping**;
   (b) salary reimbursement shall end when the Director or Officer is released; or is confirmed dead; or one hundred and twenty (120) days after the Director or Officer is last confirmed to be alive; or twelve (12) months after the date of the **Kidnapping**, or when the Kidnap Expense Limit of Liability has been exhausted by payments made by the **Company**, whichever occurs first.

There is no coverage for Kidnap Expense resulting from a **Kidnapping** planned, carried out or participated in, directly or indirectly, by any person who is or was a member of the victim's family or the **Organization**.

III. DEFINITIONS

"**Data Breach**" means the disclosure by the **Organization** by electronic or non-electronic means of an individual(s) non-public personal or financial information in the **Organization's** care, custody and control without the authorization or permission of the owner of such information.

"**Identity Theft**" means (a) obtaining information that would assist in accessing financial resources, obtaining identification documents, or obtaining benefits of a Director or Officer;

(b) obtaining goods or services through the use of identifying information of a Director or Officer; or (c) obtaining identification documents in the name of a Director or Officer without his/her authorization, consent, or permission for the purpose of committing, aiding or abetting any activity in violation of federal, state or local law. **Identity Theft** does not mean any of the above committed directly or indirectly by another Director, Officer or a family member of a Director or Officer.

"**Kidnapping**" means an actual or alleged wrongful abduction and involuntary restraint of a Director or Officer of the **Organization**, by one or more persons acting individually or collectively in which monetary or non-monetary demands are made to the **Organization** to obtain the Directors or Officers release.

"**Premises**" means buildings, facilities or properties leased or owned by the **Organization** in conducting its operations.

"**Workplace Violence Act**" means:

1. an actual use of unlawful deadly force, or
2. the threatened use of unlawful deadly force involving the display of a lethal weapon,

occurring on the **Organization's Premises** and directed at an **Individual Insured,** or other persons on the **Premises** of the **Organization**.

Where applicable, other terms used in this endorsement shall have the same meaning as defined in COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY.

IV. LIMITS OF LIABILITY AND RETENTION

The Limit of Liability specified above as in the aggregate shall be the maximum liability for all expenses to which the coverage applies.

The Limit of Liability specified above as the Limit for each claim shall be the maximum liability for expenses for each claim to which the coverage applies.

The maximum Limit of Liability for any expenses provided by this endorsement shall be in addition to the LIMIT OF LIABILITY specified in the Declarations IN THE AGGREGATE for COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY.

The RETENTION shown on the Policy Declarations shall not apply to the expense coverage provided by this endorsement.

Regardless of the amount of covered expenses incurred by the **Organization** under this endorsement, the maximum Limit of Liability for any one **Data Breach**, **Identity Theft**, **Kidnapping** or **Workplace Violence Act** shall be $50,000 each claim and in the aggregate. Any one incident, interrelated incidents or series of similar or related incidents for which coverage is provided under this endorsement shall be treated as one incident subject to the maximum Limit of Liability available under this endorsement at the time the incident(s) is first reported to the Company regardless of whether the incident(s) continues and expenses are incurred by the Organization in any subsequent Policy Period(s).

V. ADDITIONAL EXCLUSIONS

The insurance provided by this endorsement does not apply to:

1. Expense reimbursement resulting in any **Insured** gaining any profit, remuneration or advantage to which the **Insured** is not legally entitled.
2. Expense(s) arising from any incident(s) of which any **Insured** had notice before the inception date of this Policy; or any fact, circumstance, event, situation or incident which before the inception date of this Policy was the subject of any notice under any other similar policy of insurance or any future claims for expenses under this Policy based upon such pending or prior notice.
3. Expenses incurred by any **Subsidiary** of an **Organization** occurring prior to the date that such entity became a **Subsidiary** or incurred at any time that such entity is not a **Subsidiary**.
4. The portion of any expense(s) covered under this endorsement that is also covered under any other coverage part of this Policy.

VI. COVERAGE LIMITATIONS

The following terms, conditions and exclusions in COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY, do not apply to this endorsement:

1. Common Policy Conditions; I. EXTENDED REPORTING PERIOD.
2. II. FULL PRIOR ACTS COVERAGE PROVISION.
3. IV. EXCLUSION A
4. VI. LIFETIME OCCURRENCE REPORTING PROVISION
5. VIII. SPOUSAL AND DOMESTIC PARTNER EXTENSION.
6. IX. EXTENSION FOR OUTSIDE DIRECTORSHIP ACTIVITIES.

Otherwise, the terms and conditions of COVERAGE PART A. NON PROFIT DIRECTORS AND OFFICERS LIABILITY, shall apply where applicable to give effect to this endorsement.

Coverage provided by your Policy and any endorsements attached thereto are amended by this endorsement where applicable. All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the **Parent Organization's** Policy and takes effect on the effective date of the **Parent Organization's** Policy unless another effective date is shown.

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

NON PROFIT PROFESSIONAL LIABILITY POLICY
COMMON POLICY CONDITIONS

Except for the Common Policy Conditions, the terms and conditions of each Coverage Part shall apply only to that Coverage Part unless otherwise provided. If any provision in these Common Policy Conditions is inconsistent or in conflict with the terms and conditions of any Coverage Part, the terms and conditions of such Coverage Part shall control for the purposes of that Coverage Part. Any defined term referenced in these Common Policy Conditions but defined in a Coverage Part shall, for the purposes of coverage under that Coverage Part have the meaning set forth in that Coverage Part.

I. EXTENDED REPORTING PERIOD

A. If the Policy expires, is cancelled or non-renewed for any reason other than non payment of premium, the **Parent Organization** shall have the right to purchase an Extended Reporting Period to report any **Claim**(s) first made against an **Insured** during the twelve (12) months, or twenty-four (24) months or thirty-six (36) months after the effective date of such expiration, cancellation or non-renewal (depending upon the Extended Reporting Period purchased). An Extended Reporting Period shall only apply to a **Wrongful Act** or **Wrongful Employment Act** committed before the date of such expiration, cancellation or non-renewal. For the purpose of this clause, any change in premium terms or terms on renewal shall not constitute a refusal to renew.

B. The additional premium for the Extended Reporting Period shall be 30% of the annual premium set forth in the Policy Declarations for the twelve (12) month period, 75% of the annual premium set forth in the Policy Declarations for the twenty-four (24) month period, and 120% of the annual premium set forth in the Policy Declarations for the thirty-six (36) month period. The Extended Reporting Period begins on the expiration date or the effective date of cancellation or non-renewal of the Policy. The **Parent Organization** must notify the **Company** in writing and must pay the additional premium due above no later than thirty (30) days after the effective date of such expiration, cancellation or non-renewal.

C. All premium paid with respect to an Extended Reporting Period shall be deemed fully earned as of the first day of the Extended Reporting Period.

D. The Limits of Liability available during the Extended Reporting Period shall not exceed the balance of the Limits of Liability available on the expiration date or effective date of the cancellation or non-renewal of the Policy.

E. Coverage for **Claim**(s) first received and reported during the Extended Reporting Period shall be in excess over any other valid and collectible insurance providing coverage for such **Claim**(s).

II. DEFENSE AND SETTLEMENT

A. The **Insured** shall not demand or agree to arbitration of any **Claim** without the written consent of the **Company**. The **Insured** shall not, except at personal cost, make any offer, any payment, admit any liability, settle any **Claim**, assume any obligation or incur any expense without the **Company's** written consent.

B. If a **Claim** is made against an **Insured** for **Loss** that is both covered and uncovered by this Policy, the **Company** will pay one hundred percent (100%) of **Defense Costs** for the **Claim** until such time that the Limits of Liability of this Policy are exhausted by payment of a covered **Loss** or the **Claim** for the covered **Loss** is resolved by settlement, verdict or summary judgment.

C. The **Company**, as it deems expedient, has the right to investigate, adjust, defend, appeal and, with the consent of the **Insured**, negotiate the settlement of any **Claim** whether within or above the Retention. If the **Insured** refuses to consent to a settlement recommended by the **Company**; the **Company** is not obligated to pay any **Loss** or defend any **Claim** after the Limit of Liability has been exhausted by payment of **Loss**. The **Company's** obligation to the **Insured** for **Defense Costs** and **Loss** attributable to such **Claim**(s) shall be limited to:

(a) The amount of the covered **Loss** in excess of the Retention which the **Company** would have paid in settlement at the time the **Insured** first refused to settle;
(b) Plus covered **Defense Costs** incurred up to the date the **Insured** first refused to settle;
(c) Plus seventy five percent (75%) of covered **Loss** and **Defense Costs** in excess of the first settlement amount recommended by the **Company** to which the **Insured** did not consent.

It is understood that payment of (a), (b) and (c) above, is the limit of the **Company's** liability under this Policy on any **Claim** in which the **Insured** fails or refuses to consent to the **Company's** settlement recommendation, subject at all times to the Limits of Liability and Retention provisions of the applicable coverage section. The remaining twenty five percent (25%) of **Loss** and **Defense Costs** in excess of the amount referenced in (a) and (b) above shall be the obligation of the **Insured**.

D. The **Insured** agrees to cooperate with the **Company** on all **Claims**, and provide such assistance and information as the **Company** may reasonably request. Upon the **Company's** request, the **Insured** shall submit to examination and interrogation by a representative of the **Company**, under oath if required, and shall attend hearings, depositions and trials and shall assist in the conduct of suits, including but not limited to effecting settlement, securing and giving evidence, obtaining the attendance of witnesses, giving written statements to the **Company's** representatives and meeting with such representatives for the purpose of investigation and/or defense, all of the above without charge to the **Company**. The **Insured** further agrees not to take any action which may increase the **Insured's** or the **Company's** exposure for **Loss** or **Defense Costs**.

E. The **Insured** shall execute all papers required and shall do everything that may be necessary to secure and preserve any rights of indemnity, contribution or apportionment which the **Insured** or the **Company** may have, including the execution of such documents as are necessary to enable the **Company** to bring suit in the **Insured's** name, and shall provide all other assistance and cooperation which the **Company** may reasonably require.

III. ORDER OF PAYMENTS

In the event payment of **Loss** is due under this Policy but the amount of such **Loss** exceeds the remaining available Limit of Liability specified in the Policy Declarations, the **Company** will:

(a) first pay such **Loss** on behalf of the **Individual Insured(s)** for which coverage is provided under Section I. Insuring Agreement; then
(b) to the extent of any remaining amount of the Limit of Liability available after payment under (a) above, pay such **Loss** on behalf of the **Organization** for which coverage is provided under Section I. Insuring Agreement.

IV. NOTICE/ CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Company**. If mailed, the date of mailing of such notice shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.

A. As a condition precedent to exercising any right to coverage under this Policy, the **Insured** shall give to the **Company** written notice of a **Claim** as soon as practicable, but:
(1) if the Policy expires, is cancelled or is non-renewed and if no Extended Reporting Period is purchased, no later than 60 days after the expiration date or the effective date of such cancellation or non-renewal; or
(2) if an Extended Reporting Period is purchased, no later than the last day of the Extended Reporting Period.

B. If written notice of a **Claim** has been given to the **Company** pursuant to Clause IV.A. above, then any **Claim** which is subsequently made against the **Insured** and reported to the **Company** alleging, arising out of, based upon or attributable to the facts alleged in the **Claim** for which notice was given or alleging any **Wrongful Act** or **Wrongful Employment Act** which is the same as or related to any **Wrongful Act** or **Wrongful Employment Act** alleged in the **Claim** for which notice was given, shall be considered made at the time such notice was given.

C. If during the **Policy Period** the **Insured** shall become aware of any circumstances which could give rise to a **Claim** being made against the **Insured**, the **Insured** shall give written notice to the **Company** of the circumstances and the reasons for anticipating such a **Claim** with full particulars as to dates and persons involved. Such notice must be given to the **Company** within the Policy Period. Any **Claim** which is

subsequently made against the **Insured** and reported to the **Company** as required by the Policy alleging, arising out of, based upon or attributable to such circumstances or alleging any **Wrongful Act** or **Wrongful Employment Act** which is the same as or related to any **Wrongful Act** or **Wrongful Employment Act** alleged or contained in such circumstances, shall be considered made at the time such notice of such circumstances was first given to the **Company.**

V. CANCELLATION OR NON-RENEWAL

A. This Policy may be canceled by the **Parent Organization** by either surrender thereof to the **Company** at its address stated in the Policy Declarations or by mailing to the **Company** written notice requesting cancellation and in either case stating when thereafter such cancellation shall be effective. If canceled by the **Parent Organization**, the **Company** shall retain the customary short rate proportion of the premium.

B. The **Company** may cancel this Policy only in the event of the failure of the **Insured** to pay the premium when due by mailing to the **Parent Organization** written notice when, not less than ten (10) days thereafter, such cancellation shall be effective.

C. In the event the **Company** refuses to renew this Policy, the **Company** shall mail to the **Parent Organization**, not less than sixty (60) days prior to the end of the Policy Period, written notice of non-renewal. Such notice shall be binding on all **Insureds**.

D. The mailing of notice of cancellation or non-renewal shall be sufficient notice and the effective date of cancellation or non-renewal stated in any such notice shall become the end of the Policy Period. Delivery of such written notice by the **Parent Organization** or the **Company** shall be equivalent to the mailing.

E. If the Policy is canceled by the **Company**, earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation is effected, or as soon as practicable thereafter.

VI. REPRESENTATIONS AND SEVERABILITY

A. The **Insureds** represent 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 the Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the **Company**; and (3) the Policy is issued in reliance upon the truth of such representations.

B. Except for material facts or circumstances known to the person or persons signing the **Application**, no statement in the **Application** or knowledge or information possessed by an **Insured** shall be imputed to any other **Insured** for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the **Company** shall be subrogated to the **Insured's** right of recovery therefore against any person or entity and the **Insured** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights.

VIII. CHANGES

Notice to any agent or knowledge by any agent shall not affect a waiver or change in any part of this Policy or stop the **Company** from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed except by an endorsement, issued by the **Company** to form a part of this Policy.

IX. AUTHORIZATION CLAUSE AND NOTICES

By acceptance of this Policy, the **Insured** agrees that the **Parent Organization** shall act on behalf of all **Insureds** with respect to the giving and receiving of any return premiums that may become due under the 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, at the address of the **Parent Organization**. Such notice shall be deemed to be notice to all **Insureds**. The **Parent Organization** shall be the agent of all **Insureds** to effect changes in the Policy or purchase Extended Reporting Period.

X. ASSIGNMENT

Assignment of interest under this Policy shall not bind the **Company** unless its consent is endorsed hereon.

XI. OTHER INSURANCE

This Policy shall be excess of and not contribute with other existing insurance, including but not limited to any insurance under which there is a duty to defend, unless such other insurance is specifically written to be in excess of this Policy.

XII. TERMS OF POLICY CONFORMED TO STATUTE

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

XIII. CHANGES IN EXPOSURE

If after the Inception Date of this Policy:

(1) the **Parent Organization** merges into or consolidates with another entity such that the **Parent Organization** is not the surviving entity; or
(2) another entity, person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the **Parent Organization**; or
(3) another entity, person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the directors of the **Parent Organization**; or
(4) the **Parent Organization** sells all or substantially all of its assets,

with such events being referred to as a "Transaction,"

this Policy shall continue in full force and effect until the expiration date of the policy, or the effective date of cancellation or non-renewal if applicable with respect to **Wrongful Acts** or **Wrongful Employment Acts** occurring before the Transaction, but there shall be no coverage under this Policy for actual or alleged **Wrongful Acts** or **Wrongful Employment Acts** occurring on and after the Transaction.

The **Parent Organization** shall give the **Company** written notice of the Transaction as soon as practicable, but not later than thirty (30) days after the effective date of the Transaction. The entire premium for this Policy shall be deemed earned regardless of any Transaction(s) during the Policy Period. In the event of a Transaction, the **Parent Organization** shall have the right to an offer of coverage by the **Company** for an Extended Reporting Period to report **Wrongful Acts** or **Wrongful Employment Acts** occurring prior to the effective date of the transaction.

XIV. ACTION AGAINST THE COMPANY

A. No action shall lie against the **Company** unless as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, and until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant or the claimant's legal representative, and the **Company**.

B. Any person or the legal representatives 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. No person or entity shall have any right under this Policy to join the **Company** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Company** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Company** of its obligations hereunder.