EMPLOYMENT PRACTICES LIABILITY INSURANCE STANDARD
COVERAGE PART
CLAIMS FIRST MADE AND REPORTED

NOTICE: This Coverage is Provided on a Claims Made and Reported Basis. Except to such extent as may otherwise be provided herein, the coverage afforded under this coverage part is limited to liability for only those covered Claims that are first made against an Insured and reported to us in accordance with the Duties in the Event of a Claim and Report of a Potential Claim provisions set forth below. LIMITS OF INSURANCE shall be reduced and may be completely exhausted by payment of Defense Costs. The Underwriters shall not be liable for any Defense Costs or for any judgment or settlement once the LIMITS OF INSURANCE is exhausted by Defense Costs or otherwise. Please review the coverage afforded under this coverage part carefully and discuss the coverage hereunder with your insurance agent or broker.

The consideration for our issuing this coverage part is the payment of Premium; in issuing the coverage part, we have relied upon all statements made to us in the Material Underwriting Information and any attachments and all other information provided to us. The Material Underwriting Information and attachments are incorporated herein and form a part of this coverage part.

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Schedule.

Under this coverage part the words “we”, “us” and “our” refer to the Underwriters providing this insurance.

The word “Insured” means any person or organization qualifying as such under WHO IS INSURED.

READ THIS COVERAGE PART CAREFULLY TO DETERMINE THE EXTENT OF COVERAGE. IMPORTANT: THIS IS A CLAIMS FIRST MADE AND REPORTED COVERAGE WHICH INCLUDES COSTS OF DEFENSE WITHIN THE LIMITS OF INSURANCE.

A. SECTION I. – COVERAGES:

1. Insuring Agreement
   a. We will pay Loss amounts that an Insured is legally obligated to pay on account of a Claim because of an Insured Event to which this coverage part applies. However, the amount we will pay is limited as described in the LIMITS OF INSURANCE and Self Insured Retention sections of this coverage part.
   b. This coverage part applies only if:
      (1) A Claim is first made against an Insured in accordance with When Coverage is Provided;
      (2) The Claim is reported in accordance with When Coverage is Provided and CONDITIONS: 1. Duties in the event of a Claim;
      (3) A Claim is first made against an Insured in accordance with Where Coverage is Provided; and
      (4) A Claim is first made against an Insured based upon an Insured Event that first occurred after the Retroactive Date set forth in the Schedule.
   c. Defense. We have the right and duty to defend any Claim for an Insured Event made or brought against any Insured to which this coverage part applies. We have the right to choose counsel to defend a Claim that we are covering. We have no duty to provide other services or take other actions. Our duty to defend any Claim ends when the LIMITS OF INSURANCE that applies has been exhausted, and in such event, the Named Insured shall, upon notice from us, promptly take over control of the defense.

We have the right to investigate and to settle any Claim for an Insured Event in the manner and to the extent that we believe is proper. This includes the right to agree to post a notice of compliance, provided such notice does not contain an admission of liability.
You may take over control of any outstanding Claim previously reported to us only if we both agree that you should, if required under law or if a court orders you to do so.

If your LIMITS OF INSURANCE is exhausted, we will notify you of all outstanding Claims so that you can take over control of their defense. We will help to transfer control to you.

d. During the transfer of control. We agree to take whatever steps are necessary to continue the defense of any outstanding Claim and avoid a default judgment during the transfer of control to you. If we do so, you agree to pay reasonable expenses that we incur for taking such steps after the LIMITS OF INSURANCE is exhausted.

e. Duty to pay. We have the duty to pay any Loss (after you pay the applicable Self Insured Retention) that results from any Claim for an Insured Event made or brought against any Insured to which this coverage part applies. Our duty to pay ends when the applicable LIMITS OF INSURANCE has been exhausted. We will not pay more than the applicable LIMITS OF INSURANCE.

We have the duty to pay Defense Costs incurred (after you pay the applicable Self Insured Retention) for the defense of any Claim that is controlled by us. Any payment of Defense Costs is included in the LIMITS OF INSURANCE, it is not in addition to the LIMITS OF INSURANCE.

We have the duty to pay costs that we incur for taking such steps after the LIMITS OF INSURANCE is exhausted.

2. Exclusions

This insurance does not apply to:

a. Workers’ Compensation / ERISA / FLSA / NLRA / WARN / COBRA / OSHA. This coverage part does not cover any Loss arising out of any Claim alleging violation of any: i) workers’ compensation, disability benefits or unemployment compensation law, social security and other employment benefits law; ii) the Employee Retirement Income Security Act of 1974 Public Law 93-406; iii) the Fair Labor Standards Act (except the Equal Pay Act); iv) the National Labor Relations Act; v) the Worker Adjustment and Retraining Notification Act; vi) the Consolidated Omnibus Budget Reconciliation Act of 1985; (vii) the Occupational Safety and Health Act; (viii) any other federal, state or local statute or law similar to any statute or law described in (i) through (vii) of this exclusion; provided, however, this exclusion shall not apply to any Claim for any actual or alleged retaliatory treatment of the claimant on account of the claimant’s exercise of rights pursuant to such statute, law, rule or regulation.

b. Contractual Liability. This coverage part does not cover any Loss based upon, arising out of, directly or indirectly in connection with, related to, or in any way involving any Claim any Insured is obligated to pay by reason of the assumption of another’s liability for an Insured Event in a contract or agreement. This exclusion will not apply to liability for damages because of an Insured Event that any Insured would have without the contract or agreement.

c. Consequential Loss. This coverage part does not cover any Loss resulting from or attributable to any allegations made by or solely for the benefit of a claimant’s domestic partner, spouse, child, parent, brother or sister.

d. Wage and Hour Law. This coverage part does not cover any Loss arising out of a Claim based upon, arising out of, directly or indirectly in connection with, related to or in any way alleging violation of any state or local wage and hour law. However, in the event such Claim also alleges an Insured Event otherwise covered by this coverage part, notwithstanding the provisions of section 1.c. Defense, and subject to all other terms, conditions and exclusion contained in this coverage part, we agree to pay loss solely for that portion of the claim involving such Insured Event.

e. Stock Options. This coverage part does not cover any Loss resulting from or attributable to stock options, including, without limitation, 1) the failure to grant stock options and/or 2) amounts attributable to unvested stock options which options did not vest because of the actual or alleged wrongful termination of an Employee.

f. Fraud and Collusion. This coverage part does not cover any Loss based upon, arising out of, directly or indirectly in connection with, related to, or in any way involving any Claim alleging fraud, collusion, dishonest, criminal or malicious acts by or at the direction of an Insured. Without limiting the foregoing, we will pay Defense Costs incurred relating to allegations of fraud, collusion, dishonest, criminal or malicious acts to defend an innocent Insured named in such Claim so long as such Claim also contains allegations against that innocent Insured involving an Insured Event otherwise covered by this coverage part.

g. Prior Knowledge. This coverage part does not cover any Loss arising out of Insured Events of which any Insured who is a principal, partner, officer, director, trustee, in-house counsel,
Employee(s) within the HR or Risk Management department or Employee(s) with personnel and risk management responsibilities was aware by actual knowledge of the facts or circumstances of such Insured Event prior to the Prior Knowledge Date, as shown in the Schedule.

h. Prior Notice. This coverage part does not cover any Loss arising out of Insured Events that have been the subject of any notice given under any other policy prior to the inception date of this coverage part.

i. Punitive Damages. This coverage part endorsement does not cover any Loss arising out of any fines, penalties, punitive damages, exemplary damages or any additional damages resulting from the multiplication of compensatory damages (referred to herein collectively as “Punitive Damages”), except that if a suit is brought against the Named Insured on a Claim falling within the coverage hereof, seeking both compensatory and Punitive Damages, then we will afford a defense to such action, without liability, however, for such Punitive Damages; provided further, that our obligation to provide such defense for Punitive Damages shall terminate when the Claim for compensatory damages in such action is terminated or paid through judgment or settlement and, in no event, shall we afford a defense for Punitive Damages after the LIMITS OF INSURANCE for compensatory damages has been paid.

j. Retroactive Date. This coverage part does not cover any Loss arising out of any Insured Events that first occurred on or before the Retroactive Date as set forth in the Schedule. For the purposes of this exclusion, related Insured Events are excluded if the first related Insured Event took place or is alleged to have taken place prior to the Retroactive Date.

3. When Coverage is Provided

a. This coverage part applies only to Claims arising out of an Insured Event first made or brought during the Coverage Part Period and which are reported to us in accordance with the coverage part’s notice provisions as set forth in CONDITIONS: 1. Duties in the Event of a Claim. Claims are considered to be first made when it is first served or received by the Insured.

b. All Claims because of One Insured Event will be considered to have been made or brought on the date that the first of those Claims was first made or brought.

c. Limited Reporting Period. The thirty (30) day period after the coverage part ends, during which

Claims because of Insured Events which happen or commence during the Coverage Part Period and are reported in accordance with SECTIONS I. and IV. of the coverage part can be made.

d. Extended Reporting Period. If you cancel this coverage part or this coverage part is non-renewed, you shall have the right to buy an Extended Reporting Period Endorsement providing an extended reporting period of up to twelve (12) months from the end of the Coverage Part Period, or the effective date of cancellation, whichever is earlier, in exchange for your payment of an additional Premium. You do not have this right, however, if we cancel for non payment of Premium.

The Extended Reporting Period Endorsement will not be issued unless we receive a written request for it within thirty (30) days after this coverage part is cancelled or non-renewed, nor will it take effect unless the additional Premium is paid within thirty (30) days after this coverage part is cancelled or non-renewed. Once that Premium is paid the endorsement may not be cancelled and the additional Premium will be fully earned.

The additional Premium for a twelve (12) month Extended Reporting Period will be one hundred percent (100%) of the annualized Premium charged for the last Coverage Part Period.

However, the Extended Reporting Period will not apply to any Claim if other insurance you buy covers you or would cover you if its limits of coverage had not been exhausted.

Coverage under the Extended Reporting Period is with respect to Claims first made against an Insured during the Coverage Part Period or Extended Reporting Period and first reported by an Insured during the Extended Reporting Period, provided always that Claims reported during the Extended Reported Period are limited to Insured Events which happen or commence before the original Coverage Part Period ends by either cancellation or non-renewal and which are otherwise covered by this coverage part.

The LIMITS OF INSURANCE that applies at the end of the Coverage Part Period is not renewed or increased and the Limits, as shown in the Schedule, shall not be increased in any way by the Limited Reporting Period or the addition of the Extended Reporting Period.

e. If, during the Coverage Part Period, any of the following changes occur:

(1) the acquisition of an Insured, or of all or
substantially all of its assets, by another entity, or the merger or consolidation of an Insured into or with another entity such that the Insured is not the surviving entity; or

(2) the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate over fifty percent (50%) of the directors of an Insured

coverage under this coverage part with respect to such Insured will continue in full force and effect with respect to Claims for Insured Events committed before such change, but coverage with respect to such Insured will cease with respect to Claims for Insured Events committed after such change.

4. Where Coverage is Provided

This coverage part covers Claims made and Insured Events occurring anywhere in the United States of America (including its territories or possessions), Puerto Rico and Canada.

B. SECTION II. – WHO IS AN INSURED:

1. Individual. If you are shown in the Schedule as an individual, you and your spouse are Insureds but only for the conduct of a business of which you are the sole owner.

2. Corporation. If you are shown in the Schedule as a corporation or organization other than a partnership or joint venture, you are an Insured. Your stockholders are also Insureds, but only with respect to their liability as your stockholders.

3. Partnership or Joint Venture. If you are shown in the Schedule as a partnership or joint venture, you are an Insured. Your partners or co-venturers and their spouses are also Insureds, but only for the conduct of your business.

However, no person nor organization is covered for the conduct of any current or past partnership or joint venture not named in the Schedule.

4. Other. If you are a Limited Liability Corporation (LLC), or a Limited Liability Partnership (LLP) of the Named Insured and you are shown in the Schedule as ‘Other’ you are an Insured. Your members, partners and shareholders are also Insureds but only with respect to the conduct of your business.

5. Employees. Your Employees, executive officers, directors and your trustees are Insureds only for the conduct of your business within the scope of their employment. Your Employee’s status as an Insured will be determined as of the date of the Discrimination, Harassment, Inappropriate Employment Conduct, which caused an Insured Event.

6. Mergers and Acquisitions. Any organization that you newly acquire, form or merge with while this coverage part is in effect that has less than 10% of the total number of your Employees as of the inception date of this coverage part shall be an Insured at the time of such acquisition, merger or formation if you own at least fifty-one percent (51%) of it. Within thirty (30) days prior to the expiration of the coverage part, the Insured shall give us written notice as to all such organizations. If you acquire, form or merge with any organization that has more than 10% of the total number of your Employees as of the inception date of this coverage part, such organization is also an Insured if you own at least fifty-one (51%) of it; provided, however, no such organization is covered for more than forty-five (45) days or the remainder of the Coverage Part Period, whichever is less, from the date acquired, merged or formed unless we agree to cover such acquisition or newly formed organization within such forty-five (45) day period in consideration of an additional Premium to be determined by us. Nonetheless, any acquired or formed organization is neither covered for Loss that results from an Insured Event that happened or first commenced before the Insured acquired or formed it; nor for Loss covered under any other insurance.

This provision does not apply to a partnership or joint venture. Nor does it apply to any organization once it is shown in the Schedule of this coverage part.

7. Subsidiary. Any organization more than 50% owned by the Named Insured and listed in the Material Underwriting Information shall be an Insured.

C. SECTION III. – LIMITS OF INSURANCE:

1. The amount shown at Item 4 (a) in the Schedule as the “Each Insured Event Limit” is the most we will pay for Claims first made or brought during the Coverage Part Period for Loss that results from any One Insured Event regardless of the number of Claims.

2. The amount shown at Item 4 (b) in the Schedule as the “Aggregate LIMITS OF INSURANCE” is the most we will pay for the combined total of all Claims first made or brought during the Coverage Part Period for Loss that result from all Insured Events.

If this Coverage Part Period is extended, the Limits, as shown in the Schedule shall not in any way increase. For purposes of the LIMITS OF INSURANCE, any coverage part extension is
considered to be part of and not in addition to the former Coverage Part Period.

3. Self Insured Retention

Our obligation to pay under this coverage part applies only to covered amounts in excess of any Self Insured Retention amount that the Insured must pay, as shown in the Schedule, and the LIMITS OF INSURANCE will not be reduced by the amount of such Self Insured Retention.

The Self Insured Retention amount will apply separately to each Claim made, however, it will only apply once to all Claims arising out of any One Insured Event regardless of the number of claimants who allege damages.

If, prior to terminating or demoting an Employee the Insured consults with and follows the advice of the EPL hotline and/or a labor law attorney approved by our Authorized Representatives, as shown in Item 9 of the Schedule, then the Insured’s Self Insured Retention is reduced by 50% in the event the Insured faces a Claim involving such termination or demotion.

D. SECTION IV. – CONDITIONS:

We have no duty to provide coverage under this coverage part unless there has been full compliance with all the conditions contained in this coverage part.

1. Duties in the Event of a Claim

a. You must see to it that we or our Authorized Representatives, as shown in the Schedule, are notified as soon as practicable but in no event more than thirty days (30) after any Insured who is a principal, partner, officer, director, trustee, in house counsel, Employee(s) within the HR Risk Management department or Employee(s) with personnel and risk management responsibilities, becomes aware that a Claim has been made. Your notification should include:

   (1) the identity of the person(s) alleging Discrimination, Harassment, Inappropriate Employment Conduct;
   (2) the identity of any Insured(s) who allegedly committed the Discrimination, Harassment, Inappropriate Employment Conduct;
   (3) the identity of any witnesses to the alleged Discrimination, Harassment, Inappropriate Employment Conduct; and
   (4) the date(s) an Insured Event took place.

b. You and any other Insured must:

   (1) Immediately send us or our Authorized Representatives, as shown in the Schedule, copies of any demands, notices, summonses or legal papers received in connection with the Claim;

   (2) authorize us or our Authorized Representatives, as shown in the Schedule, to obtain statements, records and other information;

   (3) co-operate with us or our Authorized Representatives, as shown in the Schedule, in the investigation or defense of the Claim; and

   (4) assist us or our Authorized Representatives, as shown in the Schedule, in the enforcement of any right against any person or organization which may be liable to an Insured because of Loss to which this coverage part may also apply.

c. No Insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent. Subsequent payments that are deemed by us as having been prejudiced by any such voluntary payment will also be the sole responsibility of the Insured.

2. Report of a Potential Claim

Solely at an Insured’s option, an Insured may within the Coverage Part Period report an oral complaint by an Employee, former Employee or applicant for employment alleging Discrimination, Harassment and/or Inappropriate Employment Conduct. If such report is received by us or our Authorized Representatives, as shown in the Schedule, within the Coverage Part Period then any Claim subsequently arising from such oral complaint will be deemed to be made on the date such report was received. Such report must include the identity of the person(s) making the oral complaint. In no event, however, is an Insured entitled to coverage under this coverage part based on a Laundry List Notification.

3. Legal Action Against Us

a. No person or organization has the right under this coverage part:

   (1) to join us as a party or otherwise bring us into a suit asking for damages from an Insured; or

   (2) to sue us on this coverage part unless all of its terms have been fully complied with.

b. A person or organization may sue us to recover on an agreed settlement or on final judgment against an Insured obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this coverage part or that are in excess of the applicable LIMITS OF INSURANCE. An agreed settlement means a
settlement and release of liability signed by us, an Insured and the claimant’s legal representative.

4. Other Insurance

This coverage part shall be deemed primary insurance in connection with covered Claims by Employees against an Insured because of an Insured Event. In connection with any other covered Claim, this coverage part shall apply in excess of all indemnity rights of an Insured and in excess of any other valid or collectible insurance available to any Insured. Nothing herein is intended to make this coverage part subject to the terms, conditions and limitations of any other insurance, and nothing herein is intended to limit our or any Insured’s right to contribution or indemnity from any other party, insurer or indemnitor.

5. Premium

a. The Premium shown in the Schedule is for the Coverage Part Period shown in the Schedule.

b. Premium Audit

(1) We will compute all Premiums for this coverage part in accordance with our rules and rates.

(2) Premium shown in this coverage part as advance Premium is a deposit Premium only. At the close of each audit period we may compute the earned Premium for that period and send notice to the Named Insured. The due date for audit and retrospective Premiums is the date shown as the due date on the bill. If the sum of the advance and audit Premiums paid for the coverage part period is greater than the earned Premium, we will return the excess to the first Named Insured.

(3) The first Named Insured must keep records of the information we need for Premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this coverage part you agree:

a. all statements in the Material Underwriting Information and any attachments as well as all other information provided to us are true and complete and shall be deemed material to the acceptance of the risk or the hazard assumed by us under this coverage part;

b. those statements are based upon representations you made to us;

c. we have issued this coverage part in reliance upon your representations;

d. in the event that any statement or representation in the Material Underwriting Information is untrue, this coverage part in its entirety shall be void at inception and of no effect whatsoever; and

e. to disclose any material facts you become aware of between the time that the Material Underwriting Information for this coverage part is signed and the coverage part inception date.

The truth of any statement or representation in the Material Underwriting Information shall be determined without regard to whether any Insured knew the Material Underwriting Information contained such untrue statement or representation.

7. When We Do Not Renew

If we decide not to renew this coverage part, we will mail or deliver to the Named Insured shown in the Schedule, written notice of the non-renewal not less than thirty (30) days before the expiration date. If notice is mailed, proof of mailing will be sufficient notice of non-renewal.

8. Cancellation

You may only cancel this coverage part by mailing to us written notice stating when, not less than thirty (30) days thereafter such cancellation shall be effective. We may cancel this coverage part for any reason, including non-payment of Premium, by mailing to the Named Insured at the address shown in the Schedule, written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation as stated in the notice shall become the end of the Coverage Part Period. Delivery of such written notice shall be equivalent to mailing.

Premium shall be deemed fully earned if any Claim under this coverage part is reported to us on or before the date of cancellation.

If this coverage part is cancelled, earned Premium shall be computed pro rata. Premium adjustments may be made at the time cancellation becomes effective, but payment or tender of unearned Premium is not a condition of cancellation.

9. Transfer Of Rights Of Recovery Against Others to Us

If any Insured has rights to recover all or part of any
payments we have made under this coverage part, those rights are transferred to us; the Insured must do nothing after a Loss to impair them. At our request, any Insured will bring suit or transfer those rights to us and help us to enforce them.

10. Bankruptcy

Bankruptcy or insolvency of any Insured or of an Insured’s estate will not relieve us of our obligations under this coverage part, except as excluded in COVERAGES: 2. Exclusions.

11. False or Fraudulent Claims

If any Insured shall proffer any Claim knowing the same to be false or fraudulent as regards amount or otherwise, this coverage part will become void in its entirety and all coverage hereunder shall be forfeited.

E. SECTION V. – DEFINITIONS:

1. Material Underwriting Information means any documents, materials or information submitted to us for this employment practices liability coverage part.

2. Claim(s) means a written complaint or written charge made against an Insured or a written demand made against an Insured in which damages are alleged or where specific charges of Discrimination, Harassment, Inappropriate Employment Conduct are brought.

Claim includes a civil action, suit or administrative proceeding, to which any Insured must submit or to which any Insured submits with our consent.

But Claim shall not mean any labor or grievance arbitration subject to a collective bargaining agreement; or any complaint, writ or other proceeding in which an Insured is alleged to have committed or engaged in a criminal offense or violation of a federal, state or local penal law.

3. Dedicated Agent means an individual who acts as an independent contractor for the Named Insured but does so exclusively for the Named Insured and who has no other clients other than the Named Insured.

4. Defense Costs means those reasonable and necessary expenses that result from the investigation, settlement or defense of a specific Claim including attorney fees and expenses, the cost of legal proceedings, the cost of appeal bonds, the cost of bonds to release property being used to secure a legal obligation (but only for bond amounts within the LIMITS OF INSURANCE that applies). We have no obligation to furnish any bonds.

The following are not Defense Costs: costs incurred by any Insured before notice is provided to us, salaries and expenses of your employees, including in-house and/or coverage attorneys, salaries and expenses of our employees, or our in-house or coverage attorneys or the fees and expenses of independent adjusters we hire.

5. Discrimination means termination of the employment relationship, a demotion, a failure or refusal to hire or promote, denial of an employment benefit or the taking of any adverse or differential employment action because of race, color, religion, age, sex, disability, pregnancy, sexual orientation, national origin, or any other basis prohibited by federal, state or local law occurring on or after the Retroactive Date as shown in the Schedule.

This coverage part covers retaliation Claims based on unlawful discrimination occurring on or after the Retroactive Date as shown on the Schedule Page, except as excluded in COVERAGES: 2. Exclusions.

6. Employee means an individual whose labor or service is engaged by and directed by the Named Insured, or any covered entity. This includes volunteers, part time, seasonal and temporary Employees as well as any individual employed in a supervisory, managerial or confidential position. Independent contractors and sub contractors are not Employees unless they are Dedicated Agents or representatives of an Insured. Employees who are leased to another employer are not Employees.

7. Harassment means unwelcome sexual or non-sexual advances, requests for sexual or non-sexual favors or other verbal, visual or physical conduct of a sexual or non-sexual nature, where such harassment occurs on or after the Retroactive Date as shown in the Schedule and is based on a factor or category prohibited by law (including sex, race, age, national origin, disability, etc.), that (1) explicitly or implicitly are made a condition of employment, (2) are used as a basis for employment decisions, or (3) create a work environment that interferes with performance.

8. Inappropriate Employment Conduct means any of the following occurring on or after the Retroactive Date as shown in the Schedule:

a. actual or constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;

b. allegations of wrongful demotion, or wrongful discipline;

c. allegations of misrepresentation made by an Employee, a former Employee or an applicant for employment which arise from an Insured’s
employment decision to hire, fire, promote or demote;

d. allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an Employee, a former Employee or an applicant for employment which arise from an Insured’s employment decision to hire, fire, promote or demote;

e. allegations of false imprisonment, detention or malicious prosecution made by an Employee, a former Employee or an applicant for employment which arise from the Insured’s an employment decision to hire, fire, promote or demote;

f. allegations of libel, slander, defamation of character or any invasion of right of privacy made by an Employee, a former Employee or an applicant for employment which arise from an Insured’s employment decision to hire, fire, promote or demote; or

g. other personal injury allegations made by an Employee, a former Employee or an applicant for employment which arise from an Insured’s employment decision to hire, fire, promote or demote.

Inappropriate Employment Conduct shall not include any allegations other than those set forth above.

9. Insured Event means actual or alleged acts of Discrimination, Harassment, and/or Inappropriate Employment Conduct, by an Insured against an Employee or former Employee or applicant for employment with an Insured entity occurring on or after the Retroactive Date as shown in the Schedule. Insured Event shall not include Claims for actual or alleged violation of any federal, state or local wage and hour laws or regulations.

10. Laundry List Notification means any attempt by an Insured to report multiple matters under this coverage part in a summary fashion that does not comply with CONDITIONS: 1. or 2. By way of example, a Laundry List Notification may consist of a report by an Insured that lists purported potential claimants, either in the absence of a Claim, or in the absence of an oral complaint.

11. Loss means damages, judgments (including prejudgment and post judgment interest awarded against an Insured on that part of any judgment paid by us), settlements, we authorize or agree to, statutory attorney fees and Defense Costs.

However, Loss does not include anything specifically excluded in COVERAGES: 2. Exclusions or any of the following:

a. salary or wages of the Insured;

b. non-monetary relief (this provision does not apply to Defense Costs where non-monetary relief is sought for alleged Harassment, Discrimination, Inappropriate Employment Conduct);

c. payment of insurance plan benefits by or on behalf of retired Employees, or that to which a claimant would have been entitled as an Employee had any Insured provided the claimant with a continuation of insurance;

d. liquidated damages where there is a finding of willfulness;

e. costs incurred by an Insured to modify or adapt any building or property in order to make such building or property more accessible or accommodating to any disabled person; costs associated with eliminating non-essential duties from the job description of a disabled person; costs associated with providing a disabled person with reasonable workplace accommodations; and costs associated with lost productivity by an employer as the result of making a reasonable workplace accommodation for a disabled person;

f. matters which may be deemed uninsurable according to the law under which this coverage part is construed;

g. amounts owed under federal, state or local wage and hour laws;

h. amounts owed under a contract of employment;

i. commissions, bonuses, profit sharing or benefits pursuant to a contract of employment, including but not limited to vacation, holiday, and/or sick pay;

j. severance payments or obligations to make payments;

k. amounts that are sought or deemed to be owed under partnership, stock or other ownership agreements;

l. fines, penalties and taxes; or

m. punitive or exemplary damages.

12. One Insured Event means (1) one or more covered allegations of Discrimination, Harassment and/or Inappropriate Employment Conduct which are related by an unbroken chain of events or (2) class action or multiple claimant or multiple plaintiff suits arising out of related Insured Events.

13. Subsidiary means any organization more than 50% owned by the Named Insured listed in the Material Underwriting Information.