Policy Number:

EMPLOYMENT PRACTICES INSURANCE POLICY

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the Insurer shown in the Declarations, including the statements made in the Application for this insurance which are incorporated herein, and subject to all terms, conditions and limitations of this policy (hereinafter “Policy”), the Insured and Insurer agree:

Section I. INSURING AGREEMENT

A. The Insurer shall pay on behalf of an Insured all Loss which an Insured shall be legally obligated to pay as a result of an Employment Practices Claim first made against an Insured during the Policy Period (or any applicable Discovery Period) and reported to the Insurer pursuant to Section VII.

Section II. COSTS OF DEFENSE AND SETTLEMENTS

A. The Insured shall not incur Costs of Defense, admit liability, offer to settle, or agree to any settlement in connection with any Employment Practices Claim without the prior written consent of the Insurer, which consent shall not be unreasonably withheld. The Insured shall provide the Insurer with all information, documents, reports and particulars it may reasonably request in order to reach a decision as to such consent. Any Loss resulting from any admission of liability, agreement to settle, or Costs of Defense incurred prior to the Insurer’s written consent shall not be covered under this Policy.

B. Notwithstanding Section II.A. above, if all Insureds are able to settle all Employment Practices Claims that are subject to a single Retention for an amount that, together with the Costs of Defense, does not exceed the applicable Retention, the Insured may agree to such a settlement without the prior written consent of the Insurer.

C. The Insured, and not the Insurer, shall have the duty to defend an Employment Practices Claim, and the Insured shall only retain defense counsel as is mutually agreed upon with the Insurer. The Company may at its option tender the defense of an Employment Practices Claim to the Insurer. A tender of the defense of an Employment Practices Claim shall not be made more than ninety (90) days following the reporting of the Employment Practices Claim to the Insurer pursuant to Section VII. Upon a tender of the defense of an Employment Practices Claim, the Insurer shall assume the duty to defend.

D. The Insurer shall at all times have the right to effectively associate with the Insured in the investigation, defense and settlement of an Employment Practices Claim.

E. If an Employment Practices Claim made against any Insured includes both covered and uncovered allegations, damages, defendants, wrongful acts, or fees or expenses, the Insured and the Insurer agree that there shall be an allocation between covered and uncovered Loss. The Insured and the Insurer shall use their best efforts to agree upon a fair and proper allocation between covered and uncovered Loss, taking into account the relative legal and financial exposures, and the relative benefits obtained by each Insured as a result of the covered and uncovered matters and/or such benefits to an unInsured party using the same measure. If the Insured and the Insurer are unable to agree on the amount of the allocation, then the Insurer shall pay only those amounts (excess of the Retention amount) which the Insurer deems to be fair and equitable until a different amount shall be agreed upon or determined pursuant to the terms of this Policy and the above stated standards.
F. The **Insurer** shall advance Costs of Defense prior to the final disposition of an **Employment Practices Claim**, provided such Employment Practices Claim is covered by this Policy. Any advancement shall be on the condition that:

1. if it is established that the **Insurer** has no liability under this Policy for the Employment Practices Claim, the **Insured** shall repay the **Insurer** upon demand all Costs of Defense advanced;

2. the appropriate Retention has been satisfied; provided, however, this Retention condition shall not apply in the event of the Financial Insolvency of the **Company**;

3. any amounts advanced by the **Insurer** shall serve to reduce the aggregate Limit of Liability stated in Item 3 of the Declarations until the **Insurer** is in fact repaid; and

4. the **Insured** and the **Insurer** have agreed upon the portion of the Costs of Defense attributable to a covered Employment Practices Claim against any **Insured**; however, if no agreement, the **Insurer** shall pay (excess of the Retention) what it determines to be fair and reasonable until a different allocation is negotiated or is otherwise established.

**Section III. DEFINITIONS**

A. “Application” shall mean each and every signed Application submitted to the **Insurer** for consideration of insurance together with any attachments to such Applications, other materials submitted therewith or incorporated therein, and any other documents submitted in connection with the underwriting of this Policy. “Application” shall also mean any public documents filed by the **Company** within the past 36 months with any federal, state, local or foreign governmental entity.

B. “Claim” shall mean a civil, criminal, governmental, regulatory, administrative, or arbitration proceeding made against any **Insured** seeking monetary or non-monetary relief and commenced by the service of a complaint or similar pleading, the return of an indictment, or the receipt or the filing of a notice of charges or similar document, including any proceeding initiated against any **Insured** before the U.S. Equal Employment Opportunity Commission (“EEOC”), or any similar governmental body, or other written demand for monetary or non-monetary relief made against any **Insured**. However, in no event shall the term "Claim" include any labor or grievance proceeding which is subject to a collective bargaining agreement or any EEOC (or similar governmental body) notice of charge of any kind if made prior to the Inception Date of this Policy (or subsequent lawsuits arising therefrom).

C. “Company” shall mean the Corporation and any Subsidiary.

D. “Corporation” shall mean the entity named in Item 1 of the Declarations.

E. “Costs of Defense” shall mean reasonable and necessary legal fees, costs and expenses incurred in the investigation, defense or appeal of any Claim, including the costs of an appeal bond, attachment bond or similar bond (but the **Insurer** shall not have any obligation to apply for or furnish such bonds); provided, however, Costs of Defense shall not include salaries, wages, overhead or benefit expenses associated with any **Insured**.

F. “Directors” and “Officers” shall mean all persons who were, now are, or shall be Directors and/or Officers (or foreign equivalent) of the **Company**.

G. “Domestic Partner” shall mean any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Company**.
H. “Employee” shall mean any past, present or future Employee of the Company, including any part-time, seasonal or temporary Employee, acting solely in his or her capacity as such. Any person leased to the Company, any person hired by contract to perform work for the Company, or who is an independent contractor for the Company, shall also be an Employee, but only if the Company indemnifies the person in the same manner as is provided to the Company's permanent Employees.

I. “Employment Practices Claim” shall mean any Claim brought by or on behalf of any past, present or future Employee of the Company or an Outside Entity, or any applicant for employment with the Company or an Outside Entity alleging an Employment Practices Wrongful Act. Employment Practices Claim shall also mean a Claim brought by or on behalf of any customer or client of the Company alleging discrimination, sexual harassment or violation of an individual’s civil rights relating to such discrimination or sexual harassment.

J. “Employment Practices Wrongful Act” shall mean:

1. adverse or unfair reprimand of an Employee;
2. denial of interview or position;
3. denial of training to an Employee;
4. derogatory or disparaging remarks to an Employee;
5. discrimination;
6. employment-related misrepresentations;
7. employment-related libel, slander, defamation, or invasion of privacy;
8. failure to grant tenure;
9. failure to provide an adequate workplace, or employment policy or procedure for Employees;
10. imposing mandatory arbitration of an Employment Practices Claim by an employer;
11. improper denial of time off or vacation time to an Employee;
12. improper disciplinary action of an Employee;
13. improper performance review of an Employee;
14. improper transfer, change of position or change of work hours or shift of an Employee;
15. improper treatment of an Employee for their actions as a whistleblower;
16. negligent evaluation of an Employee;
17. negligent release of medical information of an Employee;
18. Retaliation against an Employee;
19. sexual or workplace harassment of any kind;
20. violation of the Equal Pay Act;
(21) wrongful deprivation of career opportunity of an Employee, including defamatory statements made in connection with an Employee reference;

(22) wrongful dismissal, discharge or termination of employment, whether actual or constructive, of an Employee;

(23) wrongful failure to promote, transfer or employ; and

(24) violation of an Employee’s civil rights relating to any of the above.

K. “Financial Insolvency” shall mean the Company becoming a debtor in possession, or the appointment of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage or liquidate the Company.

L. “Insured” shall mean an Insured Person and the Company.

M. “Insured Person” shall mean Directors, Officers and Employees, or any Director, Officer or Employee arising out of their service as a director, officer, trustee or governor of an Outside Entity, but only if such service is at the written request of the Company.

N. “Insurer” shall mean the Company stated in Item 8 of the Declarations.

O. "Loss" shall mean compensatory damages (including back pay and front pay), punitive or exemplary damages, the multiple portion of any multiplied damage award, judgments, settlements, pre- and post-judgment interest, and Costs of Defense. It is understood and agreed that the enforceability of the foregoing coverage shall be governed by such applicable law which most favors coverage for punitive or exemplary damages or the multiple portion of any multiplied damage award.

Loss shall not include: (1) civil or criminal fines or penalties imposed by law; (2) taxes; (3) any amount for which an Insured is not financially liable or which is without legal recourse to the Insured; (4) employment-related benefits of any kind, including, but not limited to, stock options, commissions, profit sharing, termination payments, severance, perquisites, deferred compensation or any other type of compensation other than back pay, front pay or bonus compensation; (5) any liability or costs incurred by any Insured to modify any buildings or property in order to make a building or property more accessible or accommodating to any disabled person, or any liability or costs incurred in connection with any educational, sensitivity or other corporate program, policy, seminar or monitoring (including, but not limited to, any consulting fees paid to any law firm) relating to or arising out of an Employment Practices Claim; or (6) matters which may be deemed uninsurable under the law pursuant to which this Policy shall be construed.

P. “Management Control” shall mean: (1) owning interests representing more than fifty percent (50%) of the voting, appointment or designation power for the selection of a majority of the Board of Directors of a Corporation, the management committee members of a joint venture or partnership, or the members of the management board of a limited liability Company; or (2) having the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of an organization, to elect, appoint or designate a majority of the Board of Directors of a Corporation, the management committee of a joint venture or partnership or the management board of a limited liability Company.

Q. “Outside Entity” shall mean any not-for-profit entity or any for-profit Company but only if such for-profit entity is added by endorsement to this Policy.

R. “Policy Period” shall mean the period from the Inception Date of this Policy to the Expiration Date of this Policy as set forth in Item 2 of the Declarations, or its earlier termination if applicable.

S. “Pollutants” shall mean any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on any list of hazardous substances issued by, the United States
Environmental Protection Agency or any state, county, municipality or locality counterpart thereof. Such substances shall include, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalies, chemicals or waste materials. **Pollutants** shall also mean any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products and any noise.

T. “Pollution” shall mean the actual, alleged or threatened discharge, release, escape or disposal of **Pollutants** into or on real or personal property, water or the atmosphere. **Pollution** also means any direction or request that the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so.

U. "**Related Employment Practices Wrongful Acts**" shall mean **Employment Practices Wrongful Acts** which are the same, related or continuous, or **Employment Practices Wrongful Acts** which arise from a common nucleus of facts. An **Employment Practices Claim** can allege **Related Employment Practices Wrongful Acts** regardless of whether such **Employment Practices Claims** involve the same or different **Claimants**, **Insureds** or legal causes of action.

V. "**Retaliation**" shall mean an **Employment Practices Wrongful Act** of an **Insured** relating to or alleged to be in response to any of the following activities: (1) the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by an **Insured** which act is alleged to be a violation of any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder; (2) the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under worker’s compensation laws, the Family and Medical Leave Act, the Americans with Disabilities Act or any other law relating to **Employee** rights; (3) the filing of any **Claim** under the Federal False Claims Act or any other federal, state, local or foreign "whistle-blower” law; or (4) **Employee** strikes.

W. “**Subsidiary**” shall mean:

(1) any for-profit organization of which the **Company** has **Management Control** ("**Controlled Entity**") on or before the inception of the **Policy Period** either directly or indirectly through one or more other **Controlled Entities**;

(2) automatically any for-profit organization whose securities are not publicly traded and whose assets total less than ten percent (10%) of the total consolidated assets of the **Company** as of the inception date of this Policy which the **Company** first had **Management Control** during the **Policy Period**, either directly or indirectly, through one or more other **Controlled Entities**. The **Corporation** shall provide the **Insurer** with full particulars of the new **Subsidiary** before the end of the **Policy Period**; or

(3) an organization which the **Company** first had **Management Control** of during the Policy Period (other than a for-profit organization described in paragraph (2) above), either directly or indirectly through one or more other **Controlled Entities**, but only upon the condition that within 90 days of its becoming a **Subsidiary**, the **Corporation** shall have provided the **Insurer** with full particulars of the new **Subsidiary** and agreed to any additional premium or amendment of the provisions of this Policy required by the **Insurer** relating to such new **Subsidiary**. Further, coverage as shall be afforded to the new **Subsidiary** is conditioned upon the **Corporation** paying when due any additional premium required by the **Insurer** relating to such new **Subsidiary**.

(4) An organization becomes a **Subsidiary** when the **Company** has **Management Control** of such **Subsidiary**, either directly or indirectly, through one or more of its **Controlled Entities**. An organization ceases to be a **Subsidiary** when the **Company** ceases to have **Management Control** in such **Subsidiary**, either directly, or indirectly through one or more of its **Controlled Entities**.
(5) In all events, coverage as is afforded under this Policy with respect to an Employment Practices Claim made against any Subsidiary and/or any Insured Person in their capacity as such with the Subsidiary shall only apply to Employment Practice Wrongful Acts committed or allegedly committed after the effective time the Company obtained Management Control of such Subsidiary, and prior to the effective time that the Company no longer has Management Control over such Subsidiary.

Section IV. Exclusions

The Insurer shall not be liable to make any payment for Loss in connection with any Employment Practices Claim made against any Insured:

A. alleging, arising out of, based upon or attributable to:
   (1) an Insured gaining any profit, advantage or remuneration to which an Insured was not legally entitled; provided however, this exclusion shall only apply when it is finally adjudicated that such conduct occurred; or
   (2) the deliberate fraudulent or criminal acts of an Insured; provided, however, this exclusion shall only apply when it is finally adjudicated that such conduct occurred;

Provided, however, for purposes of determining the applicability of Exclusions IV.A. (1) and (2) above it is understood and agreed that:

   (i) the Employment Practices Wrongful Act of an Insured Person shall not be imputed to any other Insured Person; and
   (ii) only the Employment Practices Wrongful Act of any past, present or future chairman of the board, president, chief executive officer, or chief financial officer of the Company shall be imputed to the Company.

B. alleging, arising out of, based upon or attributable to any Employment Practices Wrongful Act, Related Employment Practices Wrongful Act or any fact, circumstance or situation which has been the subject of any notice or Employment Practices Claim given under any other policy of which this Policy is a renewal or replacement;

C. alleging, arising out of, based upon or attributable to any pending or prior civil, criminal, administrative or investigative proceeding, or EEOC notice of charge of any kind involving the Company and/or any Insured Person as of the Pending and Prior Date stated in Item 7 of the Declarations, or any Employment Practices Wrongful Act or Related Employment Practices Wrongful Acts or any fact, circumstance or situation underlying or alleged in such proceeding or notice of charge;

D. for any actual or alleged:
   (1) bodily injury, sickness, disease, or death of any person; or
   (2) damage to or destruction of any tangible property, including the Loss of use thereof.

E. for violation of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, and any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to an Employment Practices Claim for Retaliation or an alleged violation of the Equal Pay Act;
F. for any **Claim** alleging, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured** to pay wages or overtime pay for services rendered (hereinafter, “Earned Wages”) (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured** from any **Employee** or purported **Employee**, including, but not limited to, (i) any unfair business practice **Claim** alleged because of the failure to pay Earned Wages, or (ii) any **Claim** seeking Earned Wages because any **Employee** or purported **Employee** was improperly classified or mislabeled as “exempt”;

G. alleging, arising out of, based upon or attributable to an **Employment Practice Wrongful Act** of any **Insured Person** serving as a director, officer, trustee or governor of any entity other than the **Company** or an **Outside Entity**, even if such service is at the direction of the **Company**, unless otherwise specifically added by written endorsement to this Policy;

H. which is brought by or on behalf of the **Company**, or any Officer or **Employee** who is or was a member of the Board of **Directors** (or equivalent governing body) of the **Company**;

I. alleging, arising out of, based upon or attributable to, directly or indirectly resulting from, or in consequence of, or in any way involving, **Pollution**, including but not limited to, any **Claim** for alleged financial **Loss** to the **Company**, its security holders or its creditors;

J. for any **Employment Practices Wrongful Act** of a **Subsidiary** or an **Insured Person** of such **Subsidiary** or any entity that merges with the **Company** or an **Insured Person** of such entity that merges with the **Company** occurring:

   1. prior to the date such entity becomes a **Subsidiary** or is merged with the **Company**;
   2. subsequent to the date such entity became a **Subsidiary** or was merged with the **Company** which, together with an **Outside Entity** occurring prior to the date such entity became a **Subsidiary** or was merged with the **Company**, would constitute **Related Employment Practices Wrongful Acts**; or
   3. subsequent to the date the **Company** ceased to have, directly or indirectly, **Management Control** of such **Subsidiary**;

K. alleging, arising out of, based upon or attributable to any actual or alleged contractual liability or obligation of the **Company** or an **Insured Person** under any contract, agreement, employment contract or employment agreement to pay money, wages or any **Employee** benefits of any kind. This exclusion shall not apply to an **Employment Practice Claim** to the extent liability does not arise under such contract or agreement; and,

L. alleging, arising out of, based upon or attributable to, directly or indirectly resulting from, or in consequence of, or in any way involving, any obligation pursuant to any worker’s compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law.

**Section V. Limit of Liability**

A. The **Insurer** shall be liable to pay **Loss** in excess of the applicable Retention amount stated in Item 4 of the Declarations up to the Limit of Liability stated in Item 3 of the Declarations.

B. **Costs of Defense** shall be part of, and not in addition to, the Limit of Liability stated in Item 3 of the Declarations. Such **Costs of Defense** shall serve to reduce the Limit of Liability.

C. The liability of the **Insurer** for all **Loss** arising from any and all **Claims** first made and reported pursuant to Section VII of the Policy shall be the amount stated in Item 3 of the Declarations which shall be the aggregate Limit of Liability of the **Insurer** for the **Policy Period** and Discovery Period, if applicable, regardless of the time of payment or the number of **Claims**.
Section VI. Retention

A. One Retention shall apply to Loss arising from each Employment Practices Claim alleging the same Employment Practice Wrongful Acts. The Company shall be responsible for, and shall hold the Insurer harmless from, any amount within the Retention.

B. More than one Employment Practices Claim involving the same Employment Practices Wrongful Act or Related Employment Practices Wrongful Acts of one or more Insureds shall be considered a single Claim, and only one Retention shall be applicable to each single Claim. All such Claims constituting a single Claim shall be deemed to have been made on the earlier of the following dates: (1) the earliest date on which any such Claim was first made; or (2) the earliest date on which any such Employment Practices Wrongful Act or Related Employment Practices Wrongful Acts were reported under this Policy or any other policy providing similar coverage.

Section VII. Notice of Claim

A. The Insured shall, as a condition precedent to their rights under this Policy, give the Insurer notice in writing of any Claim which is made during the Policy Period or Discovery period. Such notice shall be given as soon as practicable but no event later than thirty (30) days after the end of the Policy Period or Discovery Period, if applicable. If notice is provided pursuant to this Section, any Claim subsequently made against an Insured and reported to the Insurer alleging, arising out of, based upon or attributable to the prior noticed Claim or alleging any Related Employment Practices Wrongful Acts, shall be considered related to the prior Claim and made at the time notice of the prior Claim was first provided.

B. If during the Policy Period or during the Discovery Period the Company or an Insured shall become aware of any circumstances which may reasonably be expected to give rise to an Employment Practices Claim being made against an Insured and shall give written notice to the Insurer of the circumstances, the Employment Practices Wrongful Act allegations anticipated and the reasons for anticipating such a Claim, with full particulars as to dates, persons and entities involved, then a Claim which is subsequently made against such Insured and reported to the Insurer alleging, arising out of, based upon or attributable to such circumstances or alleging any Related Employment Practices Wrongful Acts, shall be considered made at the time notice of such circumstances was given. Notice of any such subsequent Employment Practices Claim shall be given to the Insurer as soon as practicable.

C. In addition to furnishing the notice as provided in Section VII, the Insured shall, as soon as practicable, furnish the Insurer with copies of reports, investigations, pleadings and other papers in connection therewith.

D. Notice to the Insurer as provided in Section VII shall be given to the Insurer identified in, and at the address set forth in, Item 8 of the Declarations.

Section VIII. Discovery Period

A. In the event the Insurer or the Corporation refuses to renew this Policy, the Corporation shall have the right, upon payment of one hundred percent (100%) of the annual premium, (or if the Policy Period is other than annual, one hundred percent (100%) of the annualized premium), to an extension of the coverage provided by this Policy with respect to any Claim first made against any Insured during the period of twelve (12) months after the end of the Policy Period and reported to the Insurer pursuant to the provisions of this Policy, but only with respect to an Employment Practices Wrongful Act committed or alleged to have been committed before the end of the Policy Period. This twelve (12) month period shall be referred to in this Policy as the Discovery Period.

B. As a condition precedent to the right to purchase the Discovery Period, the total premium for this Policy must have been paid and a written request, together with payment of the appropriate premium for the
Discovery Period, must be provided to the Insurer no later than thirty (30) days after the end of the Policy Period.

C. The fact that the coverage provided by this Policy may be extended by virtue of the purchase of the Discovery Period shall not in any way increase the Limit of Liability stated in Item 3 of the Declarations.

For purposes of the Limit of Liability, the Discovery Period is considered to be part of, and not in addition to, the Policy Period.

Section IX. General Conditions

A. Cancellation or Non-Renewal

(1) This Policy may be cancelled by the Corporation at any time by written notice to the Insurer. Upon cancellation by the Corporation, the Insurer shall retain the customary short rate portion of the premium, unless this Policy is converted to Run-Off pursuant to Section IX.D. wherein the entire premium for this Policy shall be deemed earned.

(2) This Policy may only be cancelled by the Insurer if the Corporation does not pay the premium when due.

(3) If the Insurer elects not to renew this Policy, the Insurer shall provide the Corporation with no less than sixty (60) days advance notice thereof.

B. Application

It is agreed by the Company and the Directors and Officers that the particulars and statements contained in the Application and any information provided therewith (which shall be on file with the Insurer and be deemed attached hereto as if physically attached hereto) are the basis of this Policy and are to be considered as incorporated in and constituting a part of this Policy. It is further agreed by the Company and the Directors and Officers that the statements in the Application or in any information provided therewith are their representations, that they are material and that this Policy is issued in reliance upon the truth of such representations. Knowledge of any Insured Person of a misstatement or omission in the Application shall not be imputed to any other Insured Person for purposes of determining the validity of this Policy as to such other Insured Person.

C. Action Against the Insurer

(1) No action shall be taken against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, and until the obligation of the Insured to pay shall have been finally determined by an adjudication against the Insured or by written agreement of the Insured, Claimant and the Insurer.

(2) No person or organization shall have any right under this Policy to join the Insurer as a party to any Claim against an Insured nor shall the Insurer be impleaded by any Insured or their legal representative in any such Claim.

D. Conversion to Run-Off Coverage

If, during the Policy Period, a transaction occurs wherein another entity gains control of the Corporation through the ownership of more than fifty percent (50%) of the voting stock of the Corporation, or the Corporation merges into another entity or consolidates with another entity such that the Corporation is not the surviving entity, then:

(1) this Policy shall only apply to an Employment Practices Claim actually or allegedly committed on or before the effective date of such transaction; and
the entire premium for this Policy shall be deemed earned as of the date of such transaction.

E. Outside Entity Provision

In the event an Employment Practices Claim is made against an Insured Person arising out of their service as a director, officer, trustee or governor of an Outside Entity, coverage as may be afforded under this Policy shall be excess of any indemnification provided by the Outside Entity and any insurance provided to the Outside Entity which covers its Directors, Officers, trustees or governors.

F. Coverage Extensions

(1) Lawful Spouse or Domestic Partner Provision

The coverage provided by this Policy shall also apply to the lawful spouse or Domestic Partner of an Insured Person, but only for an Employment Practices Claim arising out of any actual or alleged Employment Practices Wrongful Act of such Insured Person.

(2) Worldwide Provision

The coverage provided under this Policy shall apply worldwide. The term Directors and Officers is deemed to include individuals who serve in equivalent positions in foreign Subsidiaries.

(3) Estates and Legal Representatives

a. The coverage provided by this Policy shall also apply to the estates, heirs, legal representatives or assigns of any Insured Person in the event of their death, incapacity or bankruptcy, but only for an Employment Practices Claim arising out of any actual or alleged Employment Practices Wrongful Act of such Insured Person.

b. In the event a bankruptcy proceeding shall be instituted by or against the Company, the resulting debtor-in-possession (or equivalent status outside the United States of America) shall be deemed to be the Company.

G. Priority of Payments

(1) In the event of Financial Insolvency, or the refusal of the Corporation to indemnify or advance the indemnification of an Insured Person and there is Loss arising from one or more covered Employment Practices Claim for which payment is due under this Policy, the Insurer shall:

a. first pay such Loss for which coverage is provided under this Policy to an Insured Person; then

b. with respect to whatever remaining amount of the Limit of Liability is available after payment pursuant to Section G.(1)(a) above, pay such Loss for which coverage is provided under this Policy to the Company.

H. Subrogation
In the event of any payment under this Policy, the Insurer shall be subrogated to all of the Insureds’ rights of recovery and the Company and Insured Persons shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the Insurer to effectively bring suit in the name of any Insured Person or the Company.

I. Dispute Resolution

In the event any dispute arises in connection with this Policy that cannot be resolved, the Insurer and the Insured shall participate in a non-binding mediation in which the Insurer and the Insured shall attempt in good faith to resolve such dispute. Either the Insured or the Insurer shall have the right to commence a judicial proceeding or, if the parties agree, a binding arbitration, to resolve such dispute. However, no judicial proceeding or arbitration shall be commenced until termination of the mediation and until at least 90 days has passed from the termination of the mediation. Each party will bear its own legal fees and expenses. The costs and expenses of a mediation, or an arbitration, shall be split equally by the parties.

J. Assignment

Assignment of interest under this Policy shall not bind the Insurer until its consent is endorsed hereon.

K. Conformity to Statute

Any terms of this Policy which are in conflict with the terms of any applicable laws are hereby amended to conform to such laws.

L. Entire Agreement

By acceptance of this Policy, all Insureds and the Insurer agree that this Policy (including the Declarations, Application submitted to the Insurer and any information provided therewith) and any written endorsements attached hereto constitute the entire agreement between the parties. The terms, conditions and limitations of this Policy can be waived or changed only by written endorsement.

M. Corporation Represents Insured

By acceptance of this Policy, the Corporation shall be designated to act on behalf of all Insureds for all purposes including, but not limited to, the giving and receiving of all notices and correspondence, the cancellation or non-renewal of this Policy, the payment of premiums, and the receipt of any return premiums that may be due under this Policy.

N. Representative of the Insurer

Ironshore Insurance Services, LLC, One State Street Plaza, 8th Floor, New York, NY 10004 shall act on behalf of the Insurer for all purposes including, but not limited to, the giving and receiving of all notices and correspondence, provided, however, notice of an Employment Practices Claim shall be given pursuant to Section VII of this Policy.

O. Service of Suit

In the event of the failure of the Insurer to pay any amount Claimed to be due hereunder, the Insurer at the request of the Insured, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this condition constitutes or shall be understood to constitute a waiver of the right of the Insurer to commence an action in any court of competent jurisdiction within 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.

Service of process in any such suit may be made upon Ironshore Insurance Services, LLC, One State Street Plaza, 8th Floor, New York, NY 10004. In any suit instituted against the Insurer upon this Policy the Insurer will abide by the final decision of such court or of any appellate court in the event of any appeal.

Pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office, as its true and lawful attorney upon whom may be served lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this Policy, and hereby designates the above named Ironshore Insurance Services, LLC, One State Street Plaza, 8th Floor, New York, NY 10004 as the entity to whom said officer is authorized to mail such process or a true copy thereof.

P. Other Insurance

All Loss payable under this Policy shall be specifically excess of and will not contribute with any other valid insurance (whether collectible or not), including, but not limited to, any other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be and was underwritten as excess insurance to this particular Policy. This Policy will not be subject to the terms of any other insurance.

Q. Bankruptcy

Bankruptcy or insolvency of the Company or any Insured Person shall not relieve the Insurer of any of its obligations under this Policy.

R. Headings

The descriptions in the headings of this Policy form no part of the terms and conditions of the coverage under this Policy.

Secretary

President