



# Lloyd's Certificate

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**This Insurance** is effected with certain Underwriters at Lloyd's, London.

**This Certificate** is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of the said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, their Executors and Administrators.

**The Assured** is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:

Stateside Underwriting Agency  
A Division of Johnson & Johnson, Inc.  
335 Commerce Drive  
Crystal Lake, Illinois 60014

## CERTIFICATE PROVISIONS

1. **Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
2. **Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as hereinbefore set forth. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.
3. **Cancellation.** If this Certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 6 of the attached Declaration Page, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.  
 The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.  
 Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.
5. **Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
6. **Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.
7. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

### Short Rate Cancellation Table For Term of One Year.

Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium
1	5%	66 - 69	29%	154 - 156	53%	256 - 260	77%
2	6	70 - 73	30	157 - 160	54	261 - 264	78
3 - 4	7	74 - 76	31	161 - 164	55	265 - 269	79
5 - 6	8	77 - 80	32	165 - 167	56	270 - 273 ( 9 mos )	80
7 - 8	9	81 - 83	33	168 - 171	57	274 - 278	81
9 - 10	10	84 - 87	34	172 - 175	58	279 - 282	82
11 - 12	11	88 - 91 ( 3 mos )	35	176 - 178	59	283 - 287	83
13 - 14	12	92 - 94	36	179 - 182 ( 6 mos )	60	288 - 291	84
15 - 16	13	95 - 98	37	183 - 187	61	292 - 296	85
17 - 18	14	99 - 102	38	188 - 191	62	297 - 301	86
19 - 20	15	103 - 105	39	192 - 196	63	302 - 305 ( 10 mos )	87
21 - 22	16	106 - 109	40	197 - 200	64	306 - 310	88
23 - 25	17	110 - 113	41	201 - 205	65	311 - 314	89
26 - 29	18	114 - 116	42	206 - 209	66	315 - 319	90
30 - 32 ( 1 mos )	19	117 - 120	43	210 - 214 ( 7 mos )	67	320 - 323	91
33 - 36	20	121 - 124 ( 4 mos )	44	215 - 218	68	324 - 328	92
37 - 40	21	125 - 127	45	219 - 223	69	329 - 332	93
41 - 43	22	128 - 131	46	224 - 228	70	333 - 337 ( 11 mos )	94
44 - 47	23	132 - 135	47	229 - 232	71	338 - 342	95
48 - 51	24	136 - 138	48	233 - 237	72	343 - 346	96
52 - 54	25	139 - 142	49	238 - 241	73	347 - 351	97
55 - 58	26	143 - 146	50	242 - 246 ( 8 mos )	74	352 - 355	98
59 - 62 ( 2 mos )	27	147 - 149	51	247 - 250	75	356 - 360	99
63 - 65	28	150 - 153 ( 5 mos )	52	251 - 255	76	361 - 365 ( 12 mos )	100

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
  1. Determine full annual premium as for insurance written for a term of one year.
  2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
  3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

SPECIMEN

**LLOYD'S**

One Lime Street London EC3M 7HA

This Declaration Page is attached to and forms part of Certificate provisions (Form SLC-3 USA NMA 2868)

Previous No. Authority Ref. No. Certificate No.  
«Prior\_Policy\_» «UMR\_Auth\_Reference\_» «Policy\_»

1. Name and address of the Insured:

«Name»

«Address»

«City», «State» «Zip»

2. Effective from «Effective\_Date» to «Expiration\_Date»  
both days at 12:01 a.m. standard time.

3. Insurance is effective with certain UNDERWRITERS AT LLOYD'S, LONDON.  
Percentage: 100%

4. Amount	Coverage	Rate	Premium
«Aggregate_Limit» (See Policy for any applicable sub-limits)	Employment Practices Liability		«Result_Premium_»
	Policy Preparation Fee		«POLICY_FEE_»
	Surplus Lines Tax		«SLT_»
	Stamping Fee		«STAMP_FEE_»
	Miscellaneous Fee		«MISC_SL_FEE_»
	Filing Fee		«SL_FILING_FEE_»
	Gross Total		\$

5. Forms attached hereto and special conditions:

«Endorsement\_List»

6. Service of Suit may be made upon:

Gordon & Rees, LLP, One North Franklin, Suite 800, Chicago, IL 60606

7. In the event of a claim, please notify the following:

Gordon & Rees, LLP, One North Franklin, Suite 800, Chicago, IL 60606

Dated

Stateside Underwriting Agency

April 26, 2019

By

Correspondent

**EMPLOYMENT PRACTICES LIABILITY POLICY**

**THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. DEFENSE COSTS REDUCE AND MAY EXHAUST THE COVERAGE LIMITS, AND ARE SUBJECT TO THE RETENTION.**

**POLICY NUMBER:** «Policy\_»

**UNDERWRITERS AT LLOYD'S, LONDON**

**DECLARATIONS**

**Item 1.** Name and Address of Insured:

«Name»  
«Address»  
«City», «State» «Zip»

**Item 2.** Policy Period (Month Day Year)

From: «Effective\_Date» To: «Expiration\_Date»  
12:01 A.M. Local Time at the Address of the Organization as stated in Item 1 above.

**Item 3.** Limit of Liability (Inclusive of Defense Costs):

«Aggregate\_Limit» Aggregate for each Policy Period

**Item 4.** Retention «DeductibleRetention» each Claim

**Item 5.** The Premium for this Policy is: «Result Premium »

**Item 6.** Retroactive Date: «Retrodater»

**Item 7.** Coverage Date: «Coverage\_Date»

**Item 8.** Notice Pursuant to Article VI:

Gordon & Rees, LLP  
One North Franklin, Suite 800  
Chicago, IL 60606

**Item 9.** Endorsements Attached at Issuance:

«Endorsement\_List»

Authorized Representative: \_\_\_\_\_  
Signature

April 26, 2019  
Date

## EMPLOYMENT PRACTICES LIABILITY POLICY

**THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. DEFENSE COSTS REDUCE AND MAY EXHAUST THE COVERAGE LIMITS, AND ARE SUBJECT TO THE RETENTION.**

In consideration of the payment of the premium and reliance by Underwriters upon the statements made to Underwriters in the Application attached hereto and made a part hereof, and subject to the terms, conditions, definitions, exclusions and limitations hereinafter provided, Underwriters agree with the **INSURED** as follows:

### **I. INSURING AGREEMENTS**

Underwriters shall pay on behalf of an **INSURED LOSS** resulting from any **CLAIM** first made by or on behalf of an **EMPLOYEE** against an **INSURED** during the **POLICY PERIOD** for a **WRONGFUL ACT** and reported to Underwriters in accordance with Section VI.A. of the Policy.

### **II. DEFENSE AND SETTLEMENT**

Subject to Article V.B., Underwriters shall have the right and duty to defend any **CLAIM** against the **INSURED** to which this insurance applies, even if any of the allegations of the **CLAIM** are groundless, false or fraudulent.

Underwriters shall have the right to negotiate the settlement of any **CLAIM**, whether within or above the Retention, but Underwriters shall not commit the **INSURED** to any settlement without the **INSURED'S** consent, such consent not to be unreasonably withheld. The **INSURED** shall not admit liability for or settle any **CLAIM** or incur any **DEFENSE COSTS** without the written consent of Underwriters, such consent not to be unreasonably withheld. If the **INSURED** refuses to consent to any settlement recommended by Underwriters and agreed to by the claimant, and elects to contest any **CLAIM** or continue any legal proceedings in connection with such **CLAIM**, then, subject to the Limit of Liability of this Policy, Underwriters' liability for the **CLAIM** shall be limited to the amount in excess of the applicable Retention for covered

**LOSS** which Underwriters would have contributed to the settlement had the **INSURED** consented to such settlement plus the **DEFENSE COSTS** incurred up to the date of such refusal.

### **III. DEFINITIONS**

**A. "APPLICATION"** means the application for this Policy, including any materials submitted therewith, and for any other policy of which this Policy is a renewal or replacement or which it succeeds in time.

**B. "CLAIM"** means:

1. a written demand for monetary or non-monetary relief commenced by the **INSURED'S** receipt of such demand;
2. a civil proceeding commenced by the service upon the **INSURED** of a complaint or similar proceeding;
3. a formal administrative or regulatory proceeding commenced by the service upon or other receipt by an **INSURED** of a notice of charge(s) or similar document, including, without limitation, proceedings before the Equal Employment Opportunity Commission or similar state agency; or
4. a written request to an **INSURED** to toll or waive the statute of limitations regarding a notice of circumstance as described below in Section VI.B. commenced by the **INSURED'S** receipt of such request.

**C. "COMPANY"** means:

1. the **NAMED INSURED**;
2. any **SUBSIDIARY** of the **NAMED INSURED**; and
3. the **NAMED INSURED OR SUBSIDIARY** as a debtor, a debtor-in-possession or equivalent status.

**D. "CRIMINAL CONDUCT"** means conduct which constitutes (or would constitute) an offense in any part of the world.

**E. "DEFENSE COSTS"** means reasonable and necessary fees and expenses incurred with the approval of Underwriters in connection with the investigation, adjustment, settlement,

defense or appeal of a **CLAIM** made against an **INSURED** for a **WRONGFUL ACT**, and shall include the cost of attachment or similar bonds. Payment of **DEFENSE COSTS** by Underwriters shall reduce, and may exhaust, the Limit of Liability under this Policy.

**"DEFENSE COSTS"** shall not include: (a) amounts incurred by any **INSURED** prior to the date the **CLAIM** is first made and reported to Underwriters; and (b) salaries, wages, fees, overhead, overtime or benefit expenses incurred by or associated with the **INSUREDS**.

**F. "DISCRIMINATION"** means any actual or alleged adverse employment action or threatened employment action based on age, race, color, national origin, religion, sex, sexual orientation or preference, pregnancy, disability, health status, or any other protected status specified under federal, state or local law.

**G. "EMPLOYEE"** means:

1. a natural person whose labor or service was, is or shall be engaged and directed by the **COMPANY** including full-time, part-time, seasonal or temporary but solely while acting within the scope of his/her duties as an **EMPLOYEE**; and an individual who has filed an application for employment with the **COMPANY**.
2. a volunteer, whose labor and service is engaged and directed by the **COMPANY**, but solely while that person is acting in their capacity as an **EMPLOYEE**.

**EMPLOYEE** does not mean an **INDEPENDENT CONTRACTOR**.

**H. "HARRASSMENT"** means unwelcome sexual or non-sexual advances, requests for sexual or non-sexual favors or other verbal or physical conduct of a sexual or non-sexual nature that (1) explicitly or implicitly are made a condition of employment; (2) are used as the basis for employment decisions; or (3) create a work environment that interferes with performance. **HARRASSMENT** includes allegations of assault and battery, but only if they are related to a charge of sexual harassment.

**I. "INDEPENDENT CONTRACTOR"** means any natural person working pursuant to a written contract or agreement between it and the **COMPANY** whose services are designated by the **COMPANY**.



**J.** "INSURED" means the "COMPANY" and any "EMPLOYEE" while acting within the scope of their employment.

**K.** "INTERRELATED WRONGFUL ACTS" means **WRONGFUL ACTS** that have as a common nexus any fact, circumstance, situation, event or transaction or series of facts, circumstances, situations, events or transactions.

**L.** "LOSS" means monetary damages, settlements, judgments and statutory attorneys' fees awarded which the **INSURED** is legally obligated to pay in response to a covered **CLAIM**, punitive or exemplary damages or the multiplied portion of a multiplied damages award where insurable under the applicable law, pre-judgment and post-judgment interest on a judgment covered by the terms of this Policy, and **DEFENSE COSTS**.

**LOSS** shall not include:

1. non-monetary relief, and any amount paid or incurred by the **INSUREDS** to comply with a judgment or settlement for non-monetary or injunctive relief;
2. criminal or civil fines or penalties imposed by law;
3. taxes;
4. matters that may be deemed uninsurable under the law pursuant to which this Policy shall be construed;
5. future compensation of an **EMPLOYEE** hired, promoted or reinstated following settlement of a **CLAIM**;
6. stock benefits, or the value of stock benefits;
7. unpaid compensation earned during the course of employment but not paid by the **COMPANY**, other than back pay or front pay;
8. the cost to modify any premises or provide an accommodation for a disabled person;
9. severance pay; or
10. amounts owed under employment contracts, partnership, stock or other ownership agreements or any other type of contract.

**M.** "NAMED INSURED" means the partnership, corporation or other entity named in Item 1. of the Declarations.

N. **"RETALIATION"** means any actual or alleged adverse employment action or threatened employment action for which the primary motivating factor is an **EMPLOYEE'S** refusal to participate in an unlawful activity, reporting of unlawful conduct, or filing a complaint or proceeding with a regulatory, administrative, or judicial agency.

O. **"POLICY PERIOD"** means the period from the Inception Date of this Policy to the Expiration Date stated in Item 2. of the Declarations, or to any earlier cancellation date of this Policy.

P. **"SUBSIDIARY"** means:

1. any entity more than 50% owned by the **COMPANY** at or prior to the Inception Date set forth in Item 2. of the Declarations of the Policy;
2. any entity acquired or created subsequent to the Inception Date set forth in Item 2. of the Declarations of the Policy more than 50% owned by the **COMPANY**;
3. any not-for-profit organization sponsored exclusively by the **COMPANY** prior to or during the **POLICY PERIOD**.

Q. **"WRONGFUL ACT"** means any actual or alleged acts committed by an **INSURED** against an **EMPLOYEE**, including **DISCRIMINATION, HARASSMENT** and **RETALIATION**, which directly results in an unlawful impairment of the terms, conditions, privileges, rights, or benefits of employment or continued employment.

#### IV. **EXCLUSIONS**

This Policy does not apply to **LOSS** in connection with any **CLAIM**:

A. based upon or directly or indirectly arising out of or resulting from any:

1. **WRONGFUL ACT** or matter, fact, circumstance, situation, event or transaction that has been the subject of any claim made prior to the inception of this Policy or of any notice given during any prior policy, or was identified as a notice of circumstance in the **APPLICATION**;

2. **WRONGFUL ACT** which, together with a **WRONGFUL ACT** that has been the subject of any claim or notice identified in (a) above, would constitute **INTERRELATED WRONGFUL ACTS**; or

3. Matter, fact, circumstance, situation, event or transaction known to an **INSURED** prior to the Coverage Date set forth in Item 7. of the Declarations if such matter, fact or circumstance would cause a reasonable person to believe that a **CLAIM** for a **WRONGFUL ACT** may be made;

**B.** based upon or directly or indirectly arising out of or resulting from any actual or alleged **WRONGFUL ACT** of an **INSURED** serving in any capacity other than for the **COMPANY**;

**C.** based upon or directly or indirectly arising out of or resulting from the adjudicated criminal act of any **INSURED**, provided, however, that the **CRIMINAL CONDUCT** of one **INSURED** shall not be imputed to any other **INSURED**;

**D.** for any actual or alleged bodily injury, sickness, disease, or death, including but not limited to loss of consortium or services, or any actual or alleged damage to or loss of or destruction of any tangible property, including loss of use thereof,

Provided, however, this exclusion shall not apply to any **CLAIM** for emotional distress or mental anguish;

**E.** for any violation of the Employee Retirement Income Security Act of 1974, any and all amendments thereto (except Section 510 thereof); the Fair Labor Standards Act (except the Equal Pay Act); the National Labor Relations Act; the Workers Adjustment and Restraining Notification Act; the Consolidated Omnibus Budget Reconciliation Act of 1985; the Occupational Safety and Health Act; any federal, state or local statutory law or common law governing workers' compensation, unemployment insurance, social security, disability or pension benefit laws,

Provided, however, this exclusion shall not apply to any **CLAIM** for **RETALIATION**;

**F.** based upon or directly or indirectly arising out of or resulting from or in consequence of any actual or alleged liability under or pursuant to any contract or agreement, whether oral, written, express or implied, including the liability of others assumed by an **INSURED**, unless such **INSURED** would have been liable in the absence of the subject contract or agreement;

**G.** for:

1. any actual or alleged seepage, pollution or contamination of any kind, including but not limited to the storage, transportation, treatment, discharge, dispersal, release, emission or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic materials, chemicals, radon, liquids or gases, waste materials or other irritants, contaminants, or pollutants into or upon land, the atmosphere or any watercourse or body of water, or otherwise; or

2. any regulation, order, direction or request that the **INSURED** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any of the foregoing,

Provided, however, this exclusion shall not apply to any **CLAIM** for **RETALITATION;**

**H.** for any actual or alleged use, exposure, presence, existence, detection, removal, elimination or avoidance of asbestos, or any actual or alleged asbestos-related injury or damages,

Provided, however, this exclusion shall not apply to any **CLAIM** for **RETALITATION.**

**I.** for any actual or alleged:

1. electronic or software failure; or

2. failure, breakdown or malfunction of any machine or system of machines;

**J.** for any of the following, regardless of any other cause or event contributing concurrently or otherwise to the loss:

1. war, invasion, acts of foreign enemies, hostilities, or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

2. any **ACT OF TERRORISM;**

This exclusion applies to all **LOSS** based upon, directly or indirectly arising out of or resulting from any action taken in controlling, preventing, suppressing or in any way relating to 1. or 2., above;

**K.** based upon or directly or indirectly arising out of or resulting from any actual or alleged price differential or violation of any anti-trust or other law designed to protect competition or unfair trade practices, solely with respect to Insuring Agreement B.

## **V. LIMIT OF LIABILITY AND RETENTION**

### **A. LIMIT OF LIABILITY**

The Limit of Liability stated in Item 3. of the Declarations shall be the maximum aggregate Limit of Liability of Underwriters for all **LOSS** under all insuring agreements combined, arising out of any and all **CLAIMS** first made against the **INSUREDS** during the **POLICY PERIOD**, and Extended Reporting Period, if applicable, including **DEFENSE COSTS**, reported in accordance with the terms and conditions of the Policy, regardless of the number of **CLAIMS** made against the **INSUREDS** or the time when **LOSS** payments are made by Underwriters.

### **B. RETENTION**

As a condition precedent to coverage under the Policy, and subject to the Limit of Liability, Underwriters shall only be liable for **LOSS** in excess of the applicable Retention stated in Item 4. of the Declarations. The applicable Retention shall apply to each **CLAIM** made against the **INSUREDS** and shall apply only to **LOSS** otherwise covered under the Policy. The Retention shall be borne by the **INSURED** as its own uninsured risk and shall be fully paid by the **INSURED** before Underwriters shall incur any liability to pay any **LOSS**. The Retention applies to **DEFENSE COSTS**, whether or not any other **LOSS** is paid.

### **C. EXHAUSTION OF LIMIT**

Underwriters shall not be obligated to pay any **LOSS**, including **DEFENSE COSTS**, or defend any **CLAIM** after the available Limit of Liability as stated in Item 3. of the Declarations has been exhausted by payment of money damages, settlements or **DEFENSE COSTS**. **DEFENSE**

**COSTS** shall be part of and not in addition to the Limit of Liability and payment of **DEFENSE COSTS** by Underwriters will reduce the Limit of Liability.

**D. OTHER INSURANCE**

Unless provided otherwise, the coverage provided under this Policy shall be primary. Notwithstanding the foregoing, with regard to any **CLAIM** made against a temporary **EMPLOYEE**, the coverage shall be excess of, and not contribute with, any applicable insurance of the temporary employee agency.

**E. MULTIPLE INSUREDS, CLAIMS OR CLAIMANTS**

The inclusion herein of more than one **INSURED** or the making of **CLAIM(S)** by more than one person or organization shall not operate to increase Underwriters' Limit of Liability. **CLAIM(S)** arising out of a single **WRONGFUL ACT**, or **INTERRELATED WRONGFUL ACTS**, shall be treated as a single **CLAIM**, and such single **CLAIM** shall be considered first made:

1. when the earliest **CLAIM** within such single **CLAIM** was first made; or
2. when notice was first given under any policy of insurance of any **WRONGFUL ACT** or any matter, fact, circumstance, situation, event or transaction that underlies any **CLAIM** within such single **CLAIM**,

and all such **CLAIM(S)** shall be subject to the same Limit of Liability.

**VI. NOTICE AND LOSS PROVISIONS**

**A.** As a condition precedent to the availability of the rights provided under this Policy, the **INSURED** shall give written notice to Underwriters of any **CLAIM** made against the **INSURED** as soon as practicable, but in no event later than sixty (60) days after the date such **CLAIM** is first made.

**B.** If during the **POLICY PERIOD** or the Extended Reporting Period, if applicable, the **INSURED** shall first become aware of a specific **WRONGFUL ACT**, and during such period gives written notice to Underwriters as soon as practicable of:

1. the specific **WRONGFUL ACT** and the identities of the potential claimants;
2. the injury or damage which has or may result from such specific **WRONGFUL ACT**; and
3. the circumstances by which the **INSURED** first became aware of the specific **WRONGFUL ACT**,

then any **CLAIM** which is subsequently made against the **INSURED** arising out of such **WRONGFUL ACT** shall, for the purposes of this Policy, be deemed to have been made when such written notice was first given.

C. The notifications provided for above shall be made to the party set forth in Item 8. of the Declarations.

## **VII. GENERAL CONDITIONS**

### **A. APPLICATION**

By acceptance of this Policy, all **INSUREDS** agree as follows:

1. The particulars and statements contained in the application, a copy of which is attached hereto, and any materials submitted therewith (which are on file with and are deemed attached hereto, as if physically attached hereto) are true and are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy;

2. The statements in the application and in any materials submitted therewith are the **INSUREDS'** representations and shall be deemed material to the acceptance of the risk or the hazard assumed by the Underwriters under this Policy and this Policy is issued in reliance upon the truth of such representations;

3. In the event the application, including materials submitted therewith, contains any misrepresentation made with the actual intent to deceive or contains any misrepresentation that materially affects either the acceptance of the risk or the hazard assumed by the Underwriters under this Policy, this Policy shall be void in its entirety and of no effect whatsoever; and

4. this Policy shall be deemed to be a single unitary contract and not a severable contract of insurance or a series of individual contracts of insurance with each of the **INSUREDS**.

**B. EXTENDED REPORTING PERIOD**

If Underwriters cancel this Policy other than for non-payment of premium or do not renew this Policy, the **INSURED** shall have the right, upon payment of an additional premium of 100% of the total policy premium hereunder, to an extension of the insurance provided by this Policy with respect to any **CLAIM** made against the **INSURED** during the period of twelve (12) months after the effective date of such cancellation or non-renewal, but only with respect to any **WRONGFUL ACT** committed before the effective date of such cancellation or non-renewal and otherwise insured under this Policy.

The right to such an extension shall terminate unless written notice is received by Underwriters from the **INSURED** within thirty (30) days after the effective date of such cancellation or non-renewal with full payment of premium for the Extended Reporting Period, as well as payment of any premium and/or Retention amounts due to the Underwriters. If such written notice and payment are not received by Underwriters as aforesaid, the **INSURED** shall not have the right to such an extension.

An increase in premium, a change in the Limits of Liability, or a change in the terms and conditions of the Policy shall not constitute a nonrenewal of this Policy. Once purchased, an Extended Reporting Period may not be cancelled by either the **INSUREDS** or Underwriters; however, the Extended Reporting Period shall automatically terminate if the **INSUREDS** purchase other insurance that provides substantially the same coverage as this Policy or would so provide except for the exhaustion of its limits of liability. If the Extended Reporting Period is automatically terminated as set forth above, all of the premium shall be fully earned at the time of payment.

The Limit of Liability provided during the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability provided during the **POLICY PERIOD**, as stated in Item



3. of the Declarations. All other terms and conditions of this Policy shall apply to any **CLAIM** made during the Extended Reporting Period.

### **C. CANCELLATION**

This Policy may be cancelled by the **NAMED INSURED** by mailing or delivering prior written notice thereof to Underwriters or by surrender of this Policy to Underwriters at its address stated in the Declarations. This Policy may also be cancelled by or on behalf of Underwriters by mailing to the **NAMED INSURED** by registered, certified, or other first class mail, at the **NAMED INSURED'S** address stated in Item 1. of the Declarations, written notice stating when, not less than sixty (60) days thereafter, the cancellation shall be effective. However, Underwriters may cancel this Policy for non-payment of premium due on ten (10) days' written notice thereof to the **NAMED INSURED**. The mailing of such notice as aforesaid shall be sufficient proof of the giving of such notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **POLICY PERIOD**. If this Policy shall be cancelled by the **NAMED INSURED**, Underwriters shall retain the customary short rate proportion of the premium hereon. If this Policy shall be cancelled by Underwriters, Underwriters shall retain the pro rata proportion of the premium hereon. Payment or tender of any unearned premium by Underwriters shall not be a condition precedent to the effectiveness of cancellation by Underwriters, but such payment shall be made as soon as practicable.

### **D. SUBROGATION**

In the event of any payment under this Policy, Underwriters shall be subrogated to all of the **INSURED'S** rights of recovery therefor against any person or organization, and the **INSURED** shall execute and deliver all instruments and papers and do whatever else is necessary to secure such rights. Any amount recovered in excess of Underwriters' total payment shall be paid to the **INSURED**, less the cost of Underwriters of such recovery.

### **E. ASSISTANCE AND COOPERATION**

The **INSURED** shall provide Underwriters with such information, assistance and cooperation as Underwriters reasonably request, and shall not take any action which in any way

increases Underwriters' exposure for liability under this Policy. The **INSURED** agrees, upon Underwriters' request, to meet with Underwriters' representatives for the purpose of investigation and/or defense, submit to an examination and interrogation by a representative of Underwriters, give a written statement to Underwriters' representatives, under oath if required, and attend hearings, depositions, and trials, and to assist in effecting settlement, securing and giving evidence, and obtaining the attendance of witnesses, and in the conduct of suits, all without charge to Underwriters. The **INSURED** shall further cooperate with Underwriters and do whatever is necessary, including authorizing claims, actions, or proceedings in the **INSURED'S** name against others, to secure and effect any rights of indemnity, contribution or apportionment which the **INSURED** may have. The **INSURED** shall not demand or agree to arbitration of any **CLAIM** made against the **INSURED** without the prior written consent of Underwriters thereto, which consent shall not be unreasonably withheld.

#### **F. ACTION AGAINST UNDERWRITERS**

No action shall lie against Underwriters unless, as a condition precedent thereto, the **INSURED** shall have fully complied with all the terms, conditions and provisions of the Policy, nor until the amount of the **INSURED'S** obligation to pay shall have been finally determined either by judgment against the **INSURED** after actual trial or by written agreement of the **INSURED**, the claimant, and Underwriters.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy only to the extent of the available insurance afforded by this Policy. Nothing contained in this Policy shall give any person or organization any right to join Underwriters as a co-defendant in any action against the **INSURED** to determine the **INSURED'S** liability except as provided by law.

#### **G. ENTITY AUTHORIZATION CLAUSE**

By acceptance of this Policy, the **NAMED INSURED** agrees to act on behalf of all **INSUREDS** with respect to the giving and receiving of notice of **CLAIM** or cancellation, the payment of premiums and the receiving of any return premiums that may become due under this Policy, and the **INSUREDS** agree that the **NAMED INSURED** shall act on their behalf.

#### **H. TERRITORY**

This Policy only applies to **CLAIMS** made against the **INSUREDS** in the United States of America, its territories or possessions, or Canada.

**I. ASSIGNMENT**

This Policy and any and all rights hereunder are not assignable unless the written consent of Underwriters is endorsed hereon.

**J. CONFORMITY TO STATUTE**

Any provisions of this Policy that are in conflict with the statutes of the state under whose law this Policy shall be construed are hereby amended to conform to such statutes.

**K. CHANGES**

Notice to any agent or knowledge possessed by any agent or by any other person acting on behalf of Underwriters shall not effect a waiver or a change in any part of this Policy or estop Underwriters from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsement issued to form part of this Policy.

**L. ENTIRE AGREEMENT**

The **INSUREDS** agree that this Policy, including the application and any materials submitted therewith, the Declarations and any written endorsements attached to and forming part of this Policy, constitute the entire agreement between the **INSUREDS** and Underwriters or any of its agents relating to this insurance.

**M. FALSE OR FRAUDULENT CLAIM**

If an **INSURED** shall fraudulently proffer any **CLAIM** with respect to the amount thereof or otherwise, this Policy shall become void and all coverage hereunder shall be forfeited.

**SMALL ADDITIONAL OR RETURN PREMIUMS CLAUSE (U.S.A.)**

To be attached to and form part of Policy Number: **«Policy\_»**

In favor of: **«Name»**

NOTWITHSTANDING anything to the contrary contained herein and in consideration of the premium for which this Insurance is written, it is understood and agreed that whenever an additional or return premium of \$2 or less becomes due from or to the Insured on account of the adjustment of a deposit premium, or of an alteration in coverage or rate during the term or for any other reason, the collection of such premium from the Insured will be waived or the return of such premium to the Insured will not be made, as the case may be.

The effective date of this endorsement is «Effective Date».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

K2 NMA1168

## SANCTION AND LIMITATION EXCLUSION CLAUSE

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that re(insurer) to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or the United States of America.

Effective date of this endorsement is «**Effective\_Date**».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

15/09/10

K3 LMA3100

**MOLD EXCLUSION ENDORSEMENT**

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

In consideration of the premium charged, it is hereby understood and agreed that this policy excludes any claim and/or claims expenses directly or indirectly relating to the actual, potential, alleged or threatened presence of any mold, mildew, fungi, spores or other similar organisms.

The effective date of this endorsement is «Effective Date».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

K6 MOLD EXCLU 1

SPECIMEN

## SEVERAL LIABILITY NOTICE

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

The effective date of this endorsement is «Effective Date».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

K7 LSW 1001 (Insurance)

**CLAIM NOTIFICATION CLAUSE (U.S.A.)**  
**(Approved by Lloyd's Underwriters' Non-Marine Association)**

To be attached to and form part of Policy Number: **«Policy\_»**

In favor of: **«Name»**

The Insured upon knowledge of any occurrence likely to give rise to a claim hereunder shall give immediate advice thereof to the Underwriters through

Gordon & Rees, LLP  
Attn: Randall Marmor  
One North Franklin, Suite 800  
Chicago, IL 60606

to assess the loss on behalf of Underwriters.

The effective date of this endorsement is «Effective Date».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

14/12/44

K8 N.M.A. 358



## WAR AND TERRORISM EXCLUSION ENDORSEMENT

1. Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
  - 1.1 war, invasion, acts of foreign enemies, hostilities, or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
  - 1.2 any act of terrorism.
2. For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological, or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.
3. This endorsement also excludes loss, damage, costs or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1.) and/or (2.) above.
4. If the Underwriters allege that by any reason of this exclusion, any loss, damage, cost and expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.
5. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

08/10/2001

K9 NMA2918

**APPLICABLE LAW (U.S.A.)**

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the Service of Suit Clause (U.S.A.)

The effective date of this endorsement is «Effective Date».

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

14/09/2005

Form approved by Lloyd's Market Association

K13 LMA5021

SPECIMEN

**NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)**

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

**For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:**

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability), not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy\* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
  - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
  - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
  - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.
- IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material",

"special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a

nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

\* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

The effective date of this endorsement is «Effective Date».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

17/3/60

K14 NMA1256

To be attached to and form part of Policy Number: «Policy\_»

In favor of: «Name»

It is understood and agreed that the following endorsement below replaces Item 7 of the Insurance Jacket Certificate Provisions SLC-3:

**PREMIUM CANCELLATION SCHEDULE**

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the **Insured** the Earned Premium shall be computed as follows:

**SHORT RATE CANCELLATION TABLE**

A. For insurances written for one year:

Days Insurance in Force	Percent of One Year Premium	Days Insurance in Force	Percent of One Year Premium
1 - 73	30	206 - 209	66
74 - 76	31	210 - 214 (7 months)	67
77 - 80	32	215 - 218	68
81 - 83	33	219 - 223	69
84 - 87	34	224 - 228	70
88 - 91 (3 months)	35	229 - 232	71
92 - 94	36	233 - 237	72
95 - 98	37	238 - 241	73
99 - 102	38	242 - 246 (8 months)	74
103 - 105	39	247 - 250	75
106 - 109	40	251 - 255	76
110 - 113	41	256 - 260	77
114 - 116	42	261 - 264	78
117 - 120	43	265 - 269	79
121 - 124 (4 months)	44	270 - 273 (9 months)	80
125 - 127	45	274 - 278	81
128 - 131	46	279 - 282	82
132 - 135	47	283 - 287	83
136 - 138	48	288 - 291	84
139 - 142	49	292 - 296	85
143 - 146	50	297 - 301	86
147 - 149	51	302 - 305 (10 months)	87
150 - 153 (5 months)	52	306 - 310	88
154 - 156	53	311 - 314	89
157 - 160	54	315 - 319	90
161 - 164	55	320 - 323	91
165 - 167	56	324 - 328	92
168 - 171	57	329 - 332	93
172 - 175	58	333 - 337 (11 months)	94
176 - 178	59	338 - 342	95
179 - 182 (6 months)	60	343 - 346	96

183 - 187	.....	61	347 - 351	.....	97
188 - 191	.....	62	352 - 355	.....	98
192 - 196	.....	63	356 - 360	.....	99
197 - 200	.....	64	361 - 365	(12 months).....	100
201 - 205	.....	65			

B. For Insurances written for more or less than one year:

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
  - (a) Determine full annual premium as for an insurance written for a term of one year.
  - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
  - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

Furthermore and notwithstanding the foregoing, Underwriters shall retain the total premium for this Certificate, such total premium to be deemed earned upon inception of the Certificate if any **Claim** or **Circumstance** is reported to Underwriters under this Certificate on or before such date of cancellation.

The effective Date of this endorsement is: «Effective\_Date».

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

K15 PCS 1

## CONFORMITY CLAUSE

To be attached to and form part of Policy Number: «**Policy\_**»

In favor of: «**Name**»

It is understood that wherever the term “Assured” is used in this policy or policy jacket, it shall be deemed to have the same meaning as “Insured”.

This endorsement is effective as of: «**Effective\_Date**».

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

K87

SPECIMEN