

**EMPLOYMENT PRACTICES  
LIABILITY INSURANCE  
ENDORSEMENT**

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

**THIRD PARTY DISCRIMINATION AND HARASSMENT  
COVERAGE ENDORSEMENT**

This endorsement modifies your Policy as follows:

Only as respects the additional coverage provided by this endorsement, if the total Policy Limit, for all "claims" (including "defense costs") indicated at Item 4. of the Declarations is greater than \$1,000,000, then that amount is deleted and replaced by the amount of \$1,000,000. Therefore, the aggregate maximum amount we will pay for all "claims" under this endorsement is \$1,000,000 or if a lesser amount, the Total Policy Limit indicated at Item 4. of the Declarations.

Only as respects the additional coverage provided by this endorsement the following sections or subsections of the Policy are deleted:

**SECTION I - COVERAGE, Item 1.a.**

**SECTION V – RETENTION, Item 4.**

**SECTION VI - CONDITIONS, Item 2.a.**

**SECTION IX - DEFINITIONS, Items 1, 5, 7, 9, 12 and 15.**

and replaced by the following:

**SECTION I - COVERAGE**

**1. Insuring Agreement**

- a. By this endorsement the Policy covers "discrimination" and "harassment" liability that the insured is legally obligated to pay to:

(1) an existing or former client, customer or patient, or

(2) any other person(s),

within the terms, conditions, limitations and exclusions set forth in this endorsement and the Policy to which it is attached. This endorsement has been issued in reliance upon statements made to us in the "application".

**SECTION V – RETENTION**

4. The **RETENTION** amount applies separately to each "claim" made. However, the **RETENTION** amount will only apply once to all "claims" arising out of any "one insured event", other than "insured events" alleging disability discrimination at one or

more of the Insured's buildings or properties, regardless of the number of claimants who allege damages.

## **SECTION VI - SPECIAL CONDITIONS**

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

### **2. Duties in the event of a "claim", or potential "claim" or "suit".**

- a.** You must see to it that we or our authorized representative are notified within sixty (60) days or as soon as practicable after a "claim" is made. Notice should include:
- (1)** The identity of the person(s) alleging "discrimination" or "harassment";
  - (2)** The identity of the insured(s) who allegedly committed the "discrimination" or "harassment" act;
  - (3)** The identity of any witness to the alleged "discrimination" or "harassment";
  - (4)** The date the "insured event" took place, and the date the alleged "discrimination" or "harassment" took place; and
  - (5)** The written charge, complaint or demand as applicable.

## **SECTION IX - DEFINITIONS**

As respects the coverage provided under this endorsement the following definitions are modified or added:

- 1.** "Application" means the Third Party Discrimination and Harassment Supplemental Application, including any materials submitted in connection with such "application", all of which are on file with us and are a part of the Policy, as if physically attached.
- 5.** "Discrimination" means the taking of any adverse or differential action(s) by an "employee" of the insured because of race, color, religion, age, sex, pregnancy, sexual orientation or preference, national origin, or disability including a disability resulting from human immunodeficiency virus (HIV) or acquired immune deficiency syndrome (AIDS), or any other basis prohibited by federal, state or local law.
- 7.** "Harassment" means unwelcome sexual or non-sexual advances, requests for sexual or non-sexual favors or other verbal, visual or physical conduct of a sexual or non-sexual nature made to an existing or former client, customer or patient, or any other person(s) by an "employee" of the insured that:
  - a.** are explicitly or implicitly made a condition of doing business,
  - b.** are used as a basis for business decisions, or

- c. create an environment that interferes with individual comfort or performance.
- 9. “Insured Event” means your existing or former client, customer or patient, or any other person(s) alleging, during the policy period, “discrimination” and/or “harassment” by:
  - a. an “employee” during the course of his or her employment by you, or
  - b. “discrimination” by any other insured; provided always such allegation relates to “discrimination” and/or “harassment” which first commenced on or after the **RETROACTIVE DATE** indicated on page 4 of this endorsement.

- 12. “Loss” means damages, judgments, settlements, statutory attorney fees and “defense costs”, including prejudgment and post judgment interest awarded against an insured on that part of any judgment paid by us.

However, “loss” does not include:

- a. civil or criminal fines or penalties imposed by law that are not otherwise insurable, or
  - b. non-monetary relief, or
  - c. liquidated damages where there is a finding of willfulness, or
  - d. punitive or exemplary damages where such damages are not insurable because of state or federal law, or
  - e. costs incurred by an insured to modify or adapt any building or property in order to make such building or property more accessible or accommodating to any disabled person, or
  - f. matters which may be deemed uninsurable according to the law under which this Policy is construed, or
  - g. amounts owed under federal, state or local wage and hour laws, and/or earned commissions, bonuses, stock options, profit sharing or benefits pursuant to a contract of employment.
- 15. “One Insured Event” means:
  - a. “insured events” which are (1) related by an unbroken chain of events or (2) made or brought by the same claimant, other than those alleging disability discrimination at one or more of the Insured’s buildings or properties; or
  - b. class action or multiple plaintiffs suits arising out of related “insured events”, other than those alleging disability discrimination at one or more of the Insured’s buildings or properties.

24. "Alleging" means lodging a complaint or charge with your "Management and Supervisors" or with any government agency, or commencing a "suit".

Only as respects the additional coverage provided by this endorsement the following section or subsection of the Policy is modified:

**SECTION II – EXCLUSIONS**

to include the following:

**SECTION II - EXCLUSIONS**

As respects the coverage provided under this endorsement the following exclusion is added:

**12. Retroactive Date**

This endorsement does not cover any "loss" based upon an "insured event" which occurs prior to the **RETROACTIVE DATE** indicated below on this endorsement.

This endorsement changes the Policy to which it is attached effective on the inception date of the Policy unless a different date is indicated below. All other terms and conditions of this Policy remain unchanged.

**RETROACTIVE DATE:**

NAMED INSURED:

POLICY NUMBER:

ENDORSEMENT NUMBER:

ENDORSEMENT EFFECTIVE:

Signed \_\_\_\_\_ By \_\_\_\_\_  
(Date) (Authorized Representative)

