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**EMPLOYMENT PRACTICES  
LIABILITY INSURANCE  
ENDORSEMENT**

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

**DEFENSE COUNSEL (ATTORNEY) SELECTION  
MODIFICATION ENDORSEMENT**

THIS ENDORSEMENT MODIFIES YOUR POLICY AS FOLLOWS:

**SECTION I – COVERAGE 4. a. and b. are deleted and replaced by:**

**4. Defense Counsel (Attorney) Selection**

- a. We have the right and duty to select and appoint an attorney to defend you against any “suit” other than for criminal proceedings.

**SECTION V – RETENTION 1. a. and b. is deleted and replaced by:**

- 1. Our obligation to pay under this Policy applies only to the amount of “loss” in excess of the **RETENTION** amount shown in the Declarations and the **LIMITS OF INSURANCE** shown in the Declarations will not be reduced by the amount of such **RETENTION**.

The applicable **RETENTION** will be decreased by fifty percent (50%) (i.e., a \$5,000 **RETENTION** will be \$2,500) if one or both of the following conditions are met:

- a. **Wrongful Termination or Demotion Condition.** For any “claim” alleging wrongful termination or wrongful demotion of an “employee” if prior to the termination or demotion of that “employee” you have consulted with and materially complied with the advise of our appointed attorney prior to the termination or demotion of that “employee.” This Provision does not apply unless the contact with our appointed attorney is made at least 24 hours prior to the termination or demotion, and the attorney has had a reasonable length of time to respond to the information provided.

- b. **“Mediation” of “Claims” Condition.** If a “claim” is fully and finally resolved to the satisfaction of all parties, including us, through “mediation,” provided that such “mediation” is initiated and concluded and/or abandoned before and not subsequent to commencement of any litigation or arbitration. In the event such “mediation” does not fully and finally resolve the “claim,” there shall be no reduction of the **RETENTION** obligation, and all “loss” expenses incurred in the “mediation” shall be included in the total “loss” expenses for the “ claim.”

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.

**(The following is required only when this endorsement is issued subsequent to preparation of the policy.)**

NAMED INSURED:

POLICY NUMBER:

ENDORSEMENT NUMBER:

ENDORSEMENT EFFECTIVE:

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