



Specimen Policy

In addition to the following forms, state amendatory endorsements will apply.



NON-PROFIT MANAGEMENT AND ORGANIZATION
LIABILITY INSURANCE POLICY

DECLARATIONS

POLICY NO.

Travelers Casualty and Surety Company of America

Hartford, Connecticut 06183

(Herein, the "Insurer")

**THIS IS A CLAIMS MADE AND REPORTED POLICY WITH DEFENSE COSTS INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ THE ENTIRE POLICY CAREFULLY.**

NOTICE: THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE "INSURED" DURING THE "POLICY PERIOD" AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED AS "DEFENSE COSTS." ANY "DEFENSE COSTS" THAT ARE INCURRED SHALL BE APPLIED AGAINST THE APPLICABLE RETENTION. THE INSURER SHALL HAVE THE RIGHT AND DUTY TO DEFEND ANY CLAIM AGAINST THE INSURED UNDER THIS POLICY.

ITEM 1. INSURED ORGANIZATION'S NAME and PRINCIPAL ADDRESS:

_____, _____

ITEM 2. POLICY PERIOD:

(a) From _____ (b) To _____ at 12:01 a.m.
Local Time both dates at the Principal Address stated in ITEM 1

ITEM 3. LIMIT OF LIABILITY (Inclusive of Defense Costs):

\$_____ maximum aggregate Limit of Liability for all Claims first made in the Policy Period.

ITEM 4. RETENTION:

(a) No Retention shall apply to Non-Indemnified Loss

(b) \$_____ all Indemnified Loss.

ITEM 5. PREMIUM:

_____ prepaid premium for the Policy Period. _____

NOTICE: A state surcharge may apply. Please refer to your billing statement.

ITEM 6. PREMIUM FOR DISCOVERY PERIOD:

ITEM 7. LENGTH OF DISCOVERY PERIOD:

_____ days.

ITEM 8. NOTICE REQUIRED TO BE GIVEN TO THE INSURER SHALL BE ADDRESSED TO:

The Travelers Property Casualty
Bond Claim
One Tower Square, 3PB
Hartford, CT 06183

ITEM 9. PENDING AND PRIOR LITIGATION DATE:

ITEM 10. ENDORSEMENTS ATTACHED AT ISSUANCE:

These Declarations, the completed signed Application and their attachments and any materials submitted therewith, and Policy form 72001 (06/98) with Endorsements shall constitute the contract among the Insurer and the Insureds ("Policy").

Countersigned By (if required)

Authorized Company Representative

CIRI 72000 (06/98)

Travelers Casualty and Surety Company of America
Hartford, Connecticut 06183
(Herein, the "Insurer")

**THIS IS A CLAIMS MADE AND REPORTED POLICY WITH DEFENSE COSTS INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ THE ENTIRE POLICY CAREFULLY.**

In consideration of the payment of the premium and in reliance on all statements made and information furnished to the Insurer, including the statements made in the Application and its attachments and any materials submitted therewith, all of which are made a part hereof, the Insurer and the Insureds agree as follows:

I. INSURING AGREEMENTS

Liability

Coverage

- A. The Insurer will pay on behalf of the Insureds Loss up to the available maximum aggregate Limit of Liability set forth in Item 3 of the Declarations which is incurred by the Insureds as the result of any Claim first made against the Insureds and reported in writing to the Insurer during the Policy Period or the Discovery Period, if purchased, for a Wrongful Act.

Defense

Coverage

- B. The Insurer shall have the right and duty to defend any Claim covered by this Policy, even if any of the allegations are groundless, false or fraudulent. The Insurer's duty to defend shall cease upon exhaustion of the Limit of Liability set forth in Item 3 of the Declarations.

The Insureds agree to provide the Insurer with all information, assistance and cooperation which the Insurer reasonably requests and agree that in the event of a Claim the Insureds will do nothing that may prejudice the Insurer's position or its potential or actual rights of recovery.

The Insureds agree not to settle any Claim, incur any Defense Costs or otherwise assume any contractual obligation or admit any liability with respect to any Claim without the Insurer's written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for any settlement, Defense Costs, assumed obligation or admission to which it has not consented.

The Insurer may, with the written consent of the Insureds, make any settlement of a Claim it deems expedient. If the Insureds withhold consent to such settlement, the Insurer's liability for all Loss on account of such Claim shall not exceed the amount for which the Insurer could have settled such Claim plus Defense Costs accrued as of the date such settlement was proposed in writing by the Insurer.

II. DEFINITIONS

- A. Application means all signed, written applications including any attachments thereto and materials submitted therewith, for this Policy and for any policy in an uninterrupted series of policies issued by the Insurer of which this Policy is a renewal or replacement, all of which shall be deemed attached hereto and incorporated herein.
- B. Claim means:
- 1) a written demand for monetary damages;
 - 2) a civil proceeding commenced by the service of a complaint or similar pleading;
 - 3) a criminal proceeding commenced by a return of an indictment; or
 - 4) a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,
- against an Insured for a Wrongful Act, including an appeal therefrom.
- C. Defense Costs means that part of Loss consisting of reasonable costs, charges and expenses (including but not limited to attorney fees) incurred in defending or investigating Claims, including appeals therefrom. Defense Costs does not include salaries, wages, overhead or benefit expenses of any Insured Person.
- D. Discovery Period means either (1) that period described in Section III(C)(1) of this Policy and Item 7 of the Declarations, or (2) that period in which coverage under this policy is extended pursuant to Section V(C) of this Policy.
- E. Financial Insolvency means the status of the Insured Organization as a result of the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the Insured Organization, or the Insured Organization becoming a debtor in possession.
- F. Indemnified Loss means (1) Loss which the Insured Organization becomes legally obligated to pay as the result of Claims made against the Insured Organization, and (2) Loss for which the Insured Organization grants indemnification to any Insured Person.

- G. Insured(s) means the Insured Organization and the Insured Persons.
- H. Insured Organization means the Parent Organization and its Subsidiaries.
- I. Insured Persons means any persons who were, now are, or shall become: (1) duly elected or appointed directors, trustees or officers of any Insured Organization; or (2) employees, members of duly constituted committees or volunteers of any Insured Organization that is a non-profit entity.
- J. Loss means the total amount excess of the applicable Retention which any Insured becomes legally obligated to pay as the result of all Claims first made against any Insured during the Policy Period for Wrongful Acts including, but not limited to, damages, judgments, settlements and Defense Costs. Loss does not include (1) punitive or exemplary damages, (2) the multiple portion of any multiple damage award, (3) criminal or civil fines or penalties imposed by law, (4) taxes, (5) any amount not indemnified by the Insured Organization for which the Insured is absolved from payment by reason of any covenant, agreement or court order, and (6) matters uninsurable under the law pursuant to which this Policy is construed.
- K. Non-Indemnified Loss means all Loss other than Indemnified Loss.
- L. Parent Organization means the organization designated in Item 1 of the Declarations.
- M. Policy Inception Date means the date stated in Item 2(a) of the Declarations.
- N. Policy Termination Date means the date stated in Item 2(b) of the Declarations or the date of any cancellation or non-renewal of this Policy, whichever is earlier.
- O. Policy Period means the period between the Policy Inception Date and the Policy Termination Date.
- P. Pollutants means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by or identified on a list of hazardous substances issued by the United States Environmental Protection Agency or a state, county, municipality or locality counterpart thereof. Such substances shall include, but not be limited to, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials. Pollutants shall also mean any other air emissions, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, electric or magnetic or electromagnetic fields and any noise.
- Q. Related Wrongful Acts means Wrongful Acts that arise out of, are based on, relate to or are in consequence of, the same facts, circumstances or situations.
- R. Subsidiary means:

- 1) any non-profit entity with respect to which the Insured Organizations, directly or indirectly, in any combination, had on or prior to the Policy Inception Date the ability to control or direct its managerial decisions or to select a majority of its trustees or directors, whether through operation of law or by reason of membership, securities ownership, agreement, charter, certificate of incorporation, or by-laws;
- 2) any non-profit entity with respect to which the Insured Organizations, directly or indirectly, in any combination, acquires by purchase, creation or otherwise during the Policy Period the ability to control or direct its managerial decisions, or to select a majority of its trustees or directors, whether through operation of law or by reason of membership, securities ownership, agreement, charter, certificate of incorporation, or by-laws.

If the annual revenues for the most recent fiscal year of any non-profit entity described in paragraph 2) above exceed 20% of the consolidated revenues for the most recent fiscal year of the Parent Organization and its Subsidiaries, the Parent Organization shall give written notice of such acquisition to the Insurer as soon as practicable, but in no event later than 90 (90) days after the effective date of such acquisition, together with such information as the Insurer may require. This policy shall not afford any coverage with respect to such non-profit entity and its Insured Persons following such ninety (90) day period unless (1) the Insurer in its sole discretion agrees by endorsement to this policy to afford such coverage, and (2) the Insureds pay an additional premium and accept any special policy terms and conditions required by the Insurer.

- S. Wrongful Act means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed or attempted, or allegedly committed or attempted, by the Insured Organization or by one or more Insured Persons, individually or collectively, in their respective capacities as such, including but not limited to any Wrongful Employment Practices.
- T. Wrongful Employment Practices means any actual or alleged: (1) wrongful dismissal, discharge or termination of employment; (2) employment related misrepresentation; (3) violation of employment laws; (4) sexual or workplace harassment of any kind; (5) employment discrimination; (6) wrongful failure to employ or promote; (7) wrongful discipline; (8) wrongful deprivation of career opportunity including a wrongful failure to hire or promote; (9) failure to grant tenure; (10) negligent employment evaluation; and/or (11)

failure to provide adequate workplace or employment policies and procedures.

III. EXTENSIONS

A. ESTATES, HEIRS, LEGAL REPRESENTATIVES, ETC.

In the event of the death, incapacity or bankruptcy of any **Insured Person**, any claim against his or her estate, heirs, legal representatives or assigns based on actual or alleged **Wrongful Acts** of such **Insured Person** shall be

deemed to be a **Claim** against such **Insured Person** for the purposes of this Policy.

B. MARITAL ESTATE

Subject otherwise to the terms hereof, this Policy shall cover Loss arising from any claim made against the lawful spouse (whether such status is derived by reason of statutory, common or other law of any applicable jurisdiction in the world) of an Insured Person for claims arising solely out of his or her capacity as the spouse of an Insured Person, including such claims that seek damages recoverable from marital community property, property jointly held by the Insured Person and the spouse, or property transferred from the Insured Person to the spouse; provided, however, that this extension shall not afford coverage for any claim for any actual or alleged Wrongful Act of the spouse. All terms, conditions and other provisions of this Policy, inclusive of any provision relative to the applicable Retention, which would be applicable to Loss incurred by the Insured Person in such claim shall also apply to Loss incurred by the spouse in such claim.

C. DISCOVERY PERIOD

- 1) If the Insurer or the Parent Organization cancels, fails, or refuses to renew this Policy for any reason other than the Insured's non-payment of premium or non-compliance with the terms and conditions of this Policy, then the Parent Organization shall have the right, on payment of the additional premium shown in Item 6 of the Declarations, to an extension of the coverage granted by this Policy for any Claim first made against any Insured during the period specified in Item 7 of the Declarations, but only with respect to any actual or alleged Wrongful Act committed or allegedly committed before the Policy Termination Date.
- 2) As a condition precedent to the right to purchase the Discovery Period, the total premium for this Policy must have been paid. The right to purchase the Discovery Period shall terminate unless written notice of the election of the Discovery Period is received by the Insurer by certified mail, prepaid express courier or facsimile within thirty (30) days after the Policy Termination Date, together with full payment of the premium for the Discovery Period. In the event that such notice and premium payment are not so given to the Insurer, there shall be no right to purchase the Discovery Period at any later date.
- 3) If the Discovery Period is purchased, the entire premium for the Discovery Period shall be deemed earned at its commencement.
- 4) The purchase of the Discovery Period shall not increase or reinstate the maximum aggregate Limit of Liability set forth in Item 3 of the Declarations.
- 5) If the coverage extension described in Section V(C) of this Policy is purchased, the Insureds shall not be entitled to also purchase the coverage extension described in this Section III(C).

IV. EXCLUSIONS

The Insurer shall not be liable to make any payment for Loss in connection with any Claim made against any of the Insureds:

- 1) for:
 - (a) bodily injury, sickness, disease or death of any person, or any damage to or destruction of any tangible property including loss of use thereof; or
 - (b) mental anguish or emotional distress, however this subpart (b) shall not apply with respect to any Claim for Wrongful Employment Practices;
- 2) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance or situation which has been the subject of any notice given under any other policy of which this Policy is a renewal or replacement;
- 3) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving (a) the actual, alleged or threatened discharge, release, escape or disposal of Pollutants into or on real or personal property, water or the atmosphere; or (b) any direction or request that the Insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize Pollutants, or any voluntary decision to do so; including but not limited to any Claim for financial loss to the Insured Organization, its members or security holders or its creditors based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the matters described in (a) or (b) of this exclusion;
- 4) for an actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 and amendments thereto or similar provisions of any federal, state or local statutory law or common law upon fiduciaries of any pension, profit sharing, health and welfare or other employee benefit plan or trust established or maintained for the purpose of providing benefits to employees of the Insured Organization;
- 5) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any litigation against any Insured on or prior to the Pending and Prior Litigation Date set forth in Item 9 of the Declarations, or any fact, circumstance or situation underlying or alleged therein;
- 6) brought or maintained by or on behalf of the Insured Organization, except a Claim that is brought and maintained totally independently of, and totally without the solicitation, assistance, participation, or intervention of any officer, director or trustee of the Insured Organization;
- 7) for Wrongful Acts by any Insured Person as a director, officer or employee of any entity other than the Insured Organization, even if such service is directed or requested by the Insured Organization;

- 8) for any Wrongful Act committed or allegedly committed by any Insured Organization or its Insured Persons while such Insured Organization was not a Subsidiary; however, if before or during the Policy Period an organization ceases to be a Subsidiary, coverage with respect to such Subsidiary and its Insured Persons shall continue until termination of this Policy but only with respect to Claims for Wrongful Acts taking place while such organization was a Subsidiary;
- 9) for liability under or breach of any oral, written or implied contract or agreement, or for liability of others assumed by the Insured under any such contract or agreement; however, this exclusion shall not apply to the extent (a) the Insured would have been liable in the absence of such contract or agreement; or (b) the Claim is a Claim for Wrongful Employment Practices;
- 10) brought about or contributed to by any deliberately fraudulent or dishonest act or omission or any purposeful violation of any statute or regulation by such Insured; however, this exclusion shall not apply unless a judgment or other final adjudication adverse to such Insured establishes such a deliberately fraudulent or dishonest act or omission or purposeful violation;
- 11) for such Insured gaining in fact any profit, remuneration or advantage to which such Insured was not legally entitled; or
- 12) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the ownership, control, management or operations of any for-profit Subsidiary of the Insured Organization; however, this exclusion shall not apply with respect to any for-profit Subsidiary that is an Insured Organization pursuant to an endorsement to this Policy.

No fact pertaining to or knowledge or information possessed by any Insured Person shall be imputed to any other Insured Person for purposes of applying any Exclusion in Section IV. Only facts pertaining to or knowledge or information possessed by an officer, director or trustee of the Insured Organization shall be imputed to the Insured Organization for purposes of applying any Exclusion in Section IV.

V. GENERAL CONDITIONS AND LIMITATIONS

A. LIMIT OF LIABILITY AND RETENTION

- 1) The Insurer shall pay Loss in excess of the applicable Retention set forth in Item 4 of the Declarations up to the maximum aggregate Limit of Liability set forth in Item 3 of the Declarations for the Policy Period set forth in Item 2 of the Declarations.

- 2) Losses based upon or arising out of the same Wrongful Act or Related Wrongful Acts of one or more of the Insureds shall be considered a single Loss incurred as a result of a single Claim, which Claim shall be deemed to have been made on the date the first Claim for such Wrongful Act or for one or more of such Related Wrongful Acts is made against any of the Insureds, whether such date is before or after the Policy Inception Date. The applicable Retention shall apply only once to each such single Claim.

- 3) If the Insured Organization is permitted or required by common or statutory law to ultimately indemnify the Insured Persons for any Loss, or to advance Defense Costs on their behalf, and does not in fact do so other than for reasons of Financial Insolvency, then any payment of such Loss or any advancement of such Defense Costs by the Insurer shall not be subject to any Retention amount. In that event, the Insured Organization shall reimburse and hold harmless the Insurer for such Loss up to the Retention amount set forth in Item 4(b) of the Declarations. For purposes of this Section V(A), the resolutions of the Insured Organization shall be deemed to provide indemnification for Loss to the fullest extent permitted by common or statutory law.

- 4) If Loss resulting from a Claim is subject in part to no Retention and in part to the Retention for Indemnified Loss, the Retention set forth in Item 4(b) of the Declarations shall be applied only to that part of the Loss which is Indemnified Loss.

- 5) With respect to any Claim, other than a Claim for Wrongful Employment Practices, the applicable Retention shall apply only to Defense Costs, not to any settlement, judgment or other damage.

- 6) If a Claim, other than a Claim for Wrongful Employment Practices, is fully and finally resolved with prejudice with respect to all Insureds without any Insured becoming legally obligated to pay any judgment, settlement or damages (other than

Defense Costs) as the result of such Claim, no Retention shall apply with respect to such Defense Costs.

- 7) Defense Costs shall be part of and not in addition to the maximum aggregate Limit of Liability set forth in Item 3 of the Declarations, and Defense Costs shall reduce the maximum aggregate Limit of Liability.

- 8) The amount set forth in Item 3 of the Declarations shall be the maximum aggregate Limit of Liability of the Insurer under the Policy for the Policy Period for all Loss resulting from all Claims, regardless of the time of payment by the Insurer.

B. NOTICE

- 1) If during the Policy Period or Discovery Period, if purchased, any Claim is first made against any Insured, the Insureds as a condition precedent to their right to be reimbursed under this Policy, shall give to the Insurer written notice of any such Claim as soon as practicable but in no event later than thirty (30) days after the expiration date of the Policy or the Discovery Period (if applicable). The Insured

shall give the Insurer such information and cooperation as it may reasonably require.

- 2) If during the Policy Period the Insureds shall become aware of any Wrongful Act which may subsequently give rise to a Claim and shall give written notice to the Insurer as soon as practicable during the Policy Period or Discovery Period (if applicable), then any Claim subsequently made against the Insureds arising out of such Wrongful Act shall be deemed to have been made during the Policy Period. Such notice must articulate the full particulars as to the nature of the potential Claim, the date of the Wrongful Act, the persons involved and the reasons for anticipating a Claim.
- 3). Notice to the Insurer hereunder shall be addressed as stated in Item 8 of the Declarations. Except as otherwise provided in this Policy, all notices under this Policy shall be in writing and given by mail, prepaid express courier or facsimile properly addressed and shall be effective upon receipt.

C. ACQUISITION OF PARENT ORGANIZATION

If during the Policy Period (1) the Parent Organization is acquired by merger into or consolidation with another organization, or (2) another organization, or person or group of organizations and/or persons acting in concert acquires the ability to control or direct the Parent Organization's managerial decisions or to select a majority of its trustees or directors, then coverage under this Policy shall continue until termination of the Policy Period, but only with respect to Claims for Wrongful Acts taking place prior to such merger, consolidation or acquisition. Upon the Insurer's receipt from the Insureds of notice of such merger, consolidation or acquisition, the Insurer shall promptly

provide to the Parent Organization alternative quotations for a three-year and six-year extension of coverage (or any lesser periods which the Insureds may request) with respect to Claims for such prior Wrongful Acts. Any coverage extension pursuant to such quotations shall be conditioned upon: (1) the Insureds giving to the Insurer written notice during the Policy Period of their desire to elect such extended coverage, (2) any premium paid or to be paid under this Policy being deemed fully earned upon inception of such coverage extension, (3) payment during the Policy Period by the Insureds of any additional premium required by the Insurer, and (4) the Insureds accepting any additional terms and conditions required by the Insurer.

The purchase of any such coverage extension shall not increase or reinstate the maximum aggregate Limit of Liability set forth in Item 3 of the Declarations.

The Parent Organization shall give written notice of such merger, consolidation or acquisition to the Insurer as soon as practicable together with such information as the Insurer may require.

D. SUBROGATION

If any payment is made under this Policy, the Insurer shall be subrogated to the extent of such payment to all of the Insureds' rights of recovery, including without limitation the Insured Persons' rights to indemnification or advancement from the Insured Organization. The Insureds shall execute all papers required and do everything necessary to secure such rights and to enable the Insurer to bring suit in their name.

E. AUTHORIZATION AND NOTICES

By acceptance of this Policy, the Insureds agree that the Parent Organization will act on behalf of the Insureds with respect to:

- 1) the giving of all notices to the Insurer as provided herein,
- 2) the receiving of all notices from the Insurer,
- 3) the payment of premiums,
- 4) the receiving of any return premiums that may become due under this Policy,
- 5) the cancellation of this Policy, and
- 6) the negotiation, agreement to and acceptance of any endorsements or additional terms and conditions to this Policy.

F. CANCELLATION

- 1) This Policy may be cancelled by the Insurer only for non-payment of premium when due provided the Insurer gives written notice to the Parent Organization stating when, not less than ten (10) days thereafter, such cancellation shall be effective.
- 2) By acceptance of this Policy, the Insureds grant the exclusive power and authority to cancel this Policy on their behalf to the Parent Organization, which may cancel this Policy by mailing to the Insurer written notice stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice, and the effective date of cancellation stated in the notice shall become the Policy Termination Date.
- 3) If this Policy is cancelled pursuant to Section V(F)(2), the earned premium shall be computed in accordance with the customary short rate table and procedure. If this Policy is cancelled pursuant to Section V(F)(1), the earned premium shall be computed *pro rata*. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

G. NON-RENEWAL

The Insurer may elect to non-renew this Policy only if it gives written notice of such non-renewal to the Parent Organization at least forty-five (45) days prior to the Policy Termination Date.

H ACTION AGAINST INSURER

No action shall lie against the Insurer unless, as a condition precedent thereto, there shall have been full compliance by the Insureds with all of the terms of this Policy; nor shall any such action lie until the amount of the Insured's obligation to pay shall have been finally determined either by judgment against an Insured after actual trial or by written agreement of the Insured, the claimant and the Insurer. No person or organization shall have any right under this Policy to join the Insurer as a party to any action against the Insureds to determine the Insurer's liability, nor shall the Insurer be impleaded by the Insureds or their legal representatives.

I. ACCEPTANCE

By acceptance of this Policy, the Insureds agree that this Policy constitutes the entire agreement existing between them and the Insurer relating to this insurance.

ALTERATION & ASSIGNMENT

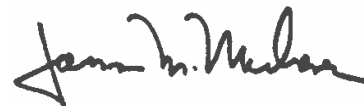
No change in, modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement to this Policy by an authorized employee or representative of the Insurer.

OTHER INSURANCE

If any Loss otherwise covered under this Policy is insured under any other valid and collectible policy or policies, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other insurance, whether such other insurance is stated to be primary, contributory excess, contingent or otherwise unless such other insurance is written specifically excess of this Policy by reference in such other policy to the Policy Number of this Policy.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed by its authorized officers at Hartford, CT, and signed on the Declarations page by a duly authorized person on behalf of the Company.


Executive Vice President


Corporate Secretary

VI. WARRANTIES AND COVENANTS

The Insureds warrant and agree as a condition to the Insurer's obligations hereunder, as follows:

- 1) The statements and representations made in the Application are the Insureds' statements and representations and are true. This Policy is issued in reliance upon the truth of such statements and representations.
- 2) In the event that any statement or representation in the Application is untrue, this Policy shall be void and of no effect whatsoever, but only with respect to:
 - (a) any Insured Person who had knowledge or information as of the Policy Inception Date of the facts that were not truthfully disclosed, and
 - (b) the Insured Organization if the person who signs the Application had knowledge or information as of the Policy Inception Date of the facts that were not truthfully disclosed.

Whether an Insured Person had such knowledge or information shall be determined without regard to whether the Insured Person actually knew the Application contained such untrue statement or representation.

ISSUED BY: __
ISSUED TO: __

POLICY NO: __

NON-PROFIT CHANGE ENDORSEMENT

This endorsement modifies insurance provided under the following:
Non-Profit Management and Organization Liability Insurance Policy

In consideration of the payment of the premium:

1. Section I. INSURING AGREEMENTS A. Liability Coverage is deleted in its entirety and replaced by the following:
 - A. The Insurer will pay on behalf of the Insureds Loss up to the available maximum aggregate Limit of Liability set forth in Item 3 of the Declarations which is incurred by the Insureds as the result of any Claim first made against the Insureds during the Policy Period or the Discovery Period, if purchased, for a Wrongful Act.
2. Section II. DEFINITIONS B. "Claim" sub-paragraph 1) is deleted in its entirety and replaced by the following:
 - 1) a written demand for monetary or non-monetary relief;
3. Section II. DEFINITIONS J. "Loss" is deleted in its entirety and replaced by the following:
 - J) Loss means the total amount excess of the applicable Retention which any Insured becomes legally obligated to pay as the result of all Claims first made against any Insured during the Policy Period for Wrongful Acts including, but not limited to, damages (including punitive or exemplary damages where insurable under applicable law), judgments, settlements and Defense Costs. Loss does not include (1) the multiple portion of any multiple damage award, (2) criminal or civil fines or penalties imposed by law, (3) taxes, (4) any amount not indemnified by the Insured Organization for which the Insured is absolved from payment by reason of any covenant, agreement or court order, and (5) matters uninsurable under the law pursuant to which this Policy is construed.
4. Section IV. EXCLUSIONS 6) is deleted in its entirety.

5. Section IV. EXCLUSIONS 9) is deleted in its entirety and replaced by the following:

- 9) for liability under or breach of any oral, written or implied contract or agreement, or for liability of others assumed by the Insured under any such contract or agreement; provided however, this exclusion shall not apply to (a) the Insurer's duty to defend and to pay Defense Costs regarding such Claim; (b) the extent the Insured would have been liable in the absence of such contract or agreement; or (c) the extent the Claim is a Claim for Wrongful Employment Practices;

6. Section V. GENERAL CONDITIONS AND LIMITATIONS, B. NOTICE, subparagraph 1) is deleted in its entirety and replaced by the following:

- 1) If during the Policy Period or Discovery Period, if purchased, any Claim is first made against any Insured, the Insureds as a condition precedent to their right to be reimbursed under this Policy, shall give to the Insurer written notice of any such Claim as soon as practicable. The Insured shall give the Insurer such information and cooperation as it may reasonable require.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the inception date stated in Item 2 of the Declarations or effective at 12:01 A.M. on __, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the inception of the policy.

Authorized Representative

ISSUED BY: __
ISSUED TO: __

POLICY NO: __

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDED BI/PD EXCLUSION

In consideration of the payment of the premium:

1. Section IV. **EXCLUSIONS** 1) is deleted and replaced by the following:
 - 1) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving bodily injury, sickness, mental anguish, emotional distress, disease or death of any person, provided, that this exclusion shall not apply to allegations of mental anguish or emotional distress if and only to the extent that such allegations are made as part of a **Claim for Wrongful Employment Practices**;
2. Section **IV. EXCLUSIONS** is amended by adding the following exclusion:

for or arising out of any damage, destruction, loss of use or deterioration of any tangible property including without limitation, construction defects, whether or not as a result of faulty or incorrect design or architectural plans, improper soil testing, inadequate or insufficient protection from soil and/or ground water movement, soil subsidence, mold, toxic mold, spores, mildew, fungus, or wet or dry rot, or the supervision of actual construction, manufacturing or assembly of any tangible property;

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the Inception Date stated in ITEM 2 of the Declarations or effective at 12:01 A.M. on __, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the Inception Date of the policy.

Accepted by: _____
On behalf of the entity named in
ITEM 1 of the Declarations.

Authorized Company Representative

ISSUED BY: ____
ISSUED TO: ____

POLICY NO: ____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CLAIMS AGAINST BUILDER/DEVELOPER

This endorsement modifies insurance provided under the following:

Non-Profit Management and Organization Liability Insurance Policy

In consideration of the premium charged,

1. For purposes of this endorsement, the following terms have the following meanings:
 - a. "Builder/Developer Board Member" means any person appointed or elected to serve on the board of directors of the **Parent Organization** by the builder, developer or sponsor of the **Parent Organization**, and who was both a director or officer of the **Parent Organization** and a director, officer, employee or agent of such builder, developer, or sponsor of the **Parent Organization**;
 - b. "Policy Year" means each year of the **Policy Period** beginning with the **Policy Inception Date** and ending one year thereafter and each successive year until canceled or non-renewed.
2. The Insurer shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any Builder/Developer Board Member after the end of the Policy Year in which such Builder/Developer Board Member ceases to serve on the board of directors of the **Parent Organization**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the inception date stated in Item 2 of the Declarations or effective at 12:01 A.M. on ___, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the inception of the policy.

Accepted by: _____
On behalf of the entity named in
ITEM 1 of the Declarations.

Authorized Company Representative

ISSUED BY: ____
ISSUED TO: ____

POLICY NUMBER: ____

AMENDED DEFINITION OF INSURED TO INCLUDE PROPERTY MANAGER

This endorsement modifies insurance provided under the following:

Non-Profit Management and Organization Liability Insurance Policy

In consideration of the payment of premium:

1. Section II. **DEFINITIONS**, sub-paragraph **G. Insured** is amended to include:
 - a. any independent management organization under a written contractual agreement solely with the **Insured Organization** (a "Property Manager") and
 - b. any director, officer or employee of a Property Managerbut only while performing property management services for the **Insured Organization** which are enumerated in such written contractual agreement.
2. Section **IV. EXCLUSIONS** is amended by adding the following:

brought or maintained by or on behalf of the **Insured Organization** against any **Insured** added pursuant to paragraph 1 of this endorsement;
3. If any **Claim** made against a Property Manager or any director, officer or employee thereof gives rise to coverage both under this Policy and under any other liability policy of similar insurance issued by the Insurer or any of its affiliates, the Insurer's maximum aggregate limit of liability under all such policies for all **Loss**, including **Defense Costs**, from such **Claim** shall not exceed \$1,000,000.00 subject to the remaining Limits of Liability of such policies.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the inception date stated in Item 2 of the Declarations or effective at 12:01 A.M. on ___, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the inception of the policy.

Accepted by: _____

On behalf of the entity named in
ITEM 1 of the Declarations.

Authorized Company Representative

CIRI 70064 (04-00)

ISSUED BY: ____
ISSUED TO: ____

POLICY NO: ____

DELETION OF AMENDED OPERATION OF RETENTION WORDING

This endorsement modifies insurance provided under the following:

Non-Profit Management and Organization Liability Insurance Policy

In consideration of the payment of the premium, Section **V. GENERAL CONDITIONS AND LIMITATIONS. A. LIMIT OF LIABILITY AND RETENTION.** 5) and 6) are deleted from the Policy and any endorsement thereto.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the inception date stated in Item 2 of the Declarations or effective at 12:01 A.M. on ____, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the inception of the policy.

Authorized Representative

NUCLEAR BROAD FORM EXCLUSION

This endorsement modifies insurance provided under the following:

Non-Profit Management and Organization Liability Insurance Policy

A. This Policy does not apply:

1. To **Loss**

- a. with respect to which an Insured under this Policy is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada or any of their successors, or would be an **Insured** under any such policy but for its termination upon exhaustion of its limit of liability; or
- b. resulting from the Hazardous Properties of Nuclear Material and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the Insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any Agency thereof with any person organization; or

2. To **Loss** resulting from the Hazardous Properties of Nuclear Material, if

- a. the Nuclear Material (i) is at any Nuclear Facility owned by, or operated by or on behalf of an **Insured** (ii) has been discharged or dispersed therefrom;
- b. the Nuclear Material is contained in Spent Fuel or Waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **Insured**; or
- c. the **Loss** arises out of the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any Nuclear Facility, but if such Nuclear Facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to **Loss** to such Nuclear Facility and any property thereat.

B. As used in this Endorsement:

- 1. "Hazardous Properties" include radioactive, toxic or explosive properties.
- 2. "Nuclear Material" means Source Material, Special Nuclear Material or Byproduct Material.
- 3. "Source Material," "Special Nuclear Material" and "Byproduct Material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

4. "Spent Fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a Nuclear Reactor.
5. "Waste" means any waste material (a) containing Byproduct Material other than the tailing or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its Source Material content and (b) resulting from the operation by any person or organization of any Nuclear Facility included within the definition of Nuclear Facility under paragraph (a) or (b) thereof.
6. "Nuclear Facility" means
 - a. any Nuclear Reactor;
 - b. any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing Spent Fuel, or (iii) handling, processing or packaging Waste;
 - c. any equipment or device used for the processing, fabricating or alloying of Special Nuclear Material if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of Waste and includes the site on which any of the foregoing is located, all operation conducted on such site and all premises used for such operations.
7. "Nuclear Reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
8. "**Insured**" means the **Insured Organization** and shall also mean the **Insured Persons**.
9. "**Loss**" includes all forms of radioactive contamination of property.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

This endorsement is effective at the inception date stated in Item 2 of the Declarations or effective at 12:01 A.M. on __, if indicated herein. Complete the following only when this endorsement is not prepared with the policy or is to be effective on a date other than the inception of the policy.

Authorized Representative