

Employment Related Practices Liability (Claims Made)

EMPLOYMENT RELATED PRACTICES LIABILITY "CLAIMS MADE" POLICY

THIS IS A CLAIMS MADE AND REPORTED POLICY. COVERAGE IS LIMITED TO LIABILITY FOR CLAIMS FIRST MADE AGAINST YOU AND REPORTED TO US WHILE THE COVERAGE IS IN FORCE.

THE LIMITS OF LIABILITY AVAILABLE TO PAY FOR JUDGEMENT OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE COSTS. AMOUNTS INCURRED FOR DEFENSE COSTS SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

In consideration of the payment of the premium and in reliance on all statements made in the Application and its attachments and any materials submitted therewith, all of which are made a part hereof, we agree to this Policy as a contract with you.

Throughout the Policy, the words you and your refer to the Named "Insured(s)" shown in the Declaration and any other person(s) or organization(s) qualifying as an "Insured" under this Policy. The words we, us, our and Insurer refer to the underwriters providing this insurance.

Other words and phrases that appear in boldface and are enclosed in quotations have special meaning. **Refer to SECTION VIII. DEFINITIONS.**

SECTION I – INSURING AGREEMENT -WHAT IS COVERED

1. INSURING AGREEMENT

We shall pay those amounts the "Insured" is legally required to pay by reason of a "Claim" arising out of your "Wrongful Employment Practice" to which this insurance applies. The "Wrongful Employment Practice" must take place on or after the "Retroactive Date" but before the end of the "Policy Period". A "Claim" for a "Wrongful Employment Practice" must be first made against you and reported to us during the "Policy Period" or any extended reporting period we provide under this Policy.

2. DEFENSE

- a. We have the right and duty to defend and appoint an attorney to defend any "Claim" brought against any "Insured" for a "Wrongful Employment Practice" to which this insurance applies even if the "Claim" is groundless or fraudulent. Our duty to defend any "Claim" ends after the applicable Limits of Liability have been exhausted by payment of "Loss".
- b. We have the right to make any investigation, conduct any negotiation, or enter into the settlement of any "Claim".
- c. We shall pay all reasonable costs we ask the "Insured" to incur while helping us investigate or defend a "Claim". We, however, will not pay for any costs incurred before receiving notice of a claim, nor will we pay more than \$100 per day for earnings lost by the "Insured" because of time taken off from work.
- d. Our liability will be limited as described below if:
 1. The insured refuses to consent to any settlement we recommend; and
 2. Such recommended settlement is acceptable to the claimant.
- e. We shall pay premiums for appeal bonds, or bonds to release property being used to secure a legal obligation, if required in a "Claim" we defend. We shall only pay, however, for bonds valued up to our applicable Limits of Liability. We shall have no obligation to appeal or to obtain these bonds. We shall pay the costs taxed against an "Insured" in a "Claim" we defend.
- f. Payments for the costs of defense, investigation, or settlement of a "Claim" are

Employment Related Practices Liability (Claims Made)

included within our Limits of Liability. They are not in addition to our Limits of Liability.

- g. We shall pay all interest on that amount of any judgement within our Limits of Liability.
- a. Which accrues after entry of judgement ; and
- b. Before we pay, offer to pay, or deposit in court that part of the judgement within our applicable Limits of Liability.
- h. Our right and duty to defend such “claims” ends when we have used up the Limit of Insurance available, as provided under **SECTION IV – Limits of Liability**. This applies both to “claims” pending at that time and any that may be filed thereafter.

3. COVERAGE TERRITORY

We cover “Wrongful Employment Practice(s)” occurring anywhere in the world if the “Claim” is made for such “Wrongful Employment Practice” in the United States of America, its territories, possessions and Puerto Rico.

4. TRANSFER OF CONTROL

You may take over control of any outstanding “Claim” previously reported to us only if we both agree that you should, or if a court orders you to do so.

If the Limits of Liability stated in the declaration page are exhausted, we will notify you of all outstanding “Claim(s)” so that you can take over control of the defense. We will help transfer control to you.

We shall 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, we shall not waive or give up any of our rights,. You shall pay all reasonable expenses we incur for taking such steps after the Limits of Liability are exhausted.

SECTION II – EXCLUSIONS - WHAT IS NOT COVERED

This insurance does not apply to:

- A. “Property Damage”. Any “Claim” arising out of “Property Damage”.
- B. “Bodily Injury”. Any “Claim” arising out of “Bodily Injury”. This exclusion does not apply to any “Claim” for emotional distress, mental anguish, or humiliation arising from a “Wrongful Employment Practice”.
- C. **Workers Compensation Benefits**. Any “Claim” arising out of any obligation under a workers’ compensation, employers liability, disability, insurance, medical, severance or social security benefits, unemployment compensation law, or any similar law.
- D. “Willful” Failure To Comply With The Law. Any “Claim” arising out of the “Willful” failure to comply with any law or any government or administrative order or regulation relating to employment practices by or with the “Insured’s” consent. However, to the extent that a “Claim” is otherwise covered under the Policy, we will defend a “Claim” asserting “Willful” failure to comply with any law or any government or administrative order or regulation until such time as the “Insured” is judicially determined to have intentionally failed to comply with the law or any government order or regulation;
- E. **ERISA, COBRA, NLRA, OSHA and WARN**. Any “Claim” arising out of the “Insured’s” failure to fulfill any duty or obligation imposed by:
- the Employment Retirement Income Security Act of 1974;
 - the Consolidated Omnibus Budget Reconciliation Act of 1985;
 - the Workers’ Adjustment and Retraining Notification Act, Public Law 100-379 (1988);
 - the National Labor Relations Act of 1947;

Employment Related Practices Liability (Claims Made)

- the Occupational Safety Act of 1970
 - any amendments to such laws; or
 - any regulations promulgated under any such laws;
- F. **Accommodations.** Any costs or expenses incurred by an “Insured” to make premises accessible to persons with disabilities as required by the Americans with Disabilities Act of 1990 (ADA), including amendments to that law, or similar federal, state, or local statutory or common law;
- G. **Strikes And Lockouts.** Any “Claim” arising out of a lockout, strike, picket line, replacement or other similar actions resulting from labor disputes, labor negotiations or collective bargaining agreements;
- H. **Dishonest Acts.** Any “Claim” arising out of any dishonest, fraudulent, criminal, or malicious act by or at the direction of any “Insured”, if it is judicially determined that the “Insured” acted intentionally dishonest.
- I. **Non-Monetary Relief.** That part of any settlement or judgement of a “Claim” which awards non-monetary relief including, but not limited to, injunctive relief, declaratory relief, disgorgement, employment related education or training, job reinstatement, or other equitable remedies.
- J. **Contractual Liability.** Any “Claim” the “Insured” assumes under any employment contract or agreement. This exclusion, however, shall not apply to any liability the “Insured” would have in the absence of the contract or agreement.
- K. **Punitive Damages.** Civil or criminal fines or penalties, non-monetary relief, punitive or exemplary damages including the multiplied portion of multiple damages.
- L. **Reorganization/Downsizing Actions and Facility Closings.** Any “Wrongful Employment Practice” that occurs after you reorganize and/or downsize operations or close one or more places

of business operations resulting in the termination within a 60 day period of more than 20% of your **Employees** at any place of business operation.

With respect to the Exclusions under Section II, the “**Wrongful Employment Practice**” of an “**Insured**” shall not be imputed to any other “**Insured**” for the purpose of determining the applicability of Exclusion D. and I.

SECTION III – WHO IS AN INSURED

- A. **Individual.** If you are shown in the Declarations as an individual, you and your spouse are “**Insured(s)**” only for the conduct of a business of which you are the sole owner.
- B. **Corporation.** If you are shown the Declarations as a corporation or organization other than a partnership or joint venture, you are an “**Insured**”. Your stockholders are also an “**Insured**” but only with respect to their liability as stockholders.
- C. **Partnership or Joint Venture.** If you are shown in the Declarations as a partnership or joint venture, you are an “**Insured**”. Your partners or co-ventures and their spouses are also an “**Insured**”, but only for the conduct of your business.
- D. **Subsidiaries.** Any subsidiary in which you own greater than 50% is an “**Insured**” as long as the subsidiary is listed on the Application for coverage.
- E. **Acquisitions.** Any organization that you acquire or form while this Policy is in effect is an “**Insured**” if you own greater than 50% of it, but no acquired or formed organization is covered for more than ninety (90) days or the remainder of the “**Policy Period**”, whichever is less, from the date that you acquire or form it, of for “**Loss**” that arises out of a “**Wrongful Employment Practice**” that happened or commenced before you acquired or formed it, of for “**Loss**” covered under any other insurance, unless we agree otherwise in writing.

Employment Related Practices Liability (Claims Made)

- F. **"Employee(s)**". Your **"Employees(s)**" and directors are an **"Insured"** only for the conduct of your business within the scope of their employment or their duties as directors. Your **"Employee"** and director will only be an **"Insured"** if he/she was your **"Employee"** or director on the date of the alleged **"Wrongful Employment Practice"**.

SECTION IV – LIMITS OF LIABILITY

- A. The limits shown in the Declarations of this Policy and in the information contained in this section fix the most we shall pay regardless of the number of:
1. Persons or organizations covered by this Policy; or
 2. **"Claim(s)"** made
- B. The Aggregate Limit is the most we shall pay for all "Loss" covered under this Policy.
- C. The Amount of Insurance stated as Aggregate Limit on the Coverage Declarations is the most we will pay for the sum of:
1. **"Damages"** for all **"claims"** arising out of any actual or alleged **"employment practices"** covered by this insurance; and
 2. **"Defense expense"** for all **"claims"** seeking **"damages"** payable under paragraph a. above.
- Each payment we make for such **"damages"** or **"defense expenses"** reduces the Aggregate Limit by the amount of the payment.
- This reduced limit will then be the Amount of Insurance available for further **"damages"** and **"defense expenses"** under this Coverage Part.
- D. Subject to the Aggregate Limit, each **"Wrongful Employment Practice"** limit is the most we shall pay for all **"Loss"** that results from a single **"Wrongful Employment Practice"**.
- E. All **"Claim(s)"** arising from Class action or suits arising out of related **"Wrongful Employment Practice(s)"** or continuous, related, or repeated
- F. **"Wrongful Employment Practice(s)"** shall be treated as arising out of one **"Wrongful Employment Practice"**. Only the Policy in effect

when the first such **"Claim"** is made shall respond to all such **"Claim(s)"**.

- G. All **"Claim(s)"** arising out of one **"Wrongful Employment Practice"** shall be deemed to be made on the date that the first such **"Claim"** is made.
- H. The Limits of Liability of this Policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the **"Policy Period"** shown in the Declarations, unless the **"Policy Period"** is extended after issuance for an additional period of less than 12 months. In that case, the additional period shall be deemed part of the last preceding period for the purposes of determining the Limits of Liability.

SECTION V – DEDUCTIBLE

1. The deductible amount shown in the declarations applies to all "damages" for injury arising from "employment practices" and any "defense expense" however caused.
2. Our obligation to pay "damages" and "defense expense" on behalf of any insured applies only to the sum of the amount of "damages" and "defense expense" for any one "claim" which are in excess of the deductible amount stated in the Declarations.
3. Your obligation is to pay the deductible applicable to each "claim" made against this insurance. That deductible applies to the sum of all "damages" because of injury arising from "employment practices" paid for any one "claim" and applicable "defense expense" associated therewith. If there should be no "damages" paid for a "claim", you are still obligated to pay the applicable deductible for any "defense expense" incurred by us in connection with that "claim".
4. The terms of this insurance apply irrespective of the application of the deductible, including those with respect to:
 - a. Our right and duty to defend any "claims" seeking those "damages"; and
 - b. Your and any involved insured's duties in the event of a "claim".

Employment Related Practices Liability (Claims Made)

5. We may pay any part or all of the deductible to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible as we may have paid for "damages" or "defense expense".
6. The application of the deductible does not reduce the applicable Limits of Insurance.

SECTION VI – CONDITIONS

A. Assignment:

1. The interest of any "Insured" is not assignable. You cannot assign or transfer
2. your interest in this Policy without our written consent attached to the Policy.
3. If you die, or are declared legally incompetent, your rights and duties shall be transferred to your legal representative, but only while acting within the scope of their duties s such.

- B. Bankruptcy or Insolvency.** Your bankruptcy, insolvency or inability to pay, will not relieve us from the payment of any "Claim" arising out of a "Wrongful Employment Practice" which takes place before such bankruptcy or insolvency. Under no circumstances will your bankruptcy, insolvency, or inability to pay require us to drop down, in any way replace, or assume any of your obligations with respect to your Retention.

C. Changes

This Coverage contains all agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this Coverage with our consent. This Coverage's terms can be amended or waived only by endorsement issued by us and made a part of this Coverage Part.

D. Duties In the Event Of An Incident or "Claim"

1. If, during the "Policy Period", incidents or events occur which you reasonably believe may give rise to a "Claim" for which coverage may be provided hereunder, such belief being based upon either written notice

from the potential claimant or the potential claimant or the potential claimant or the potential claimant's representative or upon a contemporaneously made memorandum of an oral "Claim", allegation or threat, you shall, during the "Policy Period" or any applicable extended reporting period, give written notice to us. Such written notice shall contain:

- a) The identity of the person(s) alleging a "Wrongful Employment Practice"
- b) The identity of the "Insured(s)" who allegedly were involved in the incidents or events;
- c) The identity of the witnesses to the alleged "Wrongful Employment Practice";
- d) The date the alleged incidents or events took place; and
- e) The written notice or contemporaneously prepared memorandum referred to above.

If you submit written notice containing items a) through e) above, then any "Claim" subsequently made against an "Insured" arising out of such incidents or events shall be deemed, for the purpose of this insurance, to have been first made during the "Policy Period" in effect at the time such written notice was submitted to us.

2. If a "Claim" is made against any "Insured", you must:
 - a) Immediately record the specifics of the "Claim" and the date received; and
 - b) Notify us as soon as practicable.

You must see to it that we receive written notice of this "Claim" as soon as practicable.

3. You and any other "Insured" must:
 - a) Immediately send us or our Authorized Representative copies of any

Employment Related Practices Liability (Claims Made)

demands, notices, summonses or legal papers received in connection with any "Claim",

- b) Authorize us or our Authorized Representative to obtain records and other information,
 - c) Cooperate with us or our Authorized Representative in the investigation, settlement or defense of the "Claim", and
 - d) Assist us or our Authorized Representative, upon our request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or damage to which this insurance may also apply.
4. No "Insured" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior consent. Subsequent payments which are deemed by us as having prejudiced by any such voluntary payment will also be the sole responsibility of the Insured.

E. Transfer of Rights of Recovery Against Orders To Us. You may be able to recover all or part of a "Loss" from someone other than us. You, therefore, shall do all that is possible after a "Loss" to preserve any such right of recovery. If we make a payment under this Policy, that right of recovery shall belong to us. You shall do whatever is necessary, including signing documents, to help us obtain that recovery.

F. Automatic Reporting Period

1. Subject to all of the terms and conditions set forth in this paragraph, you have an Automatic Reporting Period of sixty (60) days, starting with the end of the "Policy Period", during which any "Claim", arising out of the "Wrongful Employment Practice(s)" which take place on or after the "Retroactive Date" but before the end of the "Policy Period", may be reported to us.

2. This Automatic Reporting Period does not extend the "Policy Period" or change the scope of coverage provided. We will consider any "Claim" first made or brought during the Automatic Reporting Period to have been made on the last date on which this insurance is in effect.
3. The Automatic Reporting Period will apply only if this insurance is cancelled or not renewed for any reason. Coverage under the Automatic Reporting Period may not be cancelled.
4. The Limits of Liability that apply at the end of the "Policy Period" are not renewed or increased for "Claim(s)" first made or brought during the Automatic Reporting Period.
5. The Automatic Reporting Period, however, will not apply to any "Claim" if other insurance you buy covers the "Claim" or would cover the "Claim" if its limits of coverage had not been exhausted

G. Extended Reporting Period

1. If you, or we, cancel or do not renew this Policy, you shall have the right to buy an Extended Reporting Period Endorsement providing an extended reporting period of up to three (3) years, starting upon the expiration of the Automatic Reporting Period. You do not have this right, however, if we cancel for nonpayment of premium. If an Extended Reporting Period becomes effective, it shall only apply to covered "Claim(s)" from "Wrongful Employment Practice(s)" which take place on or after the "Retroactive Date" but before the end of the "Policy Period", first made after the expiration of the Automatic Reporting Period.
2. The additional premium for the Extended Reporting Period Endorsement shall be calculated in accordance with our rules and rates.

Employment Related Practices Liability (Claims Made)

3. To obtain an Extended Reporting Period Endorsement you must request it in writing within sixty (60) days after the “**Policy Period**” ends and pay the premium when due. If you do so, an Extended Reporting Period cannot be canceled. If we do not receive the written request and payment as required, you may not exercise this right at a later date.
4. The Extended Reporting Period will not reinstate, renew or increase the Limits of Liability nor extend the “**Policy Period**” of this policy.
5. This insurance, **provided during the Extended Reporting Period**, is excess over any other valid and collectible insurance that begins or continues in effect after the Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

H. Legal Action Against Us

1. No one can sue us to recover under this Policy unless there has been full compliance with all the terms of this Policy.
 2. A person or organization may sue us to recover up to the Limits of Liability under this Policy only after your “**Claim**” has been decided by:
 - a) A trial which a final judgment has been entered; or
 - b) A written settlement agreement signed by the party making the “**Claim**” and us.
 3. No person or organization has the right to join us as a party or otherwise bring us into a “**Claim**” asking for “**Loss**” from an “**Insured**”.
- I. **Other Insurance.** The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the Insured has other insurance, which is stated to be applicable to the loss on an excess or contingent basis, the

amount of the Company’s liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- (a) **Contribution by Equal Shares:** If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
- (b) **Contribution by Limits:** If any of such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

J. **Policy Changes.** This Policy contains all the agreements between you and us concerning this insurance. The first Named “**Insured**” in the Declarations is authorized to request changes in this Policy. This Policy can only be changed by a written endorsement we issue and made part of this Policy.

K. **Representations.** By accepting this Coverage Part the “**Insured(s)**” agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations the “**Insured’s**” made to us in any material submitted, including financial

Employment Related Practices Liability (Claims Made)

- statements and any other information supplied or requested by us.
3. Those statements are to be considered as incorporated into and constituting a part of this Policy.
 4. Since we have issued this Coverage Part in reliance upon **"Insured's"** representations, this insurance is avoidable if any material fact or circumstance relating to the subject of this insurance is omitted or misrepresented in the submitted information. If the act or omission in question has contributed to the loss subject to the cause of action.
- L. **Special Rights and Duties of First Name "Insured"**. You agree that when there is more than one person or entity covered under this Policy, the first Named **"Insured"** in the

Declarations shall act on behalf of all **"Insured's"** as to:

1. Giving and receiving notice of cancellation;
2. Payment of premiums and receipt of return premiums;
3. Acceptance of any endorsements to this Policy; or
4. Purchasing or deciding not to purchase the Extended Reporting Period Endorsement.

SECTION VII – CANCELLATION OR NON-RENEWAL

- A. The first Named **"Insured"** shown in the Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- B. We may cancel this Policy by mailing or delivering to the first Named **"Insured"** written notice of cancellation at least:

1. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
 2. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
- C. We will mail or deliver our notice to the first Named **"Insured's"** address shown in the Declarations.
 - D. Notice of cancellation will state the effective time and date of cancellation. The **"Policy Period"** will end on that date.
 - E. If this Policy is canceled, we will send the first Named **"Insured"** any premium refund due. If we cancel, the refund will be pro rata. If the first Named **"Insured"** cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - F. The Policy cannot be canceled by either party after the premium for an Extended Reporting Period is paid.
 - G. If we decide not to renew this Policy, we will mail or deliver to the First Named **"Insured"** shown the Declarations 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 proof of notice.

SECTION VIII – DEFINITIONS

- A. **"Bodily Injury"** means physical injury, sickness, or disease, including death resulting therefrom.
- B. **"Claim(s)"** means:
 1. A written demand or notice for monetary **"Loss"**; or
 2. A civil or administrative proceeding.

Employment Related Practices Liability (Claims Made)

C. Damages" means monetary amounts to which this insurance applies and which the insured is legally obligated to pay as judgments or awards, or as settlements to which we have agreed in writing.

"Damages" include:

- a. "Pre-judgment interest" awarded against the insured on that part of the judgment we pay;
- b. Any portion of a judgment or award, to the extent allowed by law, that represents a multiple of the compensatory amounts, punitive or exemplary damages; and
- c. Statutory attorney fees.

"Damages" do not include:

- (1) Civil, criminal, administrative or other fines or penalties;
- (2) Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than money; or
- (3) Judgments or awards because of acts deemed uninsurable by law.

D. "Defense expense" means payments allocated to a specific "claim" for its investigation, settlement, or defense, including:

- a. Attorney fees and all other litigation expenses.
- b. The cost of bonds to appeal a judgment or award in any "claim" we defend. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance available. We do not have to furnish these bonds.
- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of any "claim", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "claim". However, these payments do not include attorney's fees or attorney's expenses taxed against the insured.

"Defense expense" does not include:

- (1) Salaries and expenses of our employees or your "employees", other than:

- (a) That portion of our employed attorneys' fees, salaries and expenses allocated to a specific "claim" for the defense of the insured; or

- (b) The expenses described in paragraph d. above; or

- (2) Interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under the provisions of **SECTION IV – LIMITS OF LIABILITY**.

E. "Discrimination" means the failure to refusal to hire, or any other wrongful treatment of persons based on their race, sex, color, religion, sexual orientation or preference, marital status, pregnancy, age, disability, or other status that is protected pursuant to any applicable federal, state, or local statute or ordinance which is employment related.

F. "Employee" means any past, present or future employees of the "**Insured**", whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time or seasonal employee in his or her capacity as such.

However "employee" does not include:

- 1. Independent contractor;
- 2. Any employees of any independent contractor while acting within the scope of their employment; or
- 3. Any "leased worker".
- 4. Any "temporary worker".

G. "Employment Practices" means any of the following actual or alleged practices (i) which are directed against any of your "employees", "leased workers", "temporary workers", former "employees" or any applicants for employment by you and (ii) for which remedy is sought under any federal, state or local statutory or common civil employment law:

- (1) Wrongful refusal to employ a qualified applicant for employment;

Employment Related Practices Liability (Claims Made)

- (2) Wrongful failure to promote or wrongful deprivation of career opportunity;
 - (3) Wrongful demotion, negligent evaluation, negligent reassignment or wrongful discipline;
 - (4) Wrongful termination of employment, including retaliatory or constructive discharge;
 - (5) Employment related misrepresentation;
 - (6) Harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by any applicable federal, state or local statute; or
 - (7) Oral or written publication of material that:
 - (a) Slanders;
 - (b) Defames or libels; or
 - (c) Violates or invades a right of privacy.
- H. **"Harrassment"** means:
- 1. Unwelcome sexual advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature that is made a condition of employment with the **"Insured"**, is used as a basis for employment decisions with the **"Insured"**, creates a work environment with the **"Insured"** that interferes with performance,

or creates an intimidating, hostile, or offensive working environment; or
 - 2. Workplace harassment (i.e. harassment of a non-sexual nature) which creates a work environment with the **"Insured"** that interferes with performance, or creates an intimidating, hostile or offensive working environment.
- I. **"Insured(s)"** means any person or organization qualifying as such under SECTION III titled **WHO IS AN INSURED**.
- J. **"Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- K. **"Loss(es)"** means a judgment, settlement, statutory attorney fees, and the costs associated with defense, investigation, or settlement of a **"CLAIM"**. **"Loss"** does not include salaries or wages of the **"Insurer"**.
- L. **"Policy Period"** means the period commencing, on the effective date shown in the Declarations. This period ends on the earlier of the expiration date or the effective date of cancellation of the Policy.
- M. **"Property Damage"** means physical injury to, or destruction of, tangible property including the loss of use of tangible property which has not been physically injured or destroyed.
- N. **"Retroactive Date"** refers to the date specified in the Declarations".
- O. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. **"Wrongful Employment Practice(s)"** means any actual or alleged act of:

"Discrimination";

"Harassment"; or

"Wrongful Termination"
- Q. **"Wrongful Termination"** means any actual or alleged wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract.