

THE FIRST REINSURANCE COMPANY OF HARTFORD
CHICAGO, IL 60603

**APPLICATION FOR NON-PROFIT
ORGANIZATION LIABILITY INSURANCE**

PART I - General Information

1. (a) Name of Organization: _____
(b) Principal Address: _____
(Number) (Street) (City) (State) (Zip)
2. (a) What is the Organization's legal structure? _____
(b) Purpose and Nature of operations: _____

3. (a) In continuous existence since: _____ (b) State in which incorporated: _____
4. Name and title of the Officer of the Organization designated to receive notices from or on behalf of all persons and entities proposed for this insurance:
Name: _____ Title: _____
5. (a) Please give details of any current or prior insurance. If none, so state:
Insurer-D & O: _____ Limit: _____ Premium: _____
Policy Expiration Date: _____ Corporate Deductible: _____
Insurer-CGL: _____ Limit: _____ Expiration Date: _____
Personal Injury Insurance: Yes No
Coverage for Discrimination: Yes No
Insurer-Medical/Professional Malpractice: _____ Limit: _____ Expiration Date: _____
- (b) Have any of the above carriers indicated an intent not to offer renewal terms? Yes No
If Yes, please provide details. _____
- (c) Have any loss payments (including defense costs) been made under any prior or current directors and officers liability policy or similar insurance, including under the deductible? Yes No
- (d) Has any Insurer declined, canceled or nonrenewed any policy or application for directors and officers liability or similar insurance? Yes No
- (e) Has the Organization or any Insured Person given written notice under the provisions of any prior or current directors and officers liability insurance of specific facts or circumstances which might give rise to a claim being made against any Insured Person? Yes No
6. Has any claim been made, or is any now pending, against the Organization or any person proposed for insurance in the capacity of either Director, Trustee, Officer or Employee which would fall within the scope of insurance being applied for? (If Yes, please attach full details.) Yes No

7. Is any person proposed for coverage cognizant of any facts or circumstances (a) which he or she has reason to believe might afford valid grounds for any future claim(s) such as would fall within the scope of the proposed coverage or (b) which indicate the probability of any such claim(s)? (If Yes, please attach full details.) Yes No
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8. Has the Organization and/or its Directors, Trustees, Officers or Employees been involved in or have any knowledge of pending Federal, State or local legal actions or proceedings against the Organization and/or its Directors, Trustees, Officers or Employees? (If Yes, please attach full details.) Yes No
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9. Does the Organization have any affiliated company or subsidiary operating for profit? (If Yes, please provide full details) Yes No
-
10. Does the Organization now have a tax exempt status under the U.S. Internal Revenue Service Code? If Yes, under what section? Yes No
-
11. Has the Organization filed a Federal Income Tax return for any of the last three years? If Yes, have returns been accepted as filed? Yes No
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12. Within the last five years, has the Organization received any inquiry, complaint or notice of hearing from any State or Federal Regulatory Authority or Congressional or Legislative committee? (If Yes, please provide full details.) Yes No
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Part II – Association Information

13. (a) Number of Chapters _____ (b) Number of Members _____
14. (a) Is the Association State, Local, Regional, National or International in scope? _____
 (b) Is the Association affiliated with a National or International association? (If Yes, please name Association) _____
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15. Does the Association perform any of the following services?
- (a) Negotiate labor contracts or provide arbitration services? Yes No
- (b) Engage in or sponsor product or service research, standards development, experimentation or performance testing? Yes No
- (c) Publish any magazines, periodicals, newsletters or technical manuals? Yes No
- (d) Set professional standards and/or certify its members? Yes No
- (e) Provide any accreditation activities? Yes No
- (f) Act as or participate in a peer review group or committee for assessing qualifications and performance of others or the quality of products manufactured, sold, handled, or distributed? Yes No
- If Yes to any of the above, please attach full details: _____
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Part III – Additional Information

As part of this application, please attach the following information as applicable:

- (a) The Organization's latest audited Annual Report (including balance sheet, income statement and notes).
- (b) The Organization's latest interim statement.
- (c) A copy of the Organization's by-laws or articles of incorporation.
- (d) Any newsletters, manuals or publications put out by the Organization.
- (e) List of Board Members with their outside affiliations.

The undersigned being authorized by, and acting on behalf of, the applicant and all persons or concerns seeking insurance, has read and understands the application, and declares and warrants all statements set forth herein are true, complete and accurate. The undersigned further declares and warrants that any occurrence or event taking place prior to the issuance of the Policy applied for which may render inaccurate, untrue, or incomplete any statement made herein will immediately be reported in writing to the Insurer. The undersigned acknowledges and agrees that the submission and the Insurer's receipt of such written report, prior to the inception of the Policy applied for is a condition precedent to coverage.

It is agreed that no coverage shall apply under the Policy being applied for with respect to any claims based upon or arising out of the facts or circumstances described in the answers given to questions 6, 7 and 8.

The signing of the application does not bind the undersigned to purchase the insurance, nor does review of the application bind the Insurer to issue a policy. It is agreed that this application, and the warranties made therein, shall be the basis of the contract should a Policy be issued.

It is warranted that the particulars and statements contained in the application(s) for the proposed Policy (which shall be on file with the Insurer and shall be deemed attached hereto) are the basis for the proposed Policy, and are to be considered as incorporated into and constituting a part of the proposed Policy.

Broker _____ _____ _____ _____	Signed _____ Title _____ (Must be signed by President or Chairman) Company _____ Date Signed: _____
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FRAUD PREVENTION – WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILED A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

WARNING—New York Residents: Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000, and the stated value of the claim for each such violation.

- THE FIRST REINSURANCE COMPANY OF HARTFORD, INC.
- VIRGINIA SURETY COMPANY, INC.
- CALVERT INSURANCE COMPANY
- ASSOCIATED INTERNATIONAL INSURANCE COMPANY

CHICAGO, IL

Year 2000 Supplemental Questionnaire

As part of the Insurer's underwriting evaluation, please provide the information requested in the following questions. The information provided will be relied upon in our underwriting evaluation. The information requested is material to our underwriting decision.

1. Is the Non-Profit Organization Year 2000 compliant? YES NO _____

- 2.a) If not, does the Non-Profit Organization have a Board approved plan so that they will be compliant in time for the Year 2000? YES NO _____

- b) What is the estimated date of Year 2000 readiness? _____
3. What is the estimated cost of addressing the Year 2000 issue and have reserves been established to fund these costs? _____

4. If material, has the Non-Profit Organization disclosed any potential problems or costs associated with the Year 2000 problem to board members and constituents or do they anticipate any such future disclosures? YES NO _____

5. Is the Non-Profit Organization querying their suppliers and customers to ensure there will not be any serious business interruption problems related to the Year 2000? YES NO _____

6. Does the Non-Profit Organization have a contingency plan to continue operations in the event critical systems, customers or suppliers are not Year 2000 compliant? YES NO _____

7. Has the Non-Profit Organization been granted immunity by the state in which it resides with regards to Year 2000 issues? YES NO _____

Signed: _____

Title: _____

(Must be signed by Presiding Official)

Company: _____

Date Signed: _____

AJIC/FRH/VSC-NP-2000 (9/98)

THE FIRST REINSURANCE COMPANY OF HARTFORD

CHICAGO, IL 60603

EMPLOYMENT PRACTICES LIABILITY SUPPLEMENTAL APPLICATION

1. Name and Address of Entity: _____

2. Does the Entity carry General Liability Insurance Yes No
 Personal Injury Insurance Yes No
 Coverage for Discrimination Yes No

3. (a) Prior EPLI Coverage for past three years (if any):

POLICY PERIOD	INSURER	PREMIUM	LIMIT	RETENTION
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

- (b) Has any insurer ever canceled or non-renewed this type of coverage? Yes No If YES, please attach full details.

4. Has the Entity been involved in any grievances or other administrative hearing before any of the following agencies and/or under any of the following acts?

- (a) National Labor Relations Board Yes No
- (b) Equal Employment Opportunity Commission Yes No
- (c) Federal Labor Standards Act Yes No
- (d) Fair Labor Standards Enforcement Act Yes No
- (e) Title VII of the Civil Rights Act of 1964 Yes No
- (f) Civil Rights Act of 1991 Yes No
- (g) Age Discrimination In Employment Act Yes No
- (h) U.S. Department of Labor Yes No
- (i) Any state or local government agency such as the Labor Department or Fair Employment Agency Yes No

If the answer to any of the above is YES, please attach full details. _____

5. Do you use an employment application for all your applicants for hire? Yes No

If Yes, please attach a copy of the application used.

6. Do you publish an employment handbook? Yes No



If yes, do you distribute to all employees? Yes No
 Please attach a copy. Is it updated regularly? Yes No

7. Do you have a written procedure for handling employee complaints of discrimination or sexual harassment? Yes No
 Please attach a copy.

8. Has the Entity formally implemented and adopted anti-sexual harassment policies? Yes No
 If YES, is it distributed annually to all workers? Yes No
 Please attach a copy.

9. Does the Entity have an affirmative action plan (AAP)? Yes No

10. Do you use any tests to screen applicants for employment or to promote employees? Yes No
 If YES, attach specifics.

11. (a) Does the Entity require terminations to be reviewed by its Human Resources Department? Yes No
 (b) Its Legal Department? Yes No
 (c) Its outside counsel? Yes No

12. Does the Entity have a policy on accommodating the disabled now required by the Americans With Disabilities Act? Yes No

13. Number of employees: Full Time _____ Part Time _____ Total _____

14. Are any of the above employees covered by collective bargaining agreements with any labor organizations? Yes No
 If YES, please describe: _____

15. How many staff members were terminated in each of past three years?
 199 _____
 199 _____
 199 _____

16. Do you anticipate any plant, facility, branch or office closings, consolidations or layoffs within the next 24 months? Yes No
 If YES, please attach full details.

LOSS HISTORY

17. (a) Regardless of whether or not you had insurance, on a separate sheet please furnish a first dollar Loss History for all losses in the past five (5) years. If there were no losses, state NONE. _____
 (b) For any claim(s) paid or reserved in excess of \$10,000, on a separate sheet please provide: 1) the date of loss, 2) a complete description of the loss, 3) the amount paid or reserved (including expenses), and 4) the valuation date for each such claim.
 (c) Has there ever been any claim against you for \$100,000 or more? Yes No
 (d) Are you aware of any facts, incidents, or circumstances, which may result in claims being made against you? Yes No
 If YES, please attach full details.

CLAIMS HANDLING PROCEDURES

18. (a) Who in the insured's organization has been designated to handle claims?

Name: _____

Address: _____

Telephone Number (include area code): _____

(b) With respect to claims, incidents, etc.:

1) Do you have a written procedure for obtaining information? Yes No

2) Have you made supervisory personnel aware of your desire for prompt notice? Yes No

The undersigned being authorized by, and acting on behalf of, the applicant and all persons or concerns seeking insurance, has read and understands the application, and declares and warrants all statements set forth herein are true, complete and accurate. The undersigned further declares and warrants that any occurrence or event taking place prior to the issuance of the Policy applied for which may render inaccurate, untrue, or incomplete any statement made herein will immediately be reported in writing to the Insurer. The undersigned acknowledges and agrees that the submission and the Insurer's receipt of such written report, prior to the inception of the Policy applied for is a condition precedent to coverage.

It is agreed that no coverage shall apply under the policy being applied for with respect to any claims based upon or arising out of the facts or circumstances described in the answers given to questions 17 (A-D).

The signing of the application does not bind the undersigned to purchase the insurance, nor does review of the application bind the Insurer to issue a policy. It is agreed that this application, and the warranties made therein, shall be the basis of the contract should a Policy be issued.

It is warranted that the particulars and statements contained in the application(s) for the proposed Policy (which shall be on file with the Insurer and shall be deemed attached hereto), are the basis for the proposed Policy, and are to be considered as incorporated into and constituting a part of the proposed Policy.

Signed _____

Title _____

(Must be signed by President or Chairman)

Company _____

Date Signed: _____

(Must be dated)

FRAUD PREVENTION – WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILED A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

WARNING—New York Residents: Any person who, knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed \$5,000, and the stated value of the claim for each such violation.

THE FIRST REINSURANCE COMPANY OF HARTFORD

CHICAGO, IL 60603

NON-PROFIT ORGANIZATION LIABILITY POLICY

IMPORTANT NOTICE

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED TO THE COMPANY IN WRITING DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF PURCHASED. THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSS SHALL BE REDUCED AND MAY BE COMPLETELY EXHAUSTED BY THE PAYMENT OF CLAIMS EXPENSES. LOSS AND CLAIMS EXPENSES SHALL BE APPLIED AGAINST THE DEDUCTIBLE. PLEASE REVIEW THE POLICY CAREFULLY.

In consideration of the payment of the premium, when due, and in reliance upon the statements in the application and attachments thereto, which are made part of this Policy and subject to all of the provisions of this Policy, the Company named in the Declarations (a stock Company, herein called the "Company") agrees with the Insured as follows:

1. INSURING CLAUSE

To pay on behalf of the Insured all Loss in excess of the deductible which the Insured shall become legally obligated to pay as a result of Claims first made against the Insured during the Policy Period or Extended Reporting Period, if purchased, because of any Wrongful Act committed by the Insured.

2. DEFINITIONS

A. **Claim** means a demand received by an Insured including, but not limited to, service of a lawsuit or institution of an arbitration proceeding against an Insured by which any person or entity intends to hold the Insured responsible for a Wrongful Act.

B. **Claims Expenses** means:

- (1) fees charged by legal counsel designated by the Company;
- (2) all other fees, costs and expenses resulting from the investigation, defense, settlement and appeal of a Claim incurred with the prior written consent of the Company;

Claims Expenses do not include salary charges and administrative expenses of regular employees or officials of the Organization or any supervisory counsel retained by the Insured.

C. **Loss** means any amount including Claims Expenses which an Insured is legally obligated to pay or which the Organization shall be required or permitted by law to pay on behalf of any Insured Person, for any covered Claim, including judgments and settlements. Loss does not include:

- (1) punitive or exemplary damages, any damages which are multiple of compensatory damages, sanctions, fines, penalties or taxes. However, if a suit is brought against the Insured with respect to a Claim falling within the coverage of this Policy, seeking both compensatory and punitive or exemplary damages, the Company will afford a defense to such suit without liability, however, for such punitive or exemplary damages; or
- (2) judgments or awards deemed uninsurable under the law pursuant to which this Policy shall be construed.

D. **Extended Reporting Period** means the period specified in Item 7 of the Declarations immediately following the effective date of cancellation or expiration of this Policy as described in Section 9.

E. **Insured Persons** means any person who is, was or shall become a director, officer, trustee, volunteer, employee (whether salaried or not) or committee member of a duly constituted committee of the Organization, and in the event of the death, incapacity or bankruptcy of any Insured Persons, the estate, heirs, legal representatives or assigns of such Insured Persons.

F. **Insured means:**

- (1) the **Organization**; or
- (2) any past, present or future director, officer, trustee, volunteer, employee (whether salaried or not) or any duly constituted committee of the **Organization**, for **Wrongful Acts** arising out of the discharge of an **Insured's** duties solely on behalf of the **Organization**;

G. **Organization** means the non-profit Entity which is named in the Declarations, and any non-profit **Subsidiary** as of the inception date of this Policy, and (1) any nonprofit **Subsidiary** created or acquired during the **Policy Period**; and (2) any for-profit **Subsidiary** created or acquired during the **Policy Period** provided the conditions of Section 14 are complied with, and the Company specifically agrees to add the for-profit **Subsidiary**.

H. **Policy Period** means the period from the effective date of this Policy to the expiration date as set forth in Item 3 of the Declarations or its earlier termination date, if applicable.

I. **Policy Year** means the period of one year following the inception of this Policy or any anniversary thereof, or if the time between such inception or any anniversary and the termination of the Policy is less than one year, such lesser period. If the **Extended Reporting Period** is exercised, then such **Extended Reporting Period** shall be part of the last **Policy Year** and not an additional period.

J. **Subsidiary** means any entity which is more than fifty (50%) percent owned by the **Organization**.

K. **Wrongful Act** means any actual or alleged act, error, misstatement, misleading statement or omission, neglect or breach of the **Insured's** duties arising solely from the **Insured's** capacity with the **Organization**.

L. **Interrelated Wrongful Acts** mean **Wrongful Acts** which have as a common nexus any fact, circumstance, situation, event, transaction or series of facts, circumstances, situations, events or transactions.

3. **EXCLUSIONS**

This insurance does not apply to:

- A. any **Claim** arising out of false arrest, detention or imprisonment, malicious prosecution, assault, battery, actual or alleged invasion of privacy, wrongful eviction, wrongful entry or invasion of the right of private occupancy;
- B. any **Claim** for any actual or alleged generation, storage, transportation, discharge, dispersal, escape, treatment, removal or disposal of any pollutant or contaminate, including without limitation waste, infectious or otherwise, and medical and pharmaceutical supplies;
- C. any **Claim** based upon, arising out of, or in any way involving the Employee Retirement Income Security Act of 1974 (or any regulations promulgated thereunder) or similar provisions of any federal, state or local statutory law or common law;
- D. any **Claim** arising out of actual or alleged mental anguish or emotional distress, bodily injury, sickness, disease or death of any person, actual or alleged damage to or destruction of any tangible property, including loss of use thereof;
- E. any **Claim** brought by or at the behest of the **Organization**, except that this Exclusion shall not apply to any derivative action brought totally independent of, and totally without the solicitation of, assistance of, participation of, or intervention of, any of the **Insureds**;
- F. any **Claim** arising from (1) any dishonest, fraudulent, or malicious **Wrongful Act** committed by an **Insured** or at the direction of any **Insured**; or (2) the **Insured** gaining in fact any personal profit or advantage to which the **Insured** was not legally entitled, provided however, the **Insured** shall be protected by the terms of this Policy until such time as there has been a final adjudication, adverse to the **Insured**, of the dishonest, fraudulent, or malicious **Wrongful**

Act, or gaining of personal profit, and that such **Wrongful Act** or gaining of personal profit, was committed with actual dishonest purpose and intent and was material to the cause of action so adjudicated;

- G. any **Claim** arising from the return by an **Insured** of any remuneration paid in fact to an **Insured** which payment shall be held to be in violation of law;
- H. any **Claim** seeking relief or redress, in any form other than money damages, including but not limited to any attorney fees and costs which may be awarded to the claimant in connection with the proceeding for non-monetary relief or redress;
- I. any **Claim** made against any **Subsidiary** or **Insured** arising out of: (1) any **Wrongful Act** occurring prior to the date such entity became a **Subsidiary**; (2) any **Wrongful Act** occurring subsequent to the date such entity became a **Subsidiary** which, together with a **Wrongful Act** occurring prior to the date such entity became a **Subsidiary**, would constitute **Interrelated Wrongful Acts**; or (3) any **Wrongful Act** occurring subsequent to the date such entity ceases to be a **Subsidiary**.

Any **Wrongful Act** pertaining to an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of any of the Exclusions contained in Section 3.

4. DEFENSE AND SETTLEMENT OF CLAIMS

The Company shall have the right and the duty to defend any **Claim** to which this insurance applies, even if any allegations of the **Claim** are groundless, false or fraudulent. Defense counsel shall be designated by the Company.

The Company may make such investigation as it deems expedient. The Company shall pay premiums on appeal bonds or bonds to release attachments required in any such suit defended by the Company. The Company's obligation to pay premiums on appeal bonds or bonds to release attachments; or to post collateral in connection with any appeal of a suit defended by the Company shall be limited to the applicable limit of liability, less any **Loss** previously paid by the Company.

The Company's right and duty to defend any **Claim** shall end when the applicable limit of the Company's liability has been exhausted by payment of any **Loss**. When the Company's liability has been paid, the Company shall have the right to withdraw from further defense thereof by tendering control of said defense to the **Insured**.

The **Insured** shall not agree to arbitration or settlement of any **Claim** or admit liability, assume any obligation, make any payment or incur any expense in connection with any **Claim** without the Company's prior written consent.

The Company shall not settle any **Claim** without the **Insured's** consent. If the Company recommends a settlement to the **Insured** which is acceptable to the Claimant, and the **Insured** refuses to settle, the Company's liability for the **Claim** shall not exceed the amount for which the **Claim** could have been settled, plus the **Claims Expenses** incurred up to the time of such refusal (the "Company's liability"), or the applicable limit of liability, whichever is less.

5. LIMIT OF LIABILITY AND DEDUCTIBLE

The limit of liability stated in Item 4 of the Declarations is the maximum amount payable by the Company for all **Loss** as a result of all **Claims** first made during each **Policy Year** or the **Extended Reporting Period**, if purchased.

The Company's obligation to pay any **Loss** applies in excess of the deductible stated in Item 5 of the Declarations. The **Insured** shall pay all **Loss** up to the amount of the deductible. The deductible stated in the Declarations applies to each **Claim** and shall be paid by the **Insured**.

The inclusion of more than one **Insured** in any **Claim** or the making of **Claims** by more than one person or entity shall not operate to increase the limit of liability and deductible. The bringing of one suit by one or more persons or entities shall always be treated as a single **Claim** regardless of whether the complaint alleges a single **Wrongful Act** or **Interrelated Wrongful Acts**.

All such Claims whenever made shall be considered first made in the Policy Year in which the earliest Claim arising out of a Wrongful Act or Interrelated Wrongful Act was first made and all such Claims are subject to the same limit of liability and deductible.

Payment of the applicable limit of liability stated in the Declarations ends the Company's duty to defend or settle. If the limit of liability applicable to Claims is exhausted prior to the conclusion of any Claim, the Company shall have the right to withdraw from the further defense of the Claim.

6. REPORTING OF POTENTIAL CLAIMS

If during the Policy Year the Insured first becomes aware of any Wrongful Act which might reasonably give rise to a Claim against the Insured under this Policy, and gives written notice of the Claim during the Policy Year, any Claim subsequently made against the Insured arising out of that Wrongful Act or Interrelated Wrongful Act shall be considered to have been made during the Policy Year when notice was first given.

Written notice of a potential Claim shall include:

- A. the specific Wrongful Act;
- B. the injury or damage that may reasonably result; and
- C. the circumstances by which the Insured became aware of the Wrongful Act.

The Insured shall cooperate with the Company as set forth in Section 7.

7. INSURED'S DUTIES IN THE EVENT OF A CLAIM

As a condition precedent to the availability of coverage under this Policy, the Insured's duties in the event of a Claim are as follows:

- A. If a Claim is made against the Insured, the Insured must give written notice to the Company as soon as practicable but no later than sixty (60) days after the policy expiration date. Notice shall include every demand, notice, summons or other process received by the Insured.
- B. The Insured shall cooperate with the Company in the defense and investigation and settlement of any Claim. Upon the Company's request, the Insured shall submit to examination or questioning, attend hearings, depositions and trials, assist in effecting settlement, securing and giving evidence, and obtaining the attendance of witnesses in the conduct of suits.
- C. The Insured shall assist the Company in effecting any rights of indemnity, contribution or apportionment available to the Insured or the Company.
- D. The Insured shall not, without prior written consent of the Company, make any payments, admit liability, settle Claims, assume any obligations, agree to arbitration or any similar means of resolution of any dispute, waive any rights or incur any Claims Expenses on behalf of the Company.

The Company agrees that such insurance as would otherwise be afforded under this Policy shall apply with respect to each and every Insured who did not personally commit or did not personally participate in the concealment of a Claim and the failure of any other Insured to comply with the notice requirements of Section 7A.

This waiver shall apply provided, the Insured entitled to the benefit of the waiver of the Exclusions or breach of condition shall promptly comply with the requirements of Section 7A after obtaining knowledge of the failure of any other Insured to comply with the requirements of Section 7A.

8. ADDITIONAL TIME IN WHICH TO REPORT CLAIMS MADE AT THE END OF THE POLICY PERIOD

If a Claim is first made against an Insured during the last thirty (30) calendar days of the Policy Period, such Claim will be treated as if it had reported to the Company during the Policy Period when the Claim was first made against the

Insured if the Insured gives the Company written notice of such Claim no later than sixty (60) days after the end of the Policy Period.

9. EXTENDED REPORTING PERIOD

If the Organization or the Company cancels or refuses to renew this Policy, the Organization shall have the right to purchase an **Extended Reporting Period** by payments of the premium reflected in Item 7 of the Declarations. The **Extended Reporting Period** will extend the insurance afforded by this Policy to apply to **Claims** first made against the **Insured** and reported to the Company during the period specified in Item 7 of the Declarations immediately following the effective date of cancellation or expiration, but only with respect to a **Wrongful Act** committed prior to such date and otherwise covered by this Policy. The **Extended Reporting Period** will not reinstate or increase the limit of liability or extend the **Policy Year**. The right to purchase the **Extended Reporting Period** shall lapse if the **Organization** does not make a written request for the **Extended Reporting Period** and pay the additional premium to the Company within thirty (30) days after the effective date of cancellation or expiration of the **Policy Period**.

10. OTHER INSURANCE

This insurance is excess over any other insurance, self-insurance, self-insured retention or similar program, whether primary, excess, contingent or on any other basis. We will pay only our share of the amount of the **Loss**, if any, that exceeds the sum of:

- A. the total amount that all such other insurance would pay in absence of this insurance; and
- B. the total of all deductible and self-insured amounts under all such other insurance or other available program.

This insurance does not apply to other insurance that was bought by you specifically to apply in excess of the limit of liability shown on the Declarations of this Policy.

11. APPLICATION & SEVERABILITY

By accepting this Policy, the **Insured** agrees at the effective date of this Policy that the statements in the application and attachments thereto which are made a part of this Policy (1) are the **Insured's** true and accurate representations; (2) are deemed material; and (3) have been relied upon by the Company in the issuance of this Policy.

This Policy shall be void and of no effect whatsoever only as to any **Insured** who is responsible for or who has knowledge of any misrepresentation in the application. Such responsibility or knowledge shall not be imputed to any other **Insured** for the purposes of determining the availability of coverage.

12. RIGHTS OF RECOVERY

If the Company makes any payment under this Policy, the Company shall be subrogated to all of the **Insured's** rights of recovery against any other person or entity. The **Insured** shall execute and deliver to the Company such instruments and papers, and do everything necessary to secure these rights and must do nothing that would jeopardize them.

13. LEGAL ACTION LIMITATION

The **Insured** may not bring any legal action against the Company concerning this Policy until:

- A. the **Insured** has fully complied with all of the provisions of this Policy; and
- B. the amount of the **Insured's** obligation to pay has been decided by the judgment against the **Insured** after actual trial or by written agreement between the **Insured**, the Company and the claimant.

Any person, **Entity**, or their legal representative is entitled to recover under this Policy after they have recovered a judgment or written agreement. Recovery is limited to the extent of the insurance afforded under this Policy. No person or **Entity** has any right under this Policy to include the Company in any action against the **Insured** to determine the **Insured's** liability, nor will the Company be brought into such an action by the **Insured** or the **Insured's** representative. If the **Insured** or the **Insured's** estate becomes bankrupt or insolvent, it does not change any of the Company's obligation under this Policy.

14. CHANGES IN RISK

Within ninety (90) days of the date the **Organization** creates or acquires a for-profit **Subsidiary**, the **Organization** shall provide the **Company** with written notice and request coverage for the for-profit **Subsidiary**. Coverage may be provided from the date the for-profit **Subsidiary** was created or acquired, subject to terms and premium adjustments as may be required by the **Company**.

15. CHANGES

This Policy contains all agreements between the **Insured** and the **Company** or any of its agents relating to this Insurance. None of the provisions of this Policy can be waived, changed or modified except by written endorsement issued to form a part of this Policy.

16. TRANSFER OF INTEREST

The **Insured** must first obtain the **Company's** written consent to transfer or assign this Policy.

17. CANCELLATION

The **Organization** may cancel this Policy by mailing or delivering to the **Company** advance written notice of the cancellation.

The **Company** may cancel this Policy by mailing or delivering to the **Organization** at the **Organization's** last mailing address known to the **Company** written notice of cancellation at least:

- A. 10 days before the effective date of cancellation if the **Company** cancels for non-payment of premium; or
- B. 60 days before the effective date of cancellation if the **Company** cancels for any other reason.

Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date. If the **Organization** cancels, the **Company** shall retain the customary short rate proportion of the premium. If the **Company** cancels, the return premium shall be computed pro rata. The **Company** will make the premium adjustment with the **Organization** at the time the cancellation is effective or as soon as practicable after that time, but premium adjustment is not a condition of cancellation.

18. AUTHORIZATION

The **Organization** shown in the Declarations will act on behalf of all **Insureds** with respect to the giving and receiving of any notices under this Policy, the payment of any premiums and deductibles and the receiving of any return premiums that may become due under this Policy.

19. CONFORMITY TO STATUTE

Any terms or conditions of this Policy which are in conflict with any applicable statutes of the state wherein this Policy is construed are hereby amended to conform to such statutes.