

Portfolio of Coverages

Especially Designed For:

APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC
PO BOX 400440
CHARLOTTESVILLE VA 22904



Underwritten by
American Alternative Insurance Corporation

RISK CONTROL POLICYHOLDER NOTICE

Dear VFIS Client,

Safety and health is a major concern in emergency service organizations today. These issues are important because of the major impact that accidents can have on an organization. Morale can often be affected as well as an organization's finances. Insurance rarely covers all the expenses associated with accidents. There are often hidden costs that the organization must bear such as time spent reporting, documenting and investigating the accident, time spent training the replacement staff and time to replace the vehicles and equipment.

Risk Control Guidelines Provided by VFIS

As a valuable service to you, VFIS provides risk control guidelines and programs to your organization in an effort to help you prevent and/or reduce the impact of accidents. Implementing VFIS risk control measures could benefit your organization by reducing or eliminating the hidden costs of accidents while helping your organization to continue to serve your community.

VFIS provides a number of programs and services to help you in your risk control effort. While most of these services are available to our clients at no additional cost, some may require a fee based on the scope of the service requested. Some of the services and programs that we provide to our clients include:

- On-site risk control consultations
- Recommendations to control identifiable hazards
- Loss experience analysis
- Consultation on specific risk control-related problems
- Sample standard operating guidelines for vehicle operations
- Accident investigation procedures and forms
- Health and Safety Audit of NFPA 1500

Risk Control Publications

VFIS has many resources that you can access at no charge on our Web site. These include Communiqués, which are a one-page fact sheet, that presents a specific hazard and provides procedures for controlling the hazard. VFIS also provides numerous training programs that you can access through the Client Education and Training Resource Catalog. Please visit www.vfis.com to view and order these resources.

Inquire About Our Risk Control Services

If you would like information about some of the above services and publications, please call VFIS Risk Control at (800) 233-1957.

American Alternative Insurance Corporation

(a stock insurance company)

Administrative Office: 555 College Road East • Princeton, NJ 08543-5241 • (800) 305-4954

Statutory Office: 2711 Centerville Road, Suite 400 • Wilmington, DE 19805

Administered by: VFIS • 183 Leader Heights Road • York, PA 17402
(800) 233-1957 • www.vfis.com



COMMON POLICY DECLARATIONS

Named Insured and Mailing Address:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC
PO BOX 400440
CHARLOTTESVILLE VA 22904

Policy Number: VFIS-TR-2050521-09/000

Renewal of: VFIS-TR-2050521-08

Policy Period: From 02-01-2016
To 02-01-2017

at 12:01 AM Standard Time at your mailing address
shown above

Type of Entity: CORPORATION

Business Description: EMERGENCY SERVICE ORGANIZATION

This policy consists of the following coverage parts:

		Premium
Property	\$	NOT COVERED
Crime	\$	88.00
Portable Equipment	\$	NOT COVERED
Auto	\$	NOT COVERED
General Liability	\$	360.00
Management Liability	\$	1,454.00
Excess Liability	\$	NOT COVERED

Taxes / Fees / Surcharges: \$

Estimated Total Premium: \$ 1,902.00

The policy premium is payable on the dates and in the amounts shown below:

See Installment Schedule

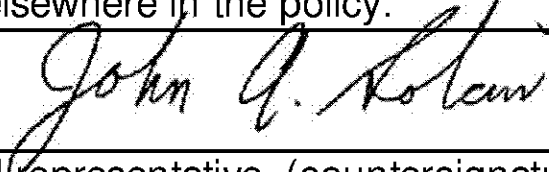
Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

Common Forms

See Schedule of Forms and Endorsements

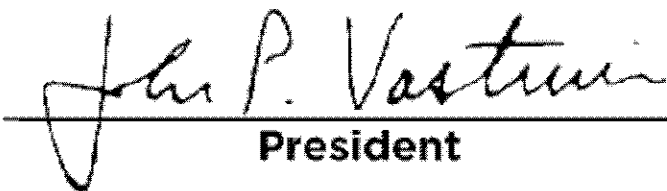
In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in the policy. The policy consists of the coverage parts where a premium is shown on page 1 of these Common Policy Declarations. In addition to any common forms, each coverage part consists of a Coverage Part Declarations and any coverage forms and endorsements listed on the Coverage Part Declarations or elsewhere in the policy.



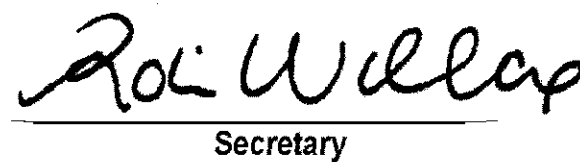
Authorized representative (countersignature, where required)

Date

The Company has caused this policy to be signed by its President and Secretary:



President



Secretary

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured	APPALACHIAN SEARCH AND RESCUE CONFERENCE, INC	Effective Date:	02-01-16 12:01 A.M., Standard Time
Agency Name	VFIS		

COMMON POLICY FORMS AND ENDORSEMENTS

VCO300	03-03	COMMON POLICY CONDITIONS
CG 21 70	01-15	CAP ON LOSSES FROM CERT ACTS OF TERROR
IL 00 17	11-98	COMMON POLICY CONDITIONS
VCOMD1	12-09	MARYLAND CHANGES
VCOMD2	12-09	MARYLAND CHANGES
VCOPA1	03-03	PA CHANGES - CANCELLATION AND NONRENEWAL
VCOPA2	03-03	PENNSYLVANIA NOTICE
VCOPA3	03-03	PENNSYLVANIA CHANGES
VCOVA1	10-15	VA CHANGES-CANCELLATION AND NONRENEWAL

CRIME FORMS AND ENDORSEMENTS

VCR105	03-04	EMPLOYEE DISHONESTY - BLANKET
VCR300	03-03	CRIME GENERAL PROVISIONS
VCRMD1	02-04	MARYLAND CHANGES
VCR109	08-14	COMPUTER & FUNDS TRANSFER FRAUD COV FORM
VCR110	01-12	IDENTITY FRAUD EXPENSE COVERAGE FORM

GENERAL LIABILITY FORMS AND ENDORSEMENTS

VGL101	08-03	ESO GENERAL LIABILITY COVERAGE FORM
VGLPA2	03-03	ASBESTOS AMENDMENT - PENNSYLVANIA
VGLVA1	09-03	VIRGINIA CHANGES - GENERAL LIABILITY
GGL300	01-05	MOBILE EQUIPMENT SUBJECT TO MV INS LAWS

MANAGEMENT LIABILITY FORMS AND ENDORSEMENTS

VML101	03-03	ESO - MANAGEMENT LIAB - CLAIMS MADE
VML306	11-12	CYBER LIAB & PRIVACY CRISIS MGMT EXPENSE
VML310	08-14	AMENDATORY ENDORSEMENT MANAGEMENT LIAB
VMLVA5	02-13	CYBER LIAB & PRIVACY CRISIS MGMT EXP VA
VMLVA1	04-12	VIRGINIA CHANGES
VMLVA7	01-16	AMND END CYBR LIAB & PRV CRIS MGT EXP VA

POLICYHOLDER NOTICES

Policy Number
VFIS-TR-2050521-09/000

INSTALLMENT SCHEDULE

Named Insured APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC
Agency Name VFIS

Effective Date: 02-01-16
12:01 A.M., Standard Time

**IT IS HEREBY AGREED AND UNDERSTOOD THAT THIS POLICY IS
PAYABLE ON INSTALLMENTS AS FOLLOWS:**

	DUE	PREMIUM	SURCHARGE	REVISED INSTALLMENT TOTAL
DEPOSIT	02/01/2016	\$ 951.00		\$ 951.00
INSTALLMENT	08/01/2016	\$ 951.00		\$ 951.00

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.

COMMON POLICY CONDITIONS

All coverage parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.
7. If this Condition conflicts with your state's requirements regarding cancellation or non-renewal, the provisions of any state-specific form attached to this policy will supersede this Condition to the extent of such conflict.

B. Changes

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

C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections and Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on our behalf.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Liberalization

If we revise any coverage included in this policy, and if such revision does not require a premium charge, your policy will automatically provide the additional coverage as of the date the revision is effective in your state.

F. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

G. Titles

Throughout this policy, titles are intended for ease of reference only. They do not extend or restrict any coverage beyond what is specifically stated in the policy had no titles been used.

H. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
HOSPICE AND HOME HEALTH CARE LIABILITY COVERAGE PART
HOSPICE AND HOME HEALTH CARE NOT FOR PROFIT ORGANIZATION DIRECTORS AND OFFICERS
LIABILITY POLICY
LIABILITY COVERAGE PART
MANAGEMENT LIABILITY COVERAGE PART
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE PART

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

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

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MARYLAND CHANGES

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART
MANAGEMENT LIABILITY COVERAGE PART

A. Paragraphs 2. and 3. of the **Cancellation** Common Policy Conditions are replaced by the following:

2. When this policy has been in effect for 45 days or less and is not a renewal policy, we may cancel this coverage part by mailing to the first Named Insured, at the last mailing address known to us, written notice of cancellation, stating the reason for cancellation, at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
 - b. 15 days before the effective date of cancellation, if the risk does not meet our underwriting standards.
3. When this policy has been in effect for more than 45 days or is a renewal policy, we may cancel this policy by mailing the first Named Insured, at the last mailing address known to us, written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
 - b. 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph b., we may cancel only for one or more of the following reasons:
 - (1) When there exists material misrepresentation or fraud in connection with the application, policy, or presentation of a claim.
 - (2) A change in the condition of the risk that results in an increase in the hazard insured against.
 - (3) A matter or issue related to the risk that constitutes a threat to public safety.

If we cancel pursuant to Paragraph 3.b., you may request additional information on the reason for cancellation within 30 days from the date of our notice.

B. Paragraph 5. of the **Cancellation** Common Policy Conditions is replaced by the following:

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be calculated as follows:
 - a. **Policies Written for One Year or Less**

We will refund 90% of the pro rata unearned premium.
 - b. **Policies Written for More Than One Year**
 - (1) If the policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.
 - (2) If the policy is cancelled after the first year, we will refund the pro rata unearned premium.
 - c. **Continuous and Annual Premium Payment Policies**

We will refund 90% of the pro rata unearned premium for the year in which the policy is cancelled.

We will retain the minimum premium, except if the policy is cancelled as of the inception date.

However, if this policy is cancelled whether by a premium finance company, us or the insured, we shall return any gross unearned premium that are due under this policy, computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the Insurance Commissioner.

The cancellation will be effective even if we have not made or offered a refund.

C. Paragraph 6. of the **Cancellation** Common Policy Condition is replaced by the following:

We will send notice of cancellation to the first Named Insured by certificate of mail if:

1. We cancel for nonpayment of premium; or
2. This policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to the first Named Insured by certificate of mail or by commercial mail delivery service if we cancel for a reason other than nonpayment of premium and this policy:

1. Is a renewal of a policy we issued; or
2. Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

D. The following conditions are added and supersede any provisions to the contrary:

When We Do Not Renew

1. We may elect not to renew this policy by mailing notice of nonrenewal to the first Named Insured at the last mailing address known to us at least 45 days before the expiration date of this policy.
2. We will send notice of nonrenewal to the first Named Insured by certificate of mail or by commercial mail delivery service. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.
3. When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.
4. If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the policy will terminate on the renewal date for nonpayment of premium.

Addition, Reduction or Elimination of Coverage Requirement

We must provide written notice to the first Named Insured, upon renewal or by endorsement midterm, of any proposed addition, reduction or elimination of coverage. The reason for the change should be stated in clear and specific terms.

Increase in Premium Notice

We must provide written notice to the first Named Insured and agent, at least 45 days before the effective date of the increase, of any premium increase of 20% or more. This notice will be sent by first-class mail.

We need not include those increases in premium that are caused by an increase in units, experience rating or retrospective rating when determining whether a premium has increased 20% or more.

Immunity of Charitable Institutions

We will waive, both in the adjustment of claims ("claims") and in the defense of "suits" against the insured, any charitable immunity of the insured, unless the insured requests in writing that we not do so.

Waiver of immunity as a defense will not subject us to liability for any portion of a claim ("claim") or judgment in excess of the applicable Limit of Insurance.

Disclaimer of Liability Coverage

We can disclaim liability coverage only if the insured fails to cooperate with us and we establish by a preponderance of evidence that the lack of cooperation is prejudicial to us.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MARYLAND CHANGES

This endorsement modifies insurance provided under the following:

CRIME COVERAGE PART
INLAND MARINE COVERAGE PART
PORTABLE EQUIPMENT COVERAGE PART
PROPERTY COVERAGE PART

A. The **Cancellation** Common Policy Condition is amended as follows:

1. Paragraphs **2.** and **3.** are replaced by the following:

- a. When this policy has been in effect for 45 days or less and is not a renewal policy, we may cancel this coverage part by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation, stating the reason for cancellation, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium .
 - (2) 15 days before the effective date of cancellation, if the risk does not meet our underwriting standards.
- b. When this policy has been in effect for more than 45 days or is a renewal policy, we may cancel this policy by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
 - (2) 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph (2), we may cancel only for one or more of the following reasons:
 - (a) When there exists material misrepresentation or fraud in connection with the application, policy, or presentation of a claim.
 - (b) A change in the condition of the risk that results in an increase in the hazard insured against.
 - (c) A matter or issue related to the risk that constitutes a threat to public safety.

If we cancel pursuant to Paragraph b.(2), you may request additional information on the reason for cancellation within 30 days from the date of our notice.

2. Paragraph **5.** is replaced by the following:

If this policy is cancelled, we will send the first Named Insured any premium refund due.

If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be calculated as follows:

a. Policies Written for One Year or Less

We will refund 90% of the pro rata unearned premium.

b. Policies Written for More Than One Year

- (1) If the policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.
- (2) If the policy is cancelled after the first year, we will refund the pro rata unearned premium.

c. Continuous and Annual Premium Payment Policies

We will refund 90% of the pro rata unearned premium for the year in which the policy is cancelled.

We will retain the minimum premium, except if the policy is cancelled as of the inception date.

However, if this policy is cancelled whether by a premium finance company, us or the insured, we shall return any gross unearned premium that are due under this policy, computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the Insurance Commissioner.

The cancellation will be effective even if we have not made or offered a refund.

3. Paragraph 6. is replaced by the following:

We will send notice of cancellation to the first Named Insured by certificate of mail if:

1. We cancel for nonpayment of premium; or
2. This policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to the first Named Insured by certificate of mail or by commercial mail delivery service if we cancel for a reason other than nonpayment of premium and this policy:

1. Is a renewal of a policy we issued; or
2. Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

B. The following conditions are added:

Nonrenewal

1. We may elect not to renew this policy by mailing notice of nonrenewal to the first Named Insured at the last mailing address known to us at least 45 days before the expiration date of this policy.
2. We will send notice of nonrenewal to the first Named Insured and the contractor by certificate of mail or by commercial mail delivery service. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.
3. When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.
4. If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the policy will terminate on the renewal date for nonpayment of premium.

Addition, Reduction or Elimination of Coverage Requirement

We must provide written notice to the first Named Insured, upon renewal or by endorsement midterm, of any proposed addition, reduction or elimination of coverage. The reason for the change should be stated in clear and specific terms.

Increase in Premium Notice

We must provide written notice to the first Named Insured and agent, at least 45 days before the effective date of the increase, of any premium increase of 20% or more. This notice will be sent by first-class mail.

We need not include those increases in premium that are caused by an increase in units, experience rating or retrospective rating when determining whether a premium has increased 20% or more.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PENNSYLVANIA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

AUTOMOBILE COVERAGE PART
CRIME COVERAGE PART
GENERAL LIABILITY COVERAGE PART
INLAND MARINE COVERAGE PART
MANAGEMENT LIABILITY COVERAGE PART
PORTABLE EQUIPMENT COVERAGE PART
PROPERTY COVERAGE PART

A. The **Cancellation** Common Policy Condition is replaced by the following:

CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by writing or giving notice of cancellation.
2. **Cancellation Of Policies In Effect For Less Than 60 Days**

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 30 days before the effective date of cancellation.

3. **Cancellation Of Policies In Effect For 60 Days Or More**

If this policy has been in effect for 60 days or more or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a. You have made a material misrepresentation which affects the insurability of the risk. Notice of cancellation will be mailed or delivered at least 15 days before the effective date of cancellation.
- b. You have failed to pay a premium when due, whether the premium is payable directly to us or our agents or indirectly under a premium finance plan or extension of credit. Notice of cancellation will be mailed at least 15 days before the effective date of cancellation.
- c. A condition, factor or loss experience material to insurability has changed substantially or a substantial condition, factor or loss experience material to insurability has become known during the policy period. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- d. Loss of reinsurance or a substantial decrease in reinsurance has occurred, which loss or decrease, at the time of cancellation, shall be certified to the Insurance Commissioner as directly affecting in-force policies. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- e. Material failure to comply with policy terms, conditions or contractual duties. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.
- f. Other reasons that the Insurance Commissioner may approve. Notice of cancellation will be mailed or delivered at least 60 days before the effective date of cancellation.

This policy may also be cancelled from inception upon discovery that the policy was obtained through fraudulent statements, omissions or concealment of facts material to the acceptance of the risk or to the hazard assumed by us.

4. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. Notice of cancellation will state the specific reasons for cancellation.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
6. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata and will be returned within 10 business days after the effective date of cancellation. If the first Named Insured cancels, the refund may be less than pro rata and will be returned within 30 days after the effective date of cancellation. The cancellation will be effective even if we have not made or offered a refund.
7. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.

B. The following are added and supersede any provisions to the contrary:

1. Nonrenewal

If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal, stating the specific reasons for nonrenewal, to the first Named Insured at least 60 days before the expiration date of the policy.

2. Increase Of Premium

If we increase your renewal premium, we will mail or deliver to the first Named Insured written notice of our intent to increase the premium at least 30 days before the effective date of the premium increase.

Any notice of nonrenewal or renewal premium increase will be mailed or delivered to the first Named Insured's last known address. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.

PENNSYLVANIA NOTICE

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for, issuance, renewal or continuation of, a policy of insurance:

1. Surveys;
2. Consultation or advice; or
3. Inspections.

The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees or service contractors acting on its behalf, is not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the furnishing of or the failure to furnish these services.

The Act does not apply:

1. If the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees or service contractors;
2. To consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. If any acts or omissions of the Insurance Company, its agents, employees or service contractors are judicially determined to constitute a crime, actual malice, or gross negligence.

Instruction to Policy Writers

Attach the Pennsylvania Notice to all new and renewal certificates insuring risks located in Pennsylvania.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PENNSYLVANIA CHANGES

This endorsement modifies insurance provided under the following:

CRIME COVERAGE PART
INLAND MARINE COVERAGE PART
PORTABLE EQUIPMENT COVERAGE PART
PROPERTY COVERAGE PART

The following is added to the **Loss Payment** Condition and supersedes any provision to the contrary:

NOTICE OF ACCEPTANCE OR DENIAL OF CLAIM

1. Except as provided in 3. below, we will give you notice, within 15 working days after we receive a properly executed proof of loss, that we:
 - a. Accept your claim;
 - b. Deny your claim; or
 - c. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reason why more time is required.

2. If we have not completed our investigation, we will notify you again in writing, within 30 days after the date of the initial notice as provided in 1.c. above, and thereafter every 45 days. The written notice will state why more time is needed to investigate your claim and when you may expect us to reach a decision on your claim.
3. The notice procedures in 1. and 2. above do not apply if we have a reasonable basis, supported by specific information, to suspect that an insured has fraudulently caused or contributed to the loss by arson or other illegal activity. Under such circumstances, we will notify you of the disposition of your claim within a period of time reasonable to allow full investigation of the claim, after we receive a properly executed proof of loss.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CRIME COVERAGE PART
GENERAL LIABILITY COVERAGE PART
MANAGEMENT LIABILITY COVERAGE PART
PORTABLE EQUIPMENT COVERAGE PART
PROPERTY COVERAGE PART

A. Paragraphs **2.**, **3.** and **5.** of the **Cancellation** Common Policy Condition are replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least:
 - a. 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 45 days before the effective date of cancellation if we cancel for any other reason.
3. We will send written notice in accordance with Virginia Law or deliver written notice to the first Named Insured's last mailing address known to us.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The cancellation will be effective even if we have not made or offered a refund. The following provisions govern calculation of return premium:
 - a. We will compute return premium pro rata and round to the next higher whole dollar when this policy is cancelled:
 - (1) At our request;
 - (2) Because you no longer have a financial or insurable interest in the property or business operation that is the subject of insurance;
 - (3) And rewritten by us or a member of our company group; or
 - (4) After the first year, if it is a prepaid policy written for a term of more than one year.
 - b. When this policy is cancelled at your request (except when Paragraph **a.(2)**, **a.(3)** or **a.(4)** applies), we will return 90% of the pro rata unearned premium, rounded to the next higher whole dollar. However, when such cancellation takes place during the first year of a multi-year prepaid policy, we will return the full annual premium for the subsequent years. In addition, earned premium will not be less than our policywriting minimum premium.

B. The following is added to the Common Policy Conditions and supersedes any other provision to the contrary:

NONRENEWAL

1. If we elect not to renew this policy, we will mail or deliver a notice of nonrenewal to the first Named Insured shown in the Declarations, stating the reason for nonrenewal, at least:
 - a. 15 days before the expiration date if the nonrenewal is due to nonpayment of premium; or
 - b. 45 days before the expiration date if the nonrenewal is for any other reason.
2. We will send written notice of nonrenewal in accordance with Virginia Law or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us.
3. If notice is mailed, proof of mailing will be sufficient proof of notice.

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

CRIME COVERAGE PART DECLARATIONS

Estimated Coverage Part Premium:	\$	88.00
Taxes, Fees and Surcharges:		
Total Premium:	\$	88.00

Crime Forms

See Schedule of Forms and Endorsements.

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

CRIME COVERAGE PART DECLARATIONS

Employee Dishonesty – Blanket

Covered Entity:
APPALACHIAN SEARCH AND RESCUE CONFERENCE, INC

Limit of Insurance	Deductible	Faithful Performance
\$ 25,000	None	No

SPECIFIC EXCESS LIMIT OF INSURANCE – NAME SCHEDULE

Names of Covered "Employees"	Excess Limit of Insurance Each "Employee"	Faithful Performance

SPECIFIC EXCESS LIMIT OF INSURANCE – POSITION SCHEDULE

Titles of Positions / Name of Covered Entities	Number of "Employees" in Each Position	Excess Limit of Insurance Each "Employee"	Faithful Performance

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

CRIME COVERAGE PART DECLARATIONS

Computer Fraud

Covered Entity:
APPALACHIAN SEARCH AND RESCUE CONFERENCE, INC

Limit of Insurance	Deductible
\$ 10,000	None

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

CRIME COVERAGE PART DECLARATIONS

Identity Fraud Expense

Covered Entity:
APPALACHIAN SEARCH AND RESCUE CONFERENCE, INC

Limit of Insurance

Deductible

\$ 10,000

None

Persons Not Covered

EMPLOYEE DISHONESTY COVERAGE FORM

(Coverage Form A - Blanket)

A. COVERAGE

We will pay for loss of, and loss from damage to, covered property resulting directly from the covered cause of loss.

1. **Covered Property:** "Money", "securities" and "property other than money and securities".
2. **Covered Cause of Loss:** "Employee dishonesty".
3. **Coverage Extension**

Employees Temporarily Outside Coverage Territory: We will pay for loss caused by any "employee" while temporarily outside the territory specified in General Condition B.16. for a period not more than 120 days.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the Declarations.

C. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the deductible amount shown in the Declarations. We will then pay the amount of loss in excess of the deductible amount, up to the Limit of Insurance.
2. You must:
 - a. Give us notice as soon as possible of any loss of the type insured under this coverage form even though it falls entirely within the deductible amount; and
 - b. Upon our request, give us a statement describing the loss.

D. ADDITIONAL EXCLUSIONS, CONDITION AND DEFINITIONS

In addition to the Crime General Provisions, this coverage form is subject to the following:

1. **Additional Exclusions:** We will not pay for loss as specified below:
 - a. **Employee Cancelled Under Prior Insurance:** Loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
 - b. **Inventory Shortages:** Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.

But if you can prove in the absence of such computations that you have sustained a covered loss, you may offer your inventory records and actual physical count of inventory in support of other evidence as to the amount of loss claimed.

2. **Additional Condition**

Cancellation As To Any Employee: This insurance is cancelled as to any "employee":

- a. Immediately upon discovery by you of any dishonest act committed by that "employee" whether before or after becoming employed by you; or
- b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing. The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

3. **Additional Definitions**

- a. "Employee dishonesty" in paragraph A.2. means only dishonest acts committed by an "employee," whether identified or not, acting alone or in collusion with other persons, with the manifest intent to:
 - (1) Cause you, or the rightful owners of any covered property included in paragraph B.12. **Ownership of Property; Interests Covered** of the Crime General Provisions, to sustain loss; and also
 - (2) Obtain financial benefit (other than employee benefits known to you, approved by you, and earned in the normal course of employment, including salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:
 - (a) The "employee"; or
 - (b) Any person or organization intended by the "employee" to receive that benefit.
- b. "Occurrence" means all loss caused by, or involving, one or more "employees", whether the result of a single act or a series of acts.

CRIME GENERAL PROVISIONS

Various provisions in this coverage part restrict coverage. Read the entire coverage part carefully to determine rights, duties and what is or is not covered.

Throughout this coverage part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

Various provisions of this coverage part refer to knowledge held or obtained by you, or discovery made by you. Under these provisions, knowledge or discovery by you means knowledge held or obtained, or discovery made, by any natural person who is:

1. An officer of any corporation which is a Named Insured under this policy;
2. An elected or appointed official of any governmental entity, including an official or employee of any unnamed governmental entity authorized to manage, govern or control your "employees"; or
3. An officer, official, director, trustee, commissioner, board member or administrator of any plan, trust, union, association, club, auxiliary or other organization which is a Named Insured under this policy.

Words and phrases in quotation marks are defined in this coverage part.

Unless stated otherwise in any Crime coverage form, declarations or endorsement, the following General Exclusions, General Conditions and General Definitions apply to all Crime coverage forms making up this coverage part.

A. GENERAL EXCLUSIONS

We will not pay for loss as specified below:

1. **Acts Committed by You:** Loss resulting from any dishonest or criminal act committed by you whether acting alone or in collusion with other persons.
2. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
3. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, covered property.
 - b. Payment of damages of any type for which you are legally liable. But we will pay compensatory damages arising directly from a loss covered under this insurance.
 - c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
4. **Legal Expenses:** Expenses related to any legal action.
5. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
6. **War and Similar Actions:** Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

B. GENERAL CONDITIONS

1. **Concealment, Misrepresentation or Fraud:** This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:
 - a. This insurance;
 - b. The covered property;
 - c. Your interest in the covered property; or
 - d. A claim under this insurance.
2. **Consolidation - Merger:** If through consolidation or merger with, or purchase or acquisition of assets or liabilities of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional premises;any insurance afforded for "employees" or premises also applies to those additional "employees" and premises for a period of 60 days after the effective date of such consolidation, merger, or purchase or acquisition of assets or liabilities.

You must give us written notice within this 60 day period and obtain our written consent to extend this insurance to such additional "employees" or premises. Upon obtaining our written consent, you must pay us an additional premium.

If you fail to notify us in writing within this 60 day period, then this insurance shall automatically terminate as to such additional "employees" or premises. Such automatic termination shall be retroactive to the effective date of such consolidation, merger, or purchase or acquisition of assets or liabilities.
3. **Coverage Extensions:** Unless stated otherwise in the coverage form, our liability under any Coverage Extension is part of, not in addition to, the Limit of Insurance applying to the coverage or coverage section.
4. **Duties in the Event of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to, covered property you must:
 - a. Notify us as soon as possible.
 - b. Submit to examination under oath at our request and give us a signed statement of your answers.
 - c. Give us a detailed, sworn proof of loss within 120 days.
 - d. Cooperate with us in the investigation and settlement of any claim.
5. **Extended Period to Discover Loss:** We will pay for covered loss discovered no later than one year from the end of the policy period. However, if:
 - a. You obtain replacement insurance not issued by us or any affiliate; and
 - b. Such loss is covered by your replacement insurance; and
 - c. Your replacement insurance provides an extended period to discover loss of less than one year or does not provide an extended period to discover loss;we will pay only for covered loss discovered no later than the number of days equal to any extended period to discover loss provided by such replacement insurance. If such replacement insurance does not provide an extended period to discover loss, we will not provide this Extended Period to Discover Loss.
6. **Joint Insured**
 - a. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.

- b. If any insured or officer of that insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.
 - c. An "employee" of any insured is considered to be an "employee" of every insured.
 - d. If this insurance or any of its coverages is cancelled or terminated as to any insured, loss sustained by that insured is covered only if discovered no later than one year from the date of that cancellation or termination.
 - e. We will not pay more for loss sustained by more than one insured than the amount we would pay if all the loss had been sustained by one insured.
7. **Legal Action Against Us:** You may not bring any legal action against us involving loss:
- a. Unless you have complied with all the terms of this insurance; and
 - b. Until 90 days after you have filed proof of loss with us; and
 - c. Unless brought within 2 years from the date you discover the loss.
8. **Loss Covered Under More Than One Coverage of This Insurance:** If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:
- a. The actual amount of loss; or
 - b. The sum of the limits of insurance applicable to those coverages.
9. **Loss Covered Under This Insurance and/or Prior Insurance**
- a. If any loss is covered:
 - (1) Partly by this insurance; and
 - (2) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;
 the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
 - b. If any loss is covered:
 - (1) Partly by this insurance; and
 - (2) Partly by any prior cancelled or terminated insurance issued to you or any predecessor in interest by any carrier other than us or any affiliate:
 - (a) Any deductible amount applicable to such loss will be reduced by any deductible amount applicable or sustained by you under the prior insurance; and
 - (b) The Limit of Insurance applicable to such loss will be reduced by any amount paid or payable to you under the prior insurance.
 - c. If you or any predecessor in interest sustained loss during the period of any prior insurance, and you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
 The insurance under this paragraph c. is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under this insurance as of its effective date, or the prior insurance had it remained in effect.
10. **Non-Cumulation of Limit of Insurance:** Regardless of the number of years this insurance remains in force, the number of premiums paid or the duration of any loss, no Limit of Insurance or deductible amount applicable to any coverage of this insurance cumulates from year to year or period to period.

11. **Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity. But this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the Declarations.
12. **Ownership of Property; Interests Covered:** The property covered under this insurance is limited to property:
- That you own or hold; or
 - For which you are legally liable.
- However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.
13. **Policy Period**
- The policy period is shown in the Declarations.
 - Except as provided by the **Loss Covered Under This Insurance and/or Prior Insurance** General Condition, we will pay only for loss that you sustain through acts committed or events occurring during the policy period.
14. **Records:** You must keep records of all covered property so we can verify the amount of any loss.
15. **Recoveries**
- Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - To you, until you are reimbursed for any loss that you sustain that would be covered under this insurance, but that exceeds the Limit of Insurance and the deductible amount, if any;
 - Then to us, until we are reimbursed for the settlement made;
 - Then to you, until you are reimbursed for that part of the loss equal to the deductible amount, if any.
 - Recoveries do not include any recovery:
 - From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - Of original "securities" after duplicates of them have been issued.
16. **Territory:** This insurance covers only acts committed or events occurring within the United States of America, its territories and possessions, Puerto Rico or Canada.
17. **Transfer of Your Rights of Recovery Against Others to Us:** You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.
18. **Valuation - Settlement**
- Subject to the applicable Limit of Insurance provision we will pay for:
 - Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - At face value in the "money" issued by that country; or
 - In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.

- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of:
 - i. The value of the "securities" at the close of business on the day the loss was discovered; or
 - ii. The Limit of Insurance.
- (3) Loss of, or loss from damage to, "property other than money and securities" or loss from damage to the premises for not more than the:
 - (a) Actual cash value of the property on the day the loss was discovered;
 - (b) Cost of repairing the property or premises; or
 - (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it. If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.
- b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":
 - (1) In the "money" of the country in which the loss occurred; or
 - (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
- c. Any property that we pay for or replace becomes our property.

C. GENERAL DEFINITIONS

- 1. "Employee" means:
 - a. Any natural person:
 - (1) While in your service (and for 30 days after termination of service); and
 - (2) Whom you compensate directly by salary, wages or commissions; and
 - (3) Whom you have the right to direct and control while performing services for you; or
 - b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you; or
 - c. Any natural person who is a non-compensated officer or any other volunteer of any volunteer fire, ambulance, or other emergency service or auxiliary organization which is a Named Insured under this policy, while such officer or volunteer is subject to your direction and control and performing services for you; or
 - d. Any natural person who is an elected or appointed supervisory official of any governmentally operated fire, ambulance or other emergency service organization which is a Named Insured under this policy, while such official is performing services for you; or
 - e. Any natural person who is a director, trustee, commissioner or board member of any organization which is a Named Insured under this policy, while such director, trustee, commissioner or board member is performing services for you.

But "employee" does not mean any:

- (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director, trustee, commissioner or board member:
 - (a) With respect to his or her official duties as your director, trustee, commissioner or board member; or
 - (b) While executing specific acts mandated or authorized by a resolution of your board of directors, board of trustees or board of commissioners.
2. "Money" means:
- a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
3. "Property other than money and securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Crime coverage form as Property Not Covered.
4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
- but "securities" does not include "money".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MARYLAND CHANGES

This endorsement modifies insurance provided under the following:

CRIME COVERAGE PART

Paragraph 7. **Legal Action Against Us** under **B. GENERAL CONDITIONS** of the **CRIME GENERAL PROVISIONS** is replaced by the following:

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this coverage part; and
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within 3 years from the date you discover the loss.

COMPUTER AND FUNDS TRANSFER FRAUD COVERAGE FORM

SCHEDULE

Limit of Insurance:
Deductible:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. INSURING AGREEMENT

1. We will pay for loss you sustain arising directly out of the loss of or damage to "money", "securities" and "property other than money and securities" resulting directly from:
 - a. A fraudulent:
 - (1) Entry of "electronic data" or "computer program" into; or
 - (2) Change of "electronic data" or "computer program" within;
any "computer system" owned, leased or operated by you, provided the fraudulent entry or fraudulent change causes, with regard to Paragraphs 1.a.(1) and 1.a.(2) above:
 - (a) "Money", "securities" or "property other than money and securities" to be transferred, paid or delivered; or
 - (b) Your account at a "financial institution" to be debited or deleted.
 - b. A "fraudulent instruction" directing a "financial institution" to debit your "transfer account" and transfer, pay or deliver "money" or "securities" from that account.
2. As used in Paragraph A.1.a., fraudulent entry or fraudulent change of "electronic data" or "computer program" shall include such entry or change made by an "employee" acting, in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Insuring Agreement.

B. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance shown in the Schedule.

C. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the deductible amount shown in the Schedule. We will then pay the amount of loss in excess of the deductible amount, up to the Limit of Insurance.

D. EXCLUSIONS, CONDITIONS AND DEFINITIONS

In addition to the Crime General Provisions, this coverage form is subject to the following:

1. **Additional Exclusions:** We will not pay for loss as specified below:
 - a. **Acts of Employees, Directors, or Trustees:** We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees, or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
 - (2) Whether while performing services for you or otherwise.
- b. **Authorized Access**
Loss resulting from a fraudulent:
- (1) Entry of "electronic data" or "computer program" into; or
 - (2) Change of "electronic data" or "computer program" within;
- any "computer system" owned, leased or operated by you by a person or organization with authorized access to that "computer system", except when covered under Insuring Agreement A.2.
- c. **Confidential Or Personal Information**
Loss resulting from:
- (1) The disclosure of your or another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
 - (2) The use of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.
- d. **Credit Card Transactions**
Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
- e. **Data Security Breach**
Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.
- f. **Exchanges Or Purchases**
Loss resulting from the giving or surrendering of property in any exchange or purchase.
- g. **Fraudulent Instructions**
Loss resulting from an "employee" or "financial institution" acting upon any instruction to:
- (1) Transfer, pay or deliver "money", "securities" or "property other than money and securities"; or
 - (2) Debit or delete your account;
- which instruction proves to be fraudulent, except when covered under Insuring Agreement A.1.b. or A.2.
- h. **Inventory Shortages**
Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
- (1) An inventory computation; or
 - (2) A profit and loss computation.
2. **Additional Definitions**
- a. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".

- b. "Computer system" means:
- (1) Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - (2) Systems and applications software; and
 - (3) Related communications networks;
- by which "electronic data" is collected, transmitted, processed, stored or retrieved.
- c. "Electronic data" means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- e. "Financial institution" means:
- (1) A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;
 - (2) An insurance company; or
 - (3) A stock brokerage firm or investment company.
- f. "Fraudulent instruction" means:
- (1) With regard to Insuring Agreement A.1.:
 - (a) A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", which instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent.
 - (b) A written instruction (other than those covered under Insuring Agreement A.2.) issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
 - (c) A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic or written instruction initially received by you, which instruction purports to have been issued by an "employee", but which in fact was fraudulently issued by someone else without your or the "employee's" knowledge or consent.
 - (2) With regard to Insuring Agreement A.2.:

A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under Insuring Agreement A., which instruction in fact was fraudulently issued by your computer software contractor.
- g. "Occurrence" means:
- (1) An individual act or event;
 - (2) The combined total of all separate acts or events whether or not related; or
 - (3) A series of acts or events whether or not related;
- committed by a person acting alone or in collusion with others, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under the Crime General Provisions, General Condition 9.
- h. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and securities:

- (1) By means of computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic instructions; or
- (2) By means of written instructions (other than a check, draft, promissory note, or similar written promise, order or direction to pay a sum certain in "money") establishing the conditions under which such transfers are to be initiated by such "financial institution" through an electronic funds transfer system.

3. Revised Definitions:

- a. As respects the coverage provided by this endorsement, the following is added to the definition of "money" in the General Crime Provisions:

3. Deposits in your account at a "financial institution" as defined in Paragraph **D.3.e.**

- b. As respects the coverage provided by this endorsement, the following is added to the definition of "property other than money and securities" in the General Crime Provisions:

"Property other than money and securities" does not include "computer programs", "electronic data" or any property specifically excluded under this insurance.

IDENTITY FRAUD EXPENSE COVERAGE FORM

SCHEDULE

Limit of Insurance: Deductible: Persons Not Covered:
--

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
--

A. COVERAGE

We will pay for “expenses” you sustain incurred by:

1. You; or
2. Any “employee”;
resulting directly from “identity fraud”.

B. LIMIT OF INSURANCE

The most we will pay for your “expenses” resulting directly from “identity fraud” is the applicable Limit of Insurance shown in the Schedule.

C. DEDUCTIBLE

We will not pay for “expenses” unless the amount of “expenses” exceeds the deductible amount shown in the Schedule. We will then pay the amount of “expenses” in excess of the deductible amount, up to the Limit of Insurance.

D. EXCLUSIONS, CONDITIONS AND DEFINITIONS

In addition to the Crime General Provisions, this coverage form is subject to the following:

1. **Additional Exclusion:**

“Expenses” due to “theft”, “identity fraud” or any other dishonest act committed by:

1. You;
2. Any “employee”; or
3. Any person shown in the Schedule;
whether acting alone or in collusion with other persons.

2. **Revised Exclusion:**

The **Legal Expenses** Exclusion is replaced by the following:

Expenses incurred by you which are related to any legal action, except when covered under this Coverage Form.

3. Revised Condition:

The following is added to the **Duties In The Event Of Loss** Condition:

You must send to us, within 60 days after our request, receipts, bills or other records that support any claim for “expenses” covered under this Coverage Form.

4. Additional Definitions:

a. “Expenses” means:

- (1) Advertising and public relations expenses incurred by you to restore your business reputation as a result of an “identity fraud”;
- (2) Costs incurred by you or any “employee” for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
- (3) Costs incurred by you or any “employee” for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors;
- (4) Costs incurred by you or any “employee” for obtaining credit reports;
- (5) Lost income incurred by you or any “employee” resulting from time taken off work to complete fraud affidavits, meet with or talk to law enforcement agencies, credit agencies and/or legal counsel, up to a maximum payment of \$250 per day. Total payment for lost income is not to exceed \$10,000 or the Limit of Insurance shown in the Schedule, whichever is less;
- (6) Loan application fees, incurred by you or any “employee” for reapplying for a loan when the original application is rejected solely because the lender received incorrect credit information;
- (7) Reasonable attorney fees to:
 - (a) Defend lawsuits brought against you by merchants, vendors, suppliers, financial institutions or their collection agencies;
 - (b) Remove any criminal or civil judgments wrongly entered against you; and
 - (c) Challenge the accuracy or completeness of any information in a consumer credit report for you;
- (8) Charges incurred by you or any “employee” for long distance telephone calls to merchants, vendors, suppliers, customers, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual “identity fraud”; and
- (9) Any other reasonable expenses incurred by you or any “employee” with our written consent.

b. “Identity fraud” means the act of knowingly transferring or using, without lawful authority, a means of identification of:

- (1) Your business as shown in the Declarations; or
- (2) Any “employee”;

with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

c. “Theft” means the unlawful taking of property to the deprivation of the Insured.

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

GENERAL LIABILITY COVERAGE PART DECLARATIONS

Limits of Insurance

Each Occurrence or Medical Incident	\$ 1,000,000	
Medical Expense	\$ 10,000	Any One Person
Personal & Advertising Injury	\$ 1,000,000	
General Aggregate	\$ 2,000,000	
Products - Completed Operations Aggregate	\$ 2,000,000	
Products - Completed Operations are subject to the General Aggregate limit unless indicated otherwise		
Employers' Liability	NOT COVERED	
Bodily Injury by Accident	\$	Each Accident
Bodily Injury by Disease	\$	Policy Limit
Bodily Injury by Disease	\$	Each Employee or Volunteer

Estimated Coverage Part Premium: \$ 360.00

Taxes, Fees and Surcharges:

Total Premium: \$ 360.00

General Liability Forms

See Schedule of Forms and Endorsements.

EMERGENCY SERVICE ORGANIZATION GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this coverage part the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this coverage part. The words “we”, “us” and “our” refer to the company providing this insurance. The word “insured” means any person or organization qualifying as such under **SECTION II. WHO IS AN INSURED.**

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V. DEFINITIONS.**

SECTION I. COVERAGES

Coverage A. Bodily Injury and Property Damage Liability

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of “bodily injury” or “property damage” to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “suit” that may result. But:
 - (1) The amount we will pay for damages is limited as described in **SECTION III. LIMITS OF INSURANCE**; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **COVERAGES A, B or C** or medical expenses under **COVERAGE D.**No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C.**
- b. This insurance applies to “bodily injury” and “property damage” only if:
 - (1) The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;
 - (2) The “bodily injury” or “property damage” occurs during the policy period; and
 - (3) Prior to the policy period, no officer, director, commissioner or trustee, and no volunteer or “employee” authorized by you to give or receive notice of an “occurrence” or claim, knew or had reason to know that the “bodily injury” or “property damage” had occurred, in whole or in part. If any such persons knew or had reason to know, prior to the policy period, that the “bodily injury” or “property damage” occurred in whole or in part, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known to have occurred prior to the policy period.
- c. “Bodily injury” or “property damage” which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed in paragraph b.(3) above, includes any continuation, change or resumption of that “bodily injury” or “property damage” after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed in paragraph b.(3) above:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions Applicable to Coverage A

This insurance does not apply to:

a. **Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to expected or intended "bodily injury" or "property damage" resulting from reasonable actions taken to protect persons or property.

b. **Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. **Workers' Compensation and Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law, or any similar law.

d. **Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of employment by the insured, or performing duties related to the conduct of the insured's business; or
- (2) Any volunteer, if you provide or are required to provide any benefits for such volunteer under any workers' compensation law, disability benefits law, or any similar law; or
- (3) The spouse, child, parent, brother or sister of that employee or "volunteer" as a consequence of paragraph (1) or (2) above.

This exclusion applies:

- (a) Whether the insured may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

e. **Pollution**

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water. This exclusion does not apply to:

- (1) "Emergency operations" conducted away from premises owned by or rented to you or any fire department, hazardous materials unit, first aid squad, ambulance squad or rescue squad qualifying as an insured under this coverage part; or
- (2) "Training operations"; or
- (3) Water runoff from the cleaning of equipment used in "emergency operations"; or
- (4) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building; or
- (5) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a "hostile fire":
 - (a) At or from premises you own, rent or occupy; or
 - (b) At or from any site or "location" in connection with operations described in (1), (2) or (3) above.

f. **Asbestos**

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them. This exclusion does not apply to:

- (1) "Bodily injury" or "property damage" arising from; or
- (2) The costs of abatement, removal or disposal of:
asbestos released as a result of "emergency operations" or "training operations" away from premises which are either owned by, rented to, or occupied by any insured.

g. **Lead, Electromagnetic Radiation, Nuclear**

- (1) Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to:
 - (a) The toxic properties of lead, or any material or substance containing lead; or
 - (b) Electromagnetic radiation;or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.
- (2) Any loss, cost or expense arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

h. **Aircraft, Auto or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading". This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is not being used to carry persons or property for a charge;
- (3) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (4) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of "mobile equipment"; or
- (5) A watercraft you own that is:
 - (a) Powered by a motor or combination of motors of 100 horsepower or less; or
 - (b) Not powered by a motor; or
 - (c) A "personal watercraft".

i. **Mobile Equipment**

“Bodily injury” or “property damage” arising out of:

- (1) The transportation of “mobile equipment” by an “auto” owned or operated by or rented or loaned to any insured; or
- (2) The use of “mobile equipment” in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

j. **War**

“Bodily injury” or “property damage”, however caused, arising directly or indirectly out of:

- (1) War, including undeclared or civil war; or
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

k. **Damage To Property**

“Property damage” to:

- (1) Property you or any insured owns, rents, or occupies;
- (2) Premises you sell, give away or abandon, if the “property damage” arises out of any part of those premises;
- (3) Property loaned to you or any insured;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the “property damage” arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because “your work” was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to “property damage” (other than damage by fire) to premises, including the contents of such premises, rented or loaned to you for a period of 30 or fewer consecutive days. The Each Occurrence or Medical Incident Limit shown in the Declarations will apply to this coverage.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (4) of this exclusion does not apply to “property damage” to personal property belonging to anyone receiving service from any insured because of loss by theft, physical damage or disappearance of such property during the period when volunteers or “employees” of the insured arrive on the scene or while they are rendering service to others and ending when they either leave the scene, complete their service, or transfer care of a transported patient to others. This insurance does not apply to that portion of any loss for which the Named Insured has other valid and collectible insurance. The limit of the company’s liability is the Each Occurrence or Medical Incident Limit stated in the Declarations, subject to a \$100 deductible each “occurrence”.

Paragraphs (5) and (6) of this exclusion do not apply to “property damage” resulting from actions taken to protect persons or property.

Paragraph (6) of this exclusion does not apply to “property damage” included in the “products-completed operations hazard”.

l. **Personal and Advertising Injury**

“Bodily injury” arising out of “personal and advertising injury”.

m. **Sexual Abuse**

“Bodily injury” arising out of the “sexual abuse” of any person. However, this exclusion shall not apply to the Named Insured if no officer, director, commissioner or trustee of the Named Insured knew or had reason to know of the “sexual abuse”. Also, we will defend an insured for covered civil action subject to the other terms of this coverage part until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

n. **Professional Health Care Services**

Damages arising or allegedly arising out of providing or failing to provide “professional health care services”.

o. **Employment Practices**

“Bodily injury” or “property damage” arising out of your “employment practices”.

p. **Product Recall**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) “Your product”;
- (2) “Your work”; or
- (3) “Impaired property”;

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Exclusions c. through p. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. The Each Occurrence or Medical Incident Limit shown in the Declarations will apply to this coverage.

Coverage B. Personal and Advertising Injury Liability

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of “personal and advertising injury” to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for “personal and advertising injury” to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or “suit” that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III – LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **COVERAGES A, B or C** or medical expenses under **COVERAGE D**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C**.

- b. This insurance applies to “personal and advertising injury” caused by an offense arising out of your business but only if the offense was committed in the “coverage territory” during the policy period.

2. Exclusions Applicable to Coverage B

This insurance does not apply to:

- a. **Knowing Violation of the Rights of Another**
“Personal and advertising injury” caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict “personal and advertising injury”.
- b. **Material Published with Knowledge of Its Falsity**
“Personal and advertising injury” arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.
- c. **Material Published Prior to the Policy Period**
“Personal and advertising injury” arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.
- d. **Criminal Acts**
“Personal and advertising injury” arising out of a criminal act committed by or at the direction of any insured.
- e. **Contractual Liability**
“Personal and advertising injury” for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- f. **Breach of Contract**
“Personal and advertising injury” arising out of a breach of contract, except an implied contract to use another’s advertising idea in your “advertisement”.
- g. **Quality or Performance of Goods**
“Personal and advertising injury” arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your “advertisement”.
- h. **Wrong Description of Prices**
“Personal and advertising injury” arising out of the wrong description of the price of goods, products or services stated in your “advertisement”.
- i. **Infringement of Copyright, Patent, Trademark or Trade Secret**
“Personal and advertising injury” arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. However, this exclusion does not apply to infringement, in your “advertisement”, of copyright, trade dress or slogan.
- j. **Pollution**
“Personal and advertising injury” arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water.
- k. **Professional Health Care Services**
“Personal and advertising injury” arising or allegedly arising out of providing or failing to provide “professional health care services”.
- l. **Employment Practices**
“Personal and advertising injury” arising out of your “employment practices”.
- m. **Asbestos**

Any injury, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials.

n. **Lead, Electromagnetic Radiation, Nuclear**

- (1) Any injury, expense, cost, loss, liability or legal obligation arising out of or in any way related to:
 - (a) The toxic properties of lead, or any material or substance containing lead; or
 - (b) Electromagnetic radiation;or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.
- (2) Any loss, cost or expense arising out of any actual, alleged or threatened injury to any person or property from any radioactive matter or nuclear material.

o. **War**

“Personal and advertising injury”, however caused, arising directly or indirectly out of:

- (1) War, including undeclared or civil war; or
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. **Sexual Abuse**

“Personal and advertising injury” arising out of the “sexual abuse” of any person.

Coverage C. Professional Health Care Liability

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of injury arising out of a “medical incident”. We will have the right and duty to defend any claim or “suit” seeking those damages. We may at our discretion investigate any “medical incident” and settle any claim or “suit” that may result. But:
 - (1) The amount we will pay for damages is limited as described in **SECTION III. LIMITS OF INSURANCE**; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under **SUPPLEMENTARY PAYMENTS – COVERAGES A, B AND C** or medical expenses under **COVERAGE D**.
- b. This insurance applies only if the damages are caused by a “medical incident” that takes place:
 - (1) During the policy period; and
 - (2) In the “coverage territory”.

2. Exclusions Applicable to Coverage C

All exclusions under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** apply to this **COVERAGE C**, except that exclusion n. **Professional Health Care Services** under **COVERAGE A** shall not apply.

All exclusions under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** apply to this **COVERAGE C**, except that exclusion k. **Professional Health Care Services** under **COVERAGE B** shall not apply.

In addition, this insurance does not apply to:

a. **Medical Command via Telecommunications Device**

Any physician providing or failing to provide on-line medical direction or medical command via telecommunication to emergency medical personnel.

b. **Criminal Acts**

Injury arising out of a criminal act (except for "sexual abuse") committed by the insured or anyone for whom the insured is legally responsible. However, we will defend the insured for covered civil action subject to the other terms of this coverage part until either a judgment or final adjudication establishes such act, or the insured confirms such act.

Coverage D. Medical Expense

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions Applicable to Coverage D

We will not pay expenses for "bodily injury":

a. **Any Insured**

To any insured.

b. **Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. **Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

d. **Workers' Compensation and Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

- e. **Athletic Activities**
To a person injured while taking part in athletics.
- f. **Products – Completed Operations Hazard**
Included within the “products-completed operations hazard”.
- g. **Professional Health Care Services**
To any person for “professional health care services” provided by you.
- h. **Coverage A**
Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**

Supplementary Payments – Coverages A, B and C

1. We will pay, with respect to any claim we investigate or settle, or any “suit” against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to \$300 a day because of time off from work.
 - e. All costs taxed against the insured in the “suit”.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a “suit” and an indemnitee of the insured is also named as a party to the “suit”, we will defend that indemnitee if all of the following conditions are met:
 - a. The “suit” against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an “insured contract”;
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same “insured contract”;
 - d. The allegations in the “suit” and the information we know about the “occurrence” are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such “suit” and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the “suit”;
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the “suit”;
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the “suit”; and
 - (b) Conduct and control the defense of the indemnitee in such “suit”.

So long as the above conditions are met, attorneys’ fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as **SUPPLEMENTARY PAYMENTS**. Notwithstanding the provisions of paragraph 2.b.(2) of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, such payments will not be deemed to be damages for “bodily injury” and “property damage” and will not reduce the limits of insurance.

Our obligation to defend an insured’s indemnitee and to pay for attorneys’ fees and necessary litigation expenses as **SUPPLEMENTARY PAYMENTS** ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f. above, are no longer met.

SECTION II. WHO IS AN INSURED

1. If you are:
 - a. An organization other than a partnership, joint venture or limited liability company, you are an insured.
 - b. A partnership or joint venture, you are an insured. Your members and your partners are also insureds, but only within the course and scope of your operations.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only within the course and scope of your operations. Your managers are insureds, but only within the course and scope of your operations.
2. In addition to you, each of the following is an insured:
 - a. **Volunteers and Employees.** Your volunteers, “employees”, elected or appointed officers, directors, commissioners or trustees, but only for acts within the course and scope of their employment by you, membership with you or authorized duties on your behalf.
 - b. **Medical Directors.** Physicians who are your medical directors, but only for acts within the course and scope of their medical director duties on your behalf.
 - c. **Good Samaritans.** Your volunteers, “employees”, elected or appointed officers, directors, commissioners or trustees while acting as a Good Samaritan independently of his or her activities on your behalf, but only when he or she encounters the scene of an emergency requiring sudden action. In no event will such person who responds to the scene of an emergency with or for any other emergency service organization be an insured.
 - d. **Owners of Commandeered Equipment.** The owner of commandeered equipment other than an “auto” is an insured while the equipment is in your temporary care, custody or control and is being used as part of an “emergency operation”.
 - e. **Real Estate Managers.** Any person or any organization while acting as your real estate manager.
 - f. **Blanket Additional Insureds.** Any person or organization required to be an additional insured under an “insured contract”, if agreed to by you prior to the “bodily injury”, “property damage”, “personal and advertising injury”, or “medical incident”, but only with respect to liability arising out of your premises or operations.

3. **Mobile Equipment.** With respect to “mobile equipment” registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to “property damage” to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. **New Organizations.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. **COVERAGE A** does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization;
 - c. **COVERAGE B** does not apply to “personal and advertising injury” arising out of an offense committed before you acquired or formed the organization; and
 - d. **COVERAGE C** does not apply to a “medical incident” that took place before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or “suits” brought; or
 - c. Persons or organizations making claims or bringing “suits”.
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under **COVERAGE D**;
 - b. Damages under **COVERAGE A**, except damages because of “bodily injury” or “property damage” included in the “products-completed operations hazard”;
 - c. Damages under **COVERAGE B**; and
 - d. Damages under **COVERAGE C**;for each Named Insured shown in the Declarations and each “location” owned by or rented to you.
3. The Products - Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A** for damages because of “bodily injury” and “property damage” included in the “products-completed operations hazard”, for each Named Insured shown in the Declarations.
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B** for the sum of all damages because of all “personal and advertising injury” sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence or Medical Incident Limit is the most we will pay for the sum of:
 - a. Damages under **COVERAGES A and C**; and
 - b. Medical expenses under **COVERAGE D**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence" and all damages arising out of any one "medical incident".

6. Subject to 5. above, the Each Occurrence or Medical Incident Limit is the most we will pay under **COVERAGE A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under **COVERAGE D** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this coverage part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV. CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

1. **Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this coverage part.

2. **Duties in the Event of an Occurrence, Offense, Medical Incident, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence", offense or "medical incident" which may result in a claim or "suit". To the extent possible, notice should include:
 - (1) How, when and where the "occurrence", offense or "medical incident" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence", offense or "medical incident".
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

- e. If you report an “occurrence”, offense or “medical incident” to an insurer providing other than General Liability insurance, which later develops into a General Liability claim covered under this coverage part, failure to report such “occurrence”, offense or “medical incident” to us at the time of the “occurrence”, offense or “medical incident” shall not be deemed in violation of these conditions. However, you shall give notification to us, as soon as is reasonably possible, that the “occurrence”, offense or “medical incident” is a General Liability claim.
- f. Knowledge of an “occurrence”, offense or “medical incident” by any of your agents, volunteers or “employees” shall not constitute knowledge by you unless one of your officers or anyone responsible for administering your insurance program has received a notification from the agent, volunteer or “employee”.

3. Legal Action Against Us

No person or organization has a right under this coverage part:

- a. To join us as a party or otherwise bring us into a “suit” asking for damages from an insured; or
- b. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this coverage part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured volunteer, “employee”, elected or appointed officer, director, commissioner, trustee, medical director or owner of commandeered equipment for a loss we cover under **COVERAGES A, B or C** of this form, our insurance is primary, with no consideration or contribution with other insurance, except with respect to any medical malpractice liability insurance available to a physician who is acting on your behalf by providing on-site medical treatment of a person. With respect to said medical malpractice liability insurance, our insurance is excess over that coverage.

If other valid and collectible insurance is available to the insured, other than volunteers, “employees”, elected or appointed officers, directors, commissioners, trustees, medical directors or owners of commandeered equipment, for a loss we cover under **COVERAGES A, B or C** of this form, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is fire, extended coverage, builder’s risk, installation risk or similar coverage for “your work”;
 - (b) That is fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for “property damage” to premises rented to you or temporarily occupied by you with permission of the owner;
 - (d) That is insurance covering your liability for “bodily injury” or “property damage” arising out of the providing, serving or selling of alcoholic beverages to others;

- (e) That is insurance covering your liability for “bodily injury” or “property damage” arising out of the igniting or discharging of fireworks, including but not limited to firecrackers, aerial or ground displays, in conjunction with any demonstration or show conducted or sponsored by you. However, this coverage shall not be excess should the “bodily injury” or “property damage” result from an emergency response you provide in response to an emergency arising out of fireworks; or
 - (f) If the loss arises out of the maintenance or use of aircraft or watercraft to the extent not subject to exclusion h. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**
- (2) Any other primary insurance, including pools or self-insurance, covering your liability for damages arising out of the premises or operations for which you have been added as an additional insured.

When this insurance is excess, we will have no duty under **COVERAGES A, B or C** to defend the insured against any “suit” if any other insurer has a duty to defend the insured against that “suit”. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured’s rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the limits of insurance shown in the Declarations of this coverage part.

c. **Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer’s share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Representations

By accepting this policy, you agree:

- a. The information in the Declarations is accurate and complete;
- b. The information is based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Your failure to disclose all hazards existing as of the inception date of the policy shall not prejudice you with respect to the coverage afforded, provided such failure or omission is not intentional. This coverage part is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented.

6. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this coverage part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or “suit” is brought.

7. **Transfer of Rights of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

8. **When We Do Not Renew**

If we decide not to renew this coverage part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V. DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All other parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and
 - (2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Emergency operations" means actions:
 - a. Which are urgent responses for protection of property, human life, health or safety; and
 - b. Which result from the performing or attempting to perform firefighting services, hazardous materials unit services, first aid, ambulance or rescue squad services, or related services, including the stabilizing or securing of an emergency scene; and
 - c. Which are sanctioned by:
 - (1) A fire department, hazardous materials unit, or first aid, ambulance or rescue squad qualifying as an insured under this coverage part; or
 - (2) An officer, volunteer member or "employee" of such organization.
6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Employment practices" means an actual or alleged improper employment related practice, policy, act or omission involving an actual, prospective, or former volunteer or "employee", including:
 - a. Failing to hire or refusing to hire;
 - b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;

- c. Wrongful deprivation of a career opportunity, or failure to promote;
 - d. Wrongful discipline of volunteers or “employees”;
 - e. Negligent evaluation of volunteers or “employees”;
 - f. Retaliation against volunteers or “employees” for the exercise of any legally protected right or for engaging in any legally protected activity;
 - g. Failure to adopt adequate workplace or employment-related policies and procedures;
 - h. Harassment, including “sexual harassment”; or
 - i. Violation of any federal, state or local laws (whether common law or statutory) concerning employment or discrimination in employment.
8. “Hostile fire” means one which becomes uncontrollable or breaks out from where it was intended to be.
9. “Impaired property” means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:
- a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- (1) The repair, replacement, adjustment or removal of “your product” or “your work”; or
 - (2) Your fulfilling the terms of the contract or agreement.
10. “Insured contract” means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an “insured contract”;
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for “bodily injury” or “property damage” to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for “bodily injury” or “property damage” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured’s rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.
11. “Leased worker” means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. “Leased worker” does not include a “temporary worker”.

12. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
 but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

13. "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

14. "Medical incident" means any act, error or omission in the rendering of or failure to render "professional health care services" by you or by anyone for whose "professional health care services" you are legally responsible. Any such act, error or omission, together with all related acts, errors or omissions in the furnishing of such services to any one person, shall be considered one "medical incident".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;

- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, or any other interference with real property rights;
 - d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication in any manner of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
18. "Personal watercraft" means a vessel which uses an inboard motor powering a water jet pump as its primary source of motive power, and which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.
20. "Professional health care services" means:
- a. Providing medical or nursing services;
 - b. Providing professional services of any other health care professional, including emergency medical technicians and paramedics;
 - c. Furnishing or dispensing drugs or medical, surgical or dental supplies or appliances;
 - d. Handling of patients:
 - (1) From the place where they are accepted for movement into or onto the means of transport,
 - (2) During transport, and
 - (3) From the means of transport to the place where they are finally delivered;
 - e. Dispatching of, including the failure or refusal to dispatch, personnel to provide any of the above services;
 - f. Serving on, or carrying out the orders of, a health care accreditation board or similar professional board or committee; and
 - g. Establishing medical protocol, creating medical training curricula, providing medical training, conducting medical quality assurance programs, and carrying out similar duties.
21. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
22. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation, or sexual injury, but does not include "sexual harassment".
23. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury. "Sexual harassment" includes:
- a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
24. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal and advertising injury", or injury arising out of a "medical incident" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- But "suit" does not mean any ethical conduct review or enforcement action, or disciplinary review or enforcement action.
25. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
26. "Training operations" means activities used to prepare, train, or instruct members of a fire department, hazardous materials unit, or a first aid, ambulance or rescue squad in accepted and recognized emergency procedures, including municipal, state and federal standards.
27. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
 - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- "Your product" includes:
- (a) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (b) The providing of or failure to provide warnings or instructions.
- "Your product" does not include vending machines or other property rented to or located for the use of others but not sold.
28. "Your work" means:
- a. Work or operations performed by you or on your behalf; and
 - b. Materials, parts or equipment furnished in connection with such work or operations.
- "Your work" includes:
- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS AMENDMENT - PENNSYLVANIA

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

Exclusion **2.f. Asbestos** of **SECTION I. COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is hereby deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA CHANGES – GENERAL LIABILITY

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART

Paragraph 4. of **SECTION II. WHO IS AN INSURED** is replaced by the following:

4. **New Organizations.** Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as an insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. **COVERAGE A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;
 - c. **COVERAGE B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization; and
 - d. **COVERAGE C** does not apply to a "medical incident" that took place before you acquired or formed the organization.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This endorsement modifies insurance provided under the following:

GENERAL LIABILITY COVERAGE PART
LIABILITY COVERAGE PART
PUBLIC ENTITY LIABILITY COVERAGE PART

The **DEFINITIONS** Section is amended as follows:

1. The definition of "auto" is replaced by the following:

"Auto" means:

- a. Any land motor vehicle, trailer or semitrailer designed for travel on public roads; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

2. The following is added to the definition of "mobile equipment":

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

Named Insured:
APPALACHIAN SEARCH AND RESCUE
CONFERENCE, INC

Policy Number: VFIS-TR-2050521-09/000
Policy Period: From 02-01-2016
To 02-01-2017

MANAGEMENT LIABILITY COVERAGE PART DECLARATIONS

THIS IS CLAIMS MADE COVERAGE. PLEASE READ THE POLICY CAREFULLY.

Limits of Insurance

Aggregate Limit	\$ 1,000,000	Coverage A and B Combined
Coverage A	\$ 500,000	Each Wrongful Act or Offense
Coverage B	\$ 50,000	Each Action for Injunctive Relief
Deductible (Coverage A only)	\$ 0	Each Wrongful Act or Offense

Estimated Coverage Part Premium: \$ 1,454.00
Taxes, Fees and Surcharges:
Total Premium: \$ 1,454.00

Management Liability Forms

See Schedule of Forms and Endorsements

EMERGENCY SERVICE ORGANIZATION MANAGEMENT LIABILITY COVERAGE FORM CLAIMS MADE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered. We have no duty to provide coverage unless there has been full compliance with all the **SECTION V. CONDITIONS** contained in this coverage part.

Throughout this coverage part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this coverage part. The words "we," "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under **SECTION III. WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VII. DEFINITIONS**.

SECTION I. COVERAGES

Coverage A. Insuring Agreement - Liability for Monetary Damages

1. We will pay those sums that the insured becomes legally obligated to pay as monetary damages arising out of an "employment practices" offense, an offense in the "administration" of your "employee benefit plans", or other "wrongful act" to which this insurance applies. We will have the right and duty to defend any "suit" seeking those damages. We may, at our discretion, investigate any such offense or "wrongful act" and settle any "claim" or "suit" that may result. However:
 - a. The amount we will pay for damages is limited as described in **SECTION IV. LIMITS OF INSURANCE**; and
 - b. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A and B.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for below under **Supplementary Payments**. However, we may, prior to any "claim" or "suit" and at our sole discretion and expense, help you with an Equal Employment Opportunity Commission investigation, or an equivalent state or local agency investigation. If we choose to help you with an investigation, our help will be strictly voluntary, and we may discontinue it at any time. You agree that our help does not admit, confirm, waive, estop, or in any way represent a determination of coverage of any alleged employment related violation.
2. This insurance applies to offenses or "wrongful acts" only if:
 - a. The offense or "wrongful act" takes place in the "coverage territory" and before the end of the policy period; and
 - b. A "claim" is first made against any insured in accordance with paragraph 3. below, during the policy period or any Extended Reporting Period we provide according to **SECTION VI**.

3. A "claim" will be deemed to have been made at the earliest of the following times:
 - a. When notice of such "claim" is received and recorded by any insured or by us, whichever comes first;
 - b. When we make settlement in accordance with paragraph 1. above; or
 - c. When you become aware of an offense or "wrongful act" which may subsequently give rise to a "claim" being made against any insured, and you give written notice to us, as described in **SECTION V. CONDITIONS**, of such circumstances as soon as practicable but no later than:
 - (1) The end of the policy period; or
 - (2) The end of any applicable Extended Reporting Period.

All "claims" based on or arising out of the same or related offenses or "wrongful acts" by one or more insureds shall be considered first made when the first of such "claims" is made. Related offenses or "wrongful acts" shall include offenses or "wrongful acts" which are the same, related or continuous, or which arise from a common nucleus of facts.

Coverage A. Supplementary Payments

We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$300 a day because of time off from work.
4. All costs taxed against the insured in the "suit".
5. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest earned on that part of any judgment within our limit of insurance after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the limits of insurance.

Coverage B. Insuring Agreement - Defense Expense for Injunctive Relief

1. We will pay those reasonable sums the insured incurs as "defense expense" to defend against an action for "injunctive relief" because of an "employment practices" offense, an offense in the "administration" of your "employee benefit plans", or other "wrongful act" to which this insurance applies. However:
 - a. The amount we will pay for "defense expense" is limited as described in **SECTION IV. LIMITS OF INSURANCE**; and
 - b. We have no obligation to arrange or provide the defense for any action for "injunctive relief".No other obligation or liability to pay sums or perform acts or services is covered.

2. This insurance applies only if:
 - a. The action seeking “injunctive relief” is brought in a legally authorized court or agency of the United States, any of its states or commonwealths, or any governmental subdivision of any of them;
 - b. Such action is filed during the policy period; and
 - c. The insured:
 - (1) First notifies us as soon as practicable after retaining counsel to respond to such action but in no case later than 60 days after the end of the policy period; and
 - (2) Is reasonably expedient in requesting us to pay the “defense expense”.
3. All actions based on or arising out of the same or related offenses or “wrongful acts” shall be considered one action for “injunctive relief” regardless of the number of:
 - a. Insureds;
 - b. Plaintiffs;
 - c. Demands asserted; or
 - d. Injunctions, temporary restraining orders or prohibitive writs.Related offenses or “wrongful acts” shall include offenses or “wrongful acts” which are the same, related or continuous, or which arise from a common nucleus of facts.

SECTION II. EXCLUSIONS

This insurance does not apply under either Coverage A or Coverage B to:

- a. **Other Applicable Coverage**

Any offense or “wrongful act” which is insured by any other policy or policies except:
 - (1) A policy purchased to apply in excess of this coverage part; or
 - (2) That portion of monetary damages otherwise covered by this coverage part which exceeds the limits of liability of such other policy or policies, subject to the **Other Insurance** condition in **SECTION V. CONDITIONS**.
- b. **Known Prior Acts**

Any offense or “wrongful act” which takes place prior to the inception date of this coverage part if the insured knew or reasonably should have foreseen that such offense or “wrongful act” would give rise to a “claim”.
- c. **Prior Litigation**

Damages, loss or expense based upon, attributed to, arising out of, in consequence of, or in any way related to litigation or administrative or regulatory proceedings otherwise covered by this coverage part if such litigation or administrative or regulatory proceedings were initiated prior to or were pending on the inception date of this coverage part.
- d. **Bodily Injury, Property Damage, Personal and Advertising Injury**

“Bodily injury”, “property damage”, or “personal and advertising injury” except when resulting from a covered “employment practices” offense.
- e. **Workers’ Compensation and Similar Laws**

Any obligation of the insured under a workers’ compensation, disability benefits or unemployment compensation law, or any similar law.

- f. **Professional Health Care**
Providing or failing to provide “professional health care services”.
- g. **Fines**
Fines, penalties and taxes, including those imposed by the Internal Revenue Service code or any similar state or local code.
- h. **Bonds**
Any obligation related to a fidelity bond or a surety bond.
- i. **Contracts**
Any amount actually or allegedly due under the terms of any contract for the purchase of goods or services or any payment or performance contract, other than an employment contract.
- j. **Employment Contracts**
Any amount actually or allegedly due under the terms of any contract of employment for a definite term, or as severance pay under any contract of employment.
- k. **Wage and Hour Laws**
Back wages, overtime or similar damages if specified by the Fair Labor Standards Act of 1938, as amended, or any other wage or hour law.
- l. **Failure to Maintain Insurance**
The failure to effect or maintain:
 - (1) Insurance of any kind, including adequate limits of insurance; or
 - (2) Suretyship or bonds.This exclusion does not apply to the extent coverage is provided for the “administration” of “employee benefit plans”.
- m. **Performance of Employee Benefit Plans**
Any “employment practices” offense or any offense in the “administration” of “employee benefit plans” arising out of:
 - (1) Failure of any investment program, individual securities or savings program to perform as held forth by or represented by an insured;
 - (2) Advice given by an insured in connection with participation or non-participation in stock subscription plans, savings programs or any other “employee benefit plan”;
 - (3) Errors in providing information or failing to provide information on past performance of investment vehicles;
 - (4) Failure of the insured or any insurer, fiduciary, trustee or fiscal agent to perform any of their duties or obligations or to fulfill any of their guarantees with respect to the payment of benefits under “employee benefit plans” or the providing, handling or investment of funds;
 - (5) The liability of others which is assumed by the insured under a contract or agreement, except to the extent the insured would have been liable in the absence of the contract or agreement;
 - (6) Any claim for the return of compensation paid by the insured if a court determines that the payment was illegal; or
 - (7) Any claim for benefits that are lawfully paid or payable to a beneficiary from the funds of an “employee benefit plan”.
- n. **Claims Against Other Insureds**
Any actions for “injunctive relief” or “claims”:
 - (1) By a Named Insured against any other insured; or
 - (2) By one Named Insured against another Named Insured.

o. **Criminal Acts**

Damages, loss or expense arising out of or contributed to by any fraudulent, dishonest, criminal or malicious act of the insured (except for "sexual abuse"), or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured. However, we will defend the insured for covered civil action subject to the other terms of this coverage part until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

p. **Sexual Abuse**

(1) "Sexual abuse" of any person; or

(2) The negligent:

(a) Employment;

(b) Investigation;

(c) Supervision;

(d) Reporting to the proper authorities, or failing to so report; or

(e) Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph (1) above.

q. **Profit, Advantage or Remuneration**

Any loss, cost or expense based upon or attributable to the insured gaining any profit, advantage or remuneration to which the insured is not legally entitled.

r. **ERISA, COBRA and WARN Act Liability**

Damages, loss or expense arising out of or contributed to by any insured's obligations under:

(1) the Employee Retirement Income Security Act of 1974 (ERISA);

(2) the Comprehensive Omnibus Budget Reconciliation Act (COBRA);

(3) the Worker Adjustment and Retraining Notification Act (WARN); or

(4) any similar federal, state, or local laws or regulations;

including subsequent amendments or any regulations promulgated thereunder.

s. **Compliance with ADA Requirements**

Costs or expenses incurred as a result of physical modifications made to accommodate persons with disabilities as required by:

(1) the Americans with Disabilities Act of 1990; or

(2) any federal, state, or local disability discrimination or accommodation laws or regulations;

including subsequent amendments or any regulations promulgated thereunder.

t. **Strikes**

Damages, loss or expense arising out of or contributed to by any lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations.

u. **Tax Assessments**

Damages, loss or expense arising out of or contributed to by any tax assessments or adjustments, or the collection, refund, disbursement or application of any taxes. This exclusion does not apply to the use or prioritization of your operating funds.

v. **Debt Financing**

Damages, loss or expense arising out of or contributed to by any debt financing, including but not limited to bonds, notes, debentures and guarantees of debt.

w. **Pollution**

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water. This exclusion does not apply if:

- (1) There is no allegation that you are liable for, the cause of, or responsible in whole or in part for any pollution; and
- (2) You are alleged to be liable solely as a result of ordering an evacuation, a business or building closure, or other similar action to protect persons or property, provided you are authorized by law to take such actions.

x. **Asbestos, Lead, Electromagnetic Radiation, Nuclear**

- (1) Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials.
- (2) Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to:
 - (a) The toxic properties of lead, or any material or substance containing lead; or
 - (b) Electromagnetic radiation;or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.
- (3) Any loss, cost or expense arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

y. **Fungi or Bacteria**

- (1) Any liability, loss, injury or damage which would not have occurred or taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

z. **Attorney Fees and Court Costs**

Any award of costs or fees which arises out of an action for "injunctive relief".

SECTION III. WHO IS AN INSURED

1. If you are:

- a. An organization other than a partnership, joint venture or limited liability company, you are an insured.
- b. A partnership or joint venture, you are an insured. Your members and your partners are also insureds, but only within the course and scope of your operations.
- c. A limited liability company, you are an insured. Your members are also insureds, but only within the course and scope of your operations. Your managers are insureds, but only within the course and scope of your operations.

2. In addition to you, each of the following is an insured:
 - a. **Volunteers and Employees.** Volunteers and employees, including any elected or appointed officers, directors, commissioners or trustees, but only for acts within the course and scope of their employment by you, membership with you or authorized duties on your behalf.
 - b. **Medical Directors.** Physicians who are your medical directors, but only for acts within the course and scope of their medical director duties on your behalf.
 - c. **Mutual Aid Agreements.** Any persons or organizations providing service to you under any mutual aid or similar agreement.
 - d. **Blanket Additional Insureds.** Any person or organization liable for your "employment practices" offenses, offenses arising out of the "administration" of your "employee benefit plans", or other "wrongful acts" committed or alleged to have been committed by you is an insured under this coverage part, but only to the extent of that liability.
3. **Outside Directorship Extension.** Your volunteers, employees, officers, directors, commissioners, or trustees, while acting independently and not on behalf of your organization, are insureds while they serve on the board of directors of an outside organization as specified herein:
 - a. The outside organization was established and is currently chartered as not-for-profit; and
 - b. The organization is a separate and distinct entity not subject to your direction and control; and
 - c. The organization exists for the purpose of supporting and furthering the efforts and welfare of the organizations or individuals who provide fire service, emergency medical response or rescue services.This coverage shall be excess of and not contribute with:
 - (1) Any insurance available, whether primary or excess; and
 - (2) Any corporate indemnification agreements afforded by the outside organization.In no event will this insurance inure to the benefit of the outside organization or to any of its officers, directors, commissioners, trustees, volunteers or employees, except to the extent that coverage is provided to an insured as set forth above.
4. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to the organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
 - b. Coverage does not apply to any "employment practices" offense, offense in the "administration" of your "employee benefit plans", or other "wrongful act" that occurred before you acquired or formed the organization or of which you had notice or knowledge.No organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

SECTION IV. LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Claims" made or "suits" brought; or
 - c. Persons or organizations making "claims" or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of:
 - a. Monetary damages under Coverage A; and
 - b. "Defense expense" under Coverage B;for each Named Insured shown in the Declarations.

3. Subject to 2. above, the Each “Wrongful Act” or Offense limit is the most we will pay under Coverage A for the sum of all monetary damages arising out of the same or related offenses or “wrongful acts”.
4. Subject to 2. above, the Each Action for “Injunctive Relief” limit is the most we will pay under Coverage B for all “defense expense” arising out of all actions or proceedings for “injunctive relief” arising out of the same or related offenses or “wrongful acts”.
5. The Aggregate Limits of this coverage part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.
6. Our obligations under this coverage part end when the applicable Limit of Insurance available is exhausted. If we pay amounts for monetary damages or “defense expense” in excess of that Limit of Insurance, you agree to reimburse us for such amounts.

SECTION V. CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured’s estate will not relieve us of our obligations under this coverage part.

2. Duties in the Event of an Offense, “Wrongful Act”, “Claim” or “Suit”

- a. You must see to it that we are notified as soon as practicable of an offense or “wrongful act” which may result in a “claim” or “suit”. To the extent possible, notice should include:
 - (1) How, when and where the offense or “wrongful act” took place; and
 - (2) The names and addresses of any persons seeking damages or of any witnesses.
- b. If a “claim” is made or “suit” is brought against any insured, you must:
 - (1) Immediately record the specifics of the “claim” or “suit” and the date received; and
 - (2) Notify us as soon as practicable.You must see to it that we receive written notice of the “claim” or “suit” as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the “claim” or “suit”;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the “claim” or “suit”; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of damages to which this insurance may also apply.
- d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.
- e. Notice shall be deemed given as soon as practicable if it is given by the person to whom you have delegated such responsibility as soon as practicable after they become aware of an offense or “wrongful act”.

3. **Duties in the Event of a Request to Pay “Defense Expense” for “Injunctive Relief”**

- a. You must see to it that we are notified as soon as practicable of an action or proceeding which may give rise to a request for us to respond for “defense expense”. To the extent possible, notice should include:
 - (1) The plaintiff in the action;
 - (2) The court or agency involved;
 - (3) The relief being sought; and
 - (4) The date of the action and any underlying demand.
- b. You and any other involved insured must:
 - (1) Immediately send us copies of any legal papers received in connection with the action and any underlying demand;
 - (2) Cooperate with us in the determination of any “defense expense” which may be covered by this insurance; and
 - (3) Submit a request for us to pay any covered “defense expense”.

4. **Legal Action Against Us**

No person or organization has a right under this coverage part:

- a. To join us as a party or otherwise bring us into a “suit” asking for damages or “defense expense” from an insured; or
- b. To sue us on this coverage part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages or “defense expenses” that are not payable under the terms of this coverage part or that are in excess of the applicable Limit of Insurance. Under Coverage A, an agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative.

5. **Other Insurance**

If other valid and collectible insurance is available to the insured volunteer, employee, elected or appointed officer, director, commissioner, trustee or medical director for a loss or “defense expense” we cover under this coverage part, our insurance is primary, with no consideration or contribution with such other insurance. However, this does not apply to such insureds when serving on outside directorships as described in the **Outside Directorship Extension** of **SECTION III. WHO IS AN INSURED**.

If other valid and collectible insurance is available to insureds other than volunteers, employees, elected or appointed officers, directors, commissioners, trustees or medical directors for a loss or “defense expense” we cover under this coverage part, this insurance is excess over any of the other insurance and its deductible or self-insured retention provisions, whether primary, excess, contingent or on any other basis.

6. **Representations**

By accepting this policy, you agree:

- a. The information in the Declarations is accurate and complete.
- b. That information is based upon representations you made to us in the application for this insurance. This application forms the basis of our obligations under this coverage part.
- c. This coverage part is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented in the application for this insurance.

7. Separation of Insureds

Except with respect to the Limit of Insurance as described in **SECTION IV**, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom "claim" is made or "suit" is brought.

8. Transfer of Rights of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this coverage part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this coverage part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of such non-renewal not less than 30 days before the expiration date. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Your Right to Claim Information

Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding coverage part we have issued to you during the previous three years:

- a. A list or other record of each "wrongful act" or other offense not previously reported to any other insurer, of which we were notified in accordance with paragraph 2.a. or paragraph 3.a. of this section. We will include the date and a brief description of such "wrongful act" or offense if that information was in the notice we received.
- b. A summary, by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant's representative without our consent.

We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

SECTION VI. EXTENDED REPORTING PERIODS (COVERAGE A ONLY)

With respect to Coverage A only:

1. We will provide one or more Extended Reporting Periods, as described in items 3. and 4. below, if:
 - a. This coverage part is cancelled or not renewed; or
 - b. We renew or replace this coverage part with insurance that does not apply to offenses or "wrongful acts" on a claims made basis.

2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to "claims" arising out of offenses or "wrongful acts" that take place before the end of the policy period. Once in effect, Extended Reporting Periods may not be cancelled.
3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty days.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we will take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;
- c. Limit of Insurance available under this coverage part; and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this coverage part.

This endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

5. The Basic Extended Reporting Period does not reinstate or increase the Limit of Insurance.
6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate Aggregate Limit of Insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate Aggregate Limit of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the Aggregate Limit. The applicable Each "Wrongful Act" or Offense limit will continue to apply.

SECTION VII. DEFINITIONS

1. "Administration" means any of the following acts that you do or authorize a person to do:
 - a. Counseling volunteers or employees, other than giving legal advice, on "employee benefit plans";
 - b. Interpreting your "employee benefit plans";
 - c. Handling records for your "employee benefit plans"; and
 - d. Effecting enrollment, termination or cancellation of volunteers or employees under your "employee benefit plans".

2. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
3. "Claim" means a written or oral notice, including "suit", from any party that it is their intention to hold the insured responsible for damages arising out of an offense or "wrongful act" by the insured.
4. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
5. "Defense expense" means under Coverage B, fees or expenses incurred by the insured for:
 - a. Legal fees charged by the insured's attorney;
 - b. Court costs;
 - c. Expert witnesses; and
 - d. The cost of court bonds, but we do not have to furnish these bonds.
 "Defense expense" does not include:
 - (1) Any salaries, charges or fees for any insured, insured's volunteers or employees, or former volunteers or employees; or
 - (2) Any expenses other than a., b., c. and d. above.
6. "Employee benefit plans" mean group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, employee travel, vacation, or savings plans, workers compensation, unemployment insurance, social security and disability benefits insurance, and any other similar benefit program applying to volunteers or employees.
7. "Employment practices" means an actual or alleged improper employment related practice, policy, act or omission involving an actual, prospective, or former volunteer or employee, including:
 - a. Failing to hire or refusing to hire;
 - b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;
 - c. Wrongful deprivation of a career opportunity, or failure to promote;
 - d. Wrongful discipline of volunteers or employees;
 - e. Negligent evaluation of volunteers or employees;
 - f. Retaliation against volunteers or employees for the exercise of any legally protected right or for engaging in any legally protected activity;
 - g. Failure to adopt adequate workplace or employment-related policies and procedures;
 - h. Harassment, including "sexual harassment"; or
 - i. Violation of any federal, state or local laws (whether common law or statutory) concerning employment or discrimination in employment.
8. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by "fungi".
9. "Injunctive relief" means equitable relief sought through the demand for the issuance of a permanent, preliminary or temporary injunction, restraining order, or similar prohibitive writ against, or order for specific performance by, an insured provided such action is filed during the policy period.
10. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, or any other interference with real property rights;

- d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication in any manner of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your advertisement; or
 - g. Infringing upon another's copyright, trade dress or slogan in your advertisement.
11. "Professional health care services" means:
- a. Providing medical or nursing services;
 - b. Providing professional services of any other health care professional, including emergency medical technicians and paramedics;
 - c. Furnishing or dispensing drugs or medical, surgical or dental supplies or appliances;
 - d. Handling of patients:
 - (1) From the place where they are accepted for movement into or onto the means of transport,
 - (2) During transport, and
 - (3) From the means of transport to the place where they are finally delivered;
 - e. Dispatching of, including the failure or refusal to dispatch, personnel to provide any of the above services;
 - f. Serving on, or carrying out the orders of, a health care accreditation board or similar professional board or committee; and
 - g. Establishing medical protocol, creating medical training curricula, providing medical training, conducting medical quality assurance programs, and carrying out similar duties.
12. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property; and
 - b. Loss of use of tangible property that is not physically injured but results from a. above.
13. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".
14. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury. "Sexual harassment" includes:
- a. The above conduct when submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - b. The above conduct when such conduct has the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
15. "Suit" means a civil proceeding in which damages arising out of an offense or "wrongful act" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- But "suit" does not mean any ethical conduct review or enforcement action, or disciplinary review or enforcement action.
16. "Wrongful act" means any actual or alleged error, act, omission, misstatement, misleading statement, neglect or breaches of duty committed by you or on behalf of you in the performance of your operations, including misfeasance, malfeasance, or nonfeasance in the discharge of duties, individually or collectively that results directly but unexpectedly and unintentionally in damages to others.

CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE

COVERAGE IS FOR EVENTS DISCOVERED DURING THE POLICY PERIOD
PLEASE READ THE ENTIRE FORM CAREFULLY

This endorsement modifies insurance provided under the following:

MANAGEMENT LIABILITY COVERAGE PART

Schedule

Coverage C Cyber Liability

Cyber Liability Each Event Limit:	\$ 500,000	each "electronic information security event"
Cyber Liability Retroactive Date:	NONE	

Coverage D Privacy Crisis Management Expense

Privacy Crisis Management Expense Each Event Limit:	\$ 50,000	each "privacy event"
Privacy Crisis Management Expense Aggregate Limit:	\$ 50,000	aggregate
Privacy Crisis Management Expense Retroactive Date:	NONE	
Deductible for Coverage D Privacy Crisis Management Expense:	\$0	each "privacy event"

A. COVERAGES

The following coverages are added to Section I. Coverages, all other terms and conditions remain as is unless otherwise stated in this endorsement:

1. COVERAGE C CYBER LIABILITY - Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as monetary damages because of an "electronic information security event" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for an "electronic information security event" to which this insurance does not apply. We may, at our discretion, investigate any "electronic information security event" and settle any "claim" or "suit" that may result. But:

- (1) The amount we pay for damages is limited as described in Section C. Limits of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage A Supplementary Payments.

- b. This insurance applies to an “electronic information security event” only if:
 - (1) The “electronic information security event” takes place in the “coverage territory” and any responsibility to pay damages is determined in a “suit” on the merits brought in the United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to;
 - (2) The “electronic information security event” does not result from an act, error or omission that occurred before the Cyber Liability Retroactive Date or after the end of the policy period;
 - (3) The “electronic information security event” is first discovered in accordance with Paragraph c. below during the policy period or any Extended Reporting Period we provide according to Section E. Extended Reporting Period; and
 - (4) Written notice is received by us of the “electronic information security event” within 60 days of its first discovery or before the end of any Extended Reporting Period, whichever is earlier.
- c. First Discovery And Related Events And Acts
 - (1) First Discovery

An “electronic information security event” will be deemed to have been discovered at the earliest of the following times:

 - (a) When such “electronic information security event” is discovered and recorded by any insured or by us, whichever comes first; or
 - (b) When you become aware of an act, error or omission that may subsequently result in an “electronic information security event”, and you give written notice to us, as described in Section V. Conditions, of such circumstances as soon as practicable but no later than:
 - (i) 60 days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period;
 whichever is earlier.
 - (2) Related Events

All related “electronic information security events” will be considered one event and will be considered first discovered when the first of such related events is discovered.

Related “electronic information security events” include all “electronic information security events” that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.
 - (3) Related Acts

All acts, errors or omissions that result in the same or related “electronic information security events” will be considered one act, error or omission and will be considered to have occurred when the first of such related acts, errors or omissions occurred.

2. **COVERAGE D PRIVACY CRISIS MANAGEMENT EXPENSE - Insuring Agreement**

- a. We will pay applicable “privacy crisis management expenses” incurred on behalf of the insured because of a “privacy event” to which this insurance applies. But the amount we will pay is limited as described in Section C. Limits of Insurance.

No other obligation or liability to pay sums or perform acts or services is covered.
- b. This insurance applies to a “privacy event” only if:
 - (1) The “privacy event” takes place in the “coverage territory” and any responsibility to pay damages is determined in a “suit” on the merits brought in the United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to;

- (2) The “privacy event” does not result from an act, error or omission that occurred before the Privacy Crisis Management Expense Retroactive Date or after the end of the policy period;
 - (3) The “privacy event” is first discovered in accordance with Paragraph **c.** below during the policy period or any Extended Reporting Period we provide according to Section **E.** Extended Reporting Period; and
 - (4) Written notice is received by us of the “privacy event” within 60 days of its first discovery or before the end of any Extended Reporting Period, whichever is earlier.
- c. First Discovery And Related Events And Acts**
- (1) **First Discovery**
 A “privacy event” will be deemed to have been discovered at the earliest of the following times:
 - (a) When such “privacy event” is discovered and recorded by any insured or by us, whichever comes first; or
 - (b) When you become aware of an act, error or omission that may subsequently result in a “privacy event”, and you give written notice to us, as described in Section **V.** Conditions, of such circumstances as soon as practicable but no later than:
 - (i) 60 days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period;
 whichever is earlier.
 - (2) **Related Events**
 All related “privacy events” will be considered one event and will be considered first discovered when the first of such related events is discovered.
 Related “privacy events” include all “privacy events” that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.
 - (3) **Related Acts**
 All acts, errors or omissions that result in the same or related “privacy events” will be considered one act, error or omission and will be considered to have occurred when the first of such related acts, errors or omissions occurred.
- d. This insurance applies to “privacy crisis management expenses” only if:**
- (1) The “privacy crisis management expenses” are because of a “privacy event” to which this insurance applies;
 - (2) The “privacy crisis management expenses” are incurred within 6 months from the date the “privacy event” was first discovered in accordance with Paragraph **c.** above or within 12 months as respects costs included in Section **F.** Definitions, Paragraph **3.h.(1)(e)** Services for Individuals Affected by Personal Identity Event in the definition of “privacy crisis management expenses”; and
 - (3) Any consultants, vendors or suppliers providing the materials or services included in “privacy crisis management expenses” are approved by us.

3. Exclusions

a. Exclusions Applicable To Management Liability

The following exclusion is added to Section **II.** Exclusions:

This insurance does not apply under either Coverage **A** or Coverage **B** to:

Electronic Information Security Event

Damages, loss or expense arising directly or indirectly from an “electronic information security event”.

b. Management Liability Exclusions Applicable to Cyber Liability And Privacy Crisis Management Expense

All exclusions under Section II. Exclusions apply to Coverage C Cyber Liability and Coverage D Privacy Crisis Management Expense, except:

- (1) The Electronic Information Security Event exclusion in 3.a. above does not apply to this Cyber Liability And Privacy Crisis Management Expense endorsement;
- (2) As respects Coverage D Privacy Crisis Management Expense, Exclusion 1. Other Applicable Coverage does not apply; and
- (3) As respects Coverage D Privacy Crisis Management Expense, exclusion d. Bodily Injury, Property Damage or Personal and Advertising Injury (in form VML101) or exclusion b. Bodily Injury, Property Damage or Personal and Advertising Injury (in form VML102), as applicable, do not apply to:
 - (a) Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - (b) Oral or written publication in any manner of material that violates a person's right of privacy.

c. Exclusions Applicable To Coverage C Cyber Liability

The following exclusion applies to Coverage C Cyber Liability:

This insurance does not apply to:

1. General Liability

Damages, loss or expense that your General Liability Coverage Form applies to. This includes any damages, loss or expense that your General Liability Coverage Form would apply to except for the exhaustion of its limits, its cancellation prior to the end of its policy period or your failure to fulfill its requirements.

d. Exclusions Applicable to Cyber Liability And Privacy Crisis Management Expense

The following exclusions apply to Coverage C Cyber Liability and Coverage D Privacy Crisis Management Expense:

This insurance does not apply to:

1. Failure to Follow Risk Management Procedures and Inadequacy of Software

Damages, loss, or expense arising directly or indirectly from:

- a. Any shortcoming in security that you knew about prior to the inception of this policy and you failed to take corrective action within a reasonable time, not to exceed 60 days;
- b. Your failure to comply with all data security standards issued by credit card issuers or financial institutions with whom you transact business, if you process, store or handle credit card information;
- c. Your failure to take reasonable steps to use, design, maintain and upgrade your security; or
- d. The inability to use, or lack of performance of software:
 - (1) Due to expiration, cancellation, or withdrawal of such software;
 - (2) That has not yet been released from its development stage; or
 - (3) That has not passed all test runs or proven successful in applicable daily operations.

2. Unauthorized Collection of Personal Information

Damages, loss or expense arising directly or indirectly from:

- a. The illegal, unauthorized or wrongful collection of “personally identifiable information”, including collection of “personally identifiable information” using cookies or malware, if committed by or with the knowledge of the insured; or
- b. The failure to provide required notice that such “personally identifiable information” is being collected.

3. Governmental Seizure of Computer System

Damages, loss or expense arising directly or indirectly from the seizure, confiscation, expropriation, nationalization, or destruction of a “computer system” by order of any governmental authority.

4. Known Prior Acts

Any “electronic information security event” or “privacy event” that results from an act, error or omission that takes place prior to the inception date of this coverage part if the insured knew or reasonably should have foreseen that such act, error or omission would give rise to a “claim” or “privacy crisis management expenses”.

5. Prior Litigation

Damages, loss or expense based upon, attributed to, arising out of, in consequence of, or in any way related to litigation or administrative or regulatory proceedings otherwise covered by this coverage part if such litigation or administrative or regulatory proceedings were initiated prior to or were pending on the inception date of this coverage part.

B. SUPPLEMENTARY PAYMENTS

For the purposes of the coverage provided by this endorsement:

All references to Supplementary Payments under Section **I. Coverages** are replaced by Supplementary Payments - Coverage **A** and **C**.

C. LIMITS OF INSURANCE

1. For the purposes of the coverage provided by Coverage **C** Cyber Liability of this endorsement the following revisions are made to Section **IV. Limits Of Insurance**:

- a. Paragraph **2.** is replaced by the following:
 - 2. The Aggregate Limit is the most we will pay for the sum of:
 - a. Monetary damages under Coverage **A**;
 - b. “Defense expense” under Coverage **B**; and
 - c. Monetary damages under Coverage **C**;for each Named Insured shown in the Declarations.

b. The following paragraph is added:

Subject to **2.** above, the Cyber Liability Each Event Limit shown in the Schedule of this endorsement is the most we will pay under Coverage **C** for the sum of all monetary damages arising out of any one or all related “electronic information security event(s)”.

2. For the purposes of the coverage provided by Coverage **D** Privacy Crisis Management Expense of this endorsement, the following is added to Section **IV. Limits Of Insurance**:

Privacy Crisis Management Expense Limits of Insurance

1. The Privacy Crisis Management Expense Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for the sum of "privacy crisis management expenses" under Coverage **D**, regardless of the number of persons, "privacy events" or entities covered by this policy.
2. Subject to the Privacy Crisis Management Expense Aggregate Limit, the Privacy Crisis Management Expense Each Event Limit is the most we will pay under Coverage **D** for the sum of all "privacy crisis management expenses" arising out of any one or all related "privacy event(s)".
3. The Privacy Crisis Management Expense Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for the purposes of determining the Limit of Insurance.

D. CONDITIONS

1. For the purposes of the coverage provided by Coverage **C** of this endorsement:
 - a. In Condition **2**, the following is added:

You must cooperate with us and our designated representatives in the provision of the services described in "privacy crisis management expense".
 - b. The following condition is added:
 - 11. Deductible - Coverage C**

No deductible applies to Coverage **C**.
2. For the purposes of the coverage provided by Coverage **D** of this endorsement, the following conditions are added:
 - 12. Duties in the Event of a Privacy Event**
 - a. You must notify us as soon as practicable of a "privacy event", but in no event later than thirty days after you incur "privacy crisis management expenses" for which coverage will be requested under this endorsement.
 - b. With respect to a "privacy event", you must notify us in writing as soon as practicable but no later than sixty days after the first discovery of the "privacy event" by you. Notice must include:
 - (1) How, when and where the "privacy event" took place;
 - (2) A description of the "privacy event";
 - (3) The number of individuals and type of personal identification involved in a "personal identity event"; and
 - (4) Upon request by us, the names and addresses of individuals affected by a "personal identity event".
 - c. You must provide us all information and assistance that we request and cooperate with us and our designated representatives in the:
 - (1) Investigation of any "privacy event" or any acts, errors or omissions that may result in a "privacy event"; and
 - (2) Provision of the services described in "privacy crisis management expense".

13. Deductible - Coverage D

Our obligation to pay “privacy crisis management expenses” on your behalf applies only to the amount of such expense in excess of any deductible amount shown in the above schedule. This deductible applies to each occurrence of a “privacy event”.

14. Your Right to Claim Information

Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding coverage part we have issued to you during the previous three years:

- a.** A list or other record of each “electronic information security event” or “privacy event”, not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** or Paragraph **12.** of this section. We will include the date and a brief description of such “electronic information security event” or “privacy event” if that information was in the notice we received.
- b.** A summary, by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant’s representative without our consent.

We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

- 3.** For the purposes of the coverage provided by Coverage **C** and Coverage **D** of this endorsement the following is added to Condition **5.** Other Insurance:

However, if the insured has another policy, coverage part or endorsement issued by us or one of our affiliated companies that applies to a loss or expense we cover under this Cyber Liability And Privacy Crisis Management Expense endorsement, the most we will pay in total is the single largest applicable limit. This limitation on the amount we will pay applies regardless of whether this policy or the other policy is primary, unless the other policy was purchased specifically to apply in excess of this policy.

E. EXTENDED REPORTING PERIODS

- 1.** We will provide one or more Extended Reporting Periods, as described in items 3. and 4. below, if:
 - a.** The policy or coverage part to which this endorsement is attached is cancelled or not renewed;
 - b.** This endorsement is removed; or
 - c.** We renew or replace this endorsement with insurance that does not apply to an “electronic information security event” and/or a “privacy event” on a first discovered and reported basis.
- 2.** Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to:
 - a.** “Claims” arising out of an “electronic information security event”; or
 - b.** “Privacy crisis management expenses” incurred as a result of a “privacy event”;

that is caused by an act, error or omission that occurred on or after the Cyber Liability Retroactive Date or Privacy Crisis Management Expense Retroactive Date, as applicable, and before the end of the policy period.

Once in effect, Extended Reporting Periods may not be cancelled.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for sixty days.

The Basic Extended Reporting Period does not apply to “electronic information security events” and/or “privacy events” that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such “electronic information security events” and/or “privacy events”.

A Basic Extended Reporting Period does not reinstate or increase the Limit of Insurance.

4. A Supplemental Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we will take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;
- c. Limit of Insurance available under this coverage; and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this coverage.

This endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for “electronic information security events” and/or “privacy events” first discovered during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

5. If this Supplemental Extended Reporting Period is in effect, we will provide the separate Aggregate Limit of Insurance described below, but only for “electronic information security events” first discovered during the Supplemental Extended Reporting Period.

The separate Aggregate Limit of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the Aggregate Limit. The applicable Cyber Liability Each Event Limit will continue to apply.

If there is a Supplemental Extended Reporting Period in force for any other coverage under this policy that was subject to the original Aggregate Limit, this separate Aggregate Limit is shared with that other coverage. Any payments made under a Supplemental Extended Reporting Period for those other coverages will reduce this separate Aggregate Limit.

6. If this Supplemental Extended Reporting Period is in effect, we will provide the separate Privacy Crisis Management Expense Aggregate Limit of Insurance described below, but only for “privacy events” first discovered during the Supplemental Extended Reporting Period.

The separate Privacy Crisis Management Expense Aggregate Limit will be equal to the dollar amount shown in the Schedule in effect at the end of the policy period for the Privacy Crisis Management Expense Aggregate Limit. The applicable Privacy Crisis Management Expense Each Event Limit will continue to apply.

F. DEFINITIONS

For the purposes of the coverage provided by this endorsement, the following changes are made to Section VII. Definitions:

1. The following definitions are amended:
 - a. Definition 16. "wrongful act" is amended to include the following:

"Wrongful act" also means an "electronic information security event".

2. The following definitions are replaced:
 - a. Definition 4. "coverage territory" is replaced by the following:
 4. "Coverage territory" means worldwide, but the "electronic information security event" or "privacy event" must take place in the United States of America (including its territories and possessions), Puerto Rico or Canada.
 - b. Definition 12. "property damage" is replaced by the following:
 12. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property; and
 - b. Loss of use of tangible property that is not physically injured but results from a. above.

For the purposes of this insurance, "electronic data" is not tangible property.

3. The following definitions are added:
 - a. "Computer system" means the following:
 - (1) Computers, including Personal Digital Assistants (PDAs) and other transportable or hand held devices, electronic storage devices and related peripheral components;
 - (2) Systems and applications software; and
 - (3) Communications networks (including the internet, intranets, extranets or virtual private networks) to the extent used by the items in (1) and (2) above; by which "electronic data" is collected, transmitted, processed, stored or retrieved; and
 - (4) "Computer system" includes "electronic data" that is
 - (a) Stored on any of the items described in item (1) above; or
 - (b) Temporarily outside of your "computer system" for use by an insured.

 - b. "Confidential corporate information" means any commercial trade secret, data, design, interpretation, forecast, formula, method, practice, process record, report or other item of information of a non-insured third party, and which is:
 - (1) In your care, custody or control;
 - (2) Not available to the general public; and
 - (3) (a) Provided to you under a mutually agreed to written confidentiality/non-disclosure agreement; or
 - (b) Marked confidential or otherwise specifically designated in writing as confidential by such third party.

 - c. "Corporate privacy event" means:
 - (1) Unauthorized disclosure by you of "confidential corporate information" or your failure to protect "confidential corporate information" from misappropriation;

- (2) Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of “confidential corporate information”, but only if this policy applies to such disclosure or misappropriation and it resulted directly from (1) above; or
 - (3) Violation of any federal or state privacy statute addressing disclosure or misappropriation of “confidential corporate information”, but only if:
 - (a) This policy applies to such disclosure or misappropriation and it resulted directly from (1) or (2) above; and
 - (b) The violation is not willful.
- d. “Electronic data” means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- e. “Electronic information security event” means:
- (1) Transmission of malware from your “computer system” to a third party;
 - (2) The inability of an authorized user to access your web site or your “computer system” because of a denial of service attack;
 - (3) A “personal identity event”, but this is limited to information that is obtained or released directly from your “computer system”; or
 - (4) A “corporate privacy event”, but this is limited to information that is obtained or released directly from your “computer system”.
- As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.
- f. “Personally identifiable information” means any of the following in your care, custody or control:
- (1) Information from which an individual may be uniquely and reliably identified or contacted, including an individual’s name, telephone number, social security number, drivers license number, state identification number, account relationships, account numbers, account balances, account histories, access codes, and passwords;
 - (2) Information concerning an individual that would be considered nonpublic personal information within the meaning of Title V of the Gramm-Leach Bliley Act of 1999 as implemented and amended; and
 - (3) Information concerning an individual that would be considered protected health information within the Health Insurance Portability and Accountability Act of 1996 as implemented and amended.
- g. “Personal identity event” means:
- (1) Unauthorized disclosure by you of “personally identifiable information” or your failure to protect “personally identifiable information” from misappropriation.
 - (2) Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of “personally identifiable information”, but only if this policy applies to such disclosure or misappropriation and it resulted directly from (1) above; or

- (3) Violation of any federal or state privacy statute addressing disclosure or misappropriation of “personally identifiable information”, but only if:
 - (a) This policy applies to such disclosure or misappropriation and it resulted directly from (1) or (2) above; and
 - (b) The violation is not willful.
- h. “Privacy crisis management expense” means:
 - (1) Reasonable and necessary fees and expenses for:
 - (a) **Computer Forensic Analysis**
An approved outside vendor to conduct a computer forensic analysis with reasonable allocation of time and resources to investigate your “computer system” to determine the cause and extent of the “privacy event”;
 - (b) **Crisis Management Review and Advice**
The approved crisis management or legal firm to review the “privacy event” and advise you on the appropriate response;
 - (c) **Travel Expenses**
Travel by directors, executive officers, partners, or employees of the insured, that is done to mitigate the damage from the “privacy event”;
 - (d) **Notification to Affected Parties**
Printing, advertising, mailing of materials or other costs to provide notice to affected parties of the “privacy event” for the purposes of maintaining goodwill or compliance with any notification requirements imposed by law; and
 - (e) **Services for Individuals Affected by Personal Identity Event**
The following services provided to any individual whose personal identification is the subject of a “personal identity event”, but only if the primary purpose of such services is mitigating the effect of the “personal identity event”:
 - (i) **Call Center Services**
Reasonable fees and expenses to establish, maintain and provide call center services;
 - (ii) **Credit Monitoring Services**
Credit file monitoring services; or
 - (iii) **Other Services**
Reasonable fees and expenses for any other service specifically approved by us in writing.
 - (2) However, “privacy crisis management expenses” shall not include:
 - (a) Compensation, fees, benefits or overhead of any insured or employee of any insured;
 - (b) Costs or expenses that would have been incurred in the absence of the “privacy event”;
 - (c) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any “computer system” as a result of a “privacy event”; or
 - (d) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any procedures, services or property as a result of a “privacy event”.
- i. “Privacy event” means any one of the following events:
 - (1) A “corporate privacy event”; or
 - (2) A “personal identity event”.

AMENDATORY ENDORSEMENT MANAGEMENT LIABILITY

This endorsement modifies insurance provided under the following:

MANAGEMENT LIABILITY COVERAGE PART

The following revisions are made to the Management Liability Coverage Form:

1. HIPAA Fines and Penalties

HIPAA Fines and Penalties Schedule

Limit of Insurance

\$100,000	Each HIPAA Claim
\$100,000	Aggregate

The exclusion for **Fines** in **Section II. Exclusions** is replaced by the following:

Fines

Fines, penalties and taxes, including those imposed by the Internal Revenue Service code or any similar state or local code.

Except for violations due to willful neglect as defined by the Health Insurance Portability and Accountability Act (HIPAA), this exclusion does not apply to the payment of fines and penalties assessed for HIPAA violations up to the limit of insurance shown in the above HIPAA Fines and Penalties Schedule for the coverage provided under Coverage A. The Each HIPAA Claim Limit of Insurance is part of and not in addition to the Each Wrongful Act Limit shown on the Declarations. The Aggregate Limit of Insurance is part of and not in addition to the Aggregate Limit shown in the Declarations.

2. FLSA Suit Defense Only Coverage

FLSA Defense Costs Schedule

Limit of Insurance

\$100,000	Each FLSA Claim
\$100,000	Aggregate

a. The exclusion for **Wage and Hour Laws** in **Section II. Exclusions** is replaced by the following:

Wage and Hour Laws

Back wages, overtime or similar damages if specified by the Fair Labor Standards Act (FLSA) of 1938, as amended, or any other wage or hour laws.

However, this exclusion does not apply to "defense costs" as a result of a "suit" for such back wages, overtime or similar damages,

Our duty to defend ends upon payment of the Each FLSA Claim Limit of Insurance shown in the above FLSA Defense Costs Schedule for "defense costs" for such "suit". The Aggregate

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Limit of Insurance is the most we will pay for FLSA Suit Defense Only Coverage arising out of all "suits" in any one policy period.

- b. The following definitions only apply to this FLSA Suit Defense Only Coverage:

"Defense costs" means fees or expenses for:

- (1) Legal fees;
- (2) Court costs;
- (3) Expert witnesses; and
- (4) The cost of court bonds, but we do not have to furnish these bonds.

"Suit" means a civil proceeding in which damages arising out of an offense or "wrongful act" are alleged. "Suit" includes:

- (1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

But "suit" does not mean any ethical conduct review or enforcement action, or disciplinary review or enforcement action.

3. Spouses, Estates, Heirs, and Legal Representatives added as Insureds

The following additions are made to Paragraph 2. Of **Section III. Who Is An Insured:**

- e. **Spouses.** The spouse of an insured but only for claims arising solely out of his or her status as such.
- f. **Estates, Heirs and Legal Representatives.** If an insured is deceased, the estates, heirs, legal representatives, and assigns, but only for claims arising solely out of their status as such. In the event of the incompetency, insolvency or bankruptcy of an insured, the legal representative of such insured, but only for claims arising solely out of their status as legal representative.

CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE VIRGINIA

COVERAGE IS FOR EVENTS DISCOVERED DURING THE POLICY PERIOD
PLEASE READ THE ENTIRE FORM CAREFULLY

This endorsement modifies insurance provided under the following:

MANAGEMENT LIABILITY COVERAGE PART

Schedule

Coverage C Cyber Liability

Cyber Liability Each Event Limit: \$ 500,000 each "electronic information security event"

Cyber Liability Retroactive Date: NONE

Coverage D Privacy Crisis Management Expense

Privacy Crisis Management Expense Each Event Limit: \$ 50,000 each "privacy event"

Privacy Crisis Management Expense Aggregate Limit: \$ 50,000 aggregate

Privacy Crisis Management Expense Retroactive Date: NONE

Deductible for Coverage D Privacy Crisis Management Expense: \$0 each "privacy event"

A. COVERAGES

The following coverages are added to Section I. Coverages, all other terms and conditions remain as is unless otherwise stated in this endorsement:

1. COVERAGE C CYBER LIABILITY - Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as monetary damages because of an "electronic information security event" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for an "electronic information security event" to which this insurance does not apply. We may, at our discretion, investigate any "electronic information security event" and settle any "claim" or "suit" that may result. But:

(1) The amount we pay for damages is limited as described in Section C. Limits of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Coverage A Supplementary Payments.

- b. This insurance applies to an “electronic information security event” only if:
 - (1) The “electronic information security event” takes place in the “coverage territory” and any responsibility to pay damages is determined in a “suit” on the merits brought in the United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to;
 - (2) The “electronic information security event” does not result from an act, error or omission that occurred before the Cyber Liability Retroactive Date or after the end of the policy period;
 - (3) The “electronic information security event” is first discovered in accordance with Paragraph **c.** below during the policy period or any Extended Reporting Period we provide according to Section **E.** Extended Reporting Period; and
 - (4) Written notice is received by us of the “electronic information security event” within 60 days of its first discovery or before the end of any Extended Reporting Period, whichever is earlier.
- c. First Discovery And Related Events And Acts
 - (1) First Discovery

An “electronic information security event” will be deemed to have been discovered at the earliest of the following times:

 - (a) When such “electronic information security event” is discovered and recorded by any insured or by us, whichever comes first; or
 - (b) When you become aware of an act, error or omission that may subsequently result in an “electronic information security event”, and you give written notice to us, as described in Section **V.** Conditions, of such circumstances as soon as practicable but no later than:
 - (i) 60 days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period;
 whichever is earlier.
 - (2) Related Events

All related “electronic information security events” will be considered one event and will be considered first discovered when the first of such related events is discovered.

Related “electronic information security events” include all “electronic information security events” that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.
 - (3) Related Acts

All acts, errors or omissions that result in the same or related “electronic information security events” will be considered one act, error or omission and will be considered to have occurred when the first of such related acts, errors or omissions occurred.

2. COVERAGE D PRIVACY CRISIS MANAGEMENT EXPENSE - Insuring Agreement

- a. We will pay applicable “privacy crisis management expenses” incurred on behalf of the insured because of a “privacy event” to which this insurance applies. But the amount we will pay is limited as described in Section **C.** Limits of Insurance.

No other obligation or liability to pay sums or perform acts or services is covered.
- b. This insurance applies to a “privacy event” only if:
 - (1) The “privacy event” takes place in the “coverage territory” and any responsibility to pay damages is determined in a “suit” on the merits brought in the United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to;

- (2) The “privacy event” does not result from an act, error or omission that occurred before the Privacy Crisis Management Expense Retroactive Date or after the end of the policy period;
 - (3) The “privacy event” is first discovered in accordance with Paragraph **c.** below during the policy period or any Extended Reporting Period we provide according to Section **E.** Extended Reporting Period; and
 - (4) Written notice is received by us of the “privacy event” within 60 days of its first discovery or before the end of any Extended Reporting Period, whichever is earlier.
- c. First Discovery And Related Events And Acts**
- (1) **First Discovery**
 A “privacy event” will be deemed to have been discovered at the earliest of the following times:
 - (a) When such “privacy event” is discovered and recorded by any insured or by us, whichever comes first; or
 - (b) When you become aware of an act, error or omission that may subsequently result in a “privacy event”, and you give written notice to us, as described in Section **V.** Conditions, of such circumstances as soon as practicable but no later than:
 - (i) 60 days after becoming aware; or
 - (ii) The end of any applicable Extended Reporting Period;
 whichever is earlier.
 - (2) **Related Events**
 All related “privacy events” will be considered one event and will be considered first discovered when the first of such related events is discovered.
 Related “privacy events” include all “privacy events” that are the same, related or continuous, or that arise from a common nucleus of facts, circumstances, events or acts.
 - (3) **Related Acts**
 All acts, errors or omissions that result in the same or related “privacy events” will be considered one act, error or omission and will be considered to have occurred when the first of such related acts, errors or omissions occurred.
- d. This insurance applies to “privacy crisis management expenses” only if:**
- (1) The “privacy crisis management expenses” are because of a “privacy event” to which this insurance applies;
 - (2) The “privacy crisis management expenses” are incurred within 6 months from the date the “privacy event” was first discovered in accordance with Paragraph **c.** above or within 12 months as respects costs included in Section **F.** Definitions, Paragraph **3.h.(1)(e)** Services for Individuals Affected by Personal Identity Event in the definition of “privacy crisis management expenses”; and
 - (3) Any consultants, vendors or suppliers providing the materials or services included in “privacy crisis management expenses” are approved by us.

3. Exclusions

a. Exclusions Applicable To Management Liability

The following exclusion is added to Section **II.** Exclusions:

This insurance does not apply under either Coverage **A** or Coverage **B** to:

Electronic Information Security Event

Damages, loss or expense arising directly or indirectly from an “electronic information security event”.

b. Management Liability Exclusions Applicable to Cyber Liability And Privacy Crisis Management Expense

All exclusions under Section II. Exclusions apply to Coverage C Cyber Liability and Coverage D Privacy Crisis Management Expense, except:

- (1) The Electronic Information Security Event exclusion in 3.a. above does not apply to this Cyber Liability And Privacy Crisis Management Expense endorsement;
- (2) As respects Coverage D Privacy Crisis Management Expense, Exclusion 1. Other Applicable Coverage does not apply; and
- (3) As respects Coverage D Privacy Crisis Management Expense, exclusion d. Bodily Injury, Property Damage or Personal and Advertising Injury (in form VML101) or exclusion b. Bodily Injury, Property Damage or Personal and Advertising Injury (in form VML102), as applicable, do not apply to:
 - (a) Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - (b) Oral or written publication in any manner of material that violates a person's right of privacy.

c. Exclusions Applicable To Coverage C Cyber Liability

The following exclusion applies to Coverage C Cyber Liability:

This insurance does not apply to:

1. General Liability

Damages, loss or expense that your General Liability Coverage Form applies to. This includes any damages, loss or expense that your General Liability Coverage Form would apply to except for the exhaustion of its limits, its cancellation prior to the end of its policy period or your failure to fulfill its requirements.

d. Exclusions Applicable to Cyber Liability And Privacy Crisis Management Expense

The following exclusions apply to Coverage C Cyber Liability and Coverage D Privacy Crisis Management Expense:

This insurance does not apply to:

1. Failure to Follow Risk Management Procedures and Inadequacy of Software

Damages, loss, or expense arising directly or indirectly from:

- a. Any shortcoming in security that you knew about prior to the inception of this policy and you failed to take corrective action within a reasonable time, not to exceed 60 days;
- b. Your failure to comply with all data security standards issued by credit card issuers or financial institutions with whom you transact business, if you process, store or handle credit card information;
- c. Your failure to take reasonable steps to use, design, maintain and upgrade your security; or
- d. The inability to use, or lack of performance of software:
 - (1) Due to expiration, cancellation, or withdrawal of such software;
 - (2) That has not yet been released from its development stage; or
 - (3) That has not passed all test runs or proven successful in applicable daily operations.

2. Unauthorized Collection of Personal Information

Damages, loss or expense arising directly or indirectly from:

- a. The illegal, unauthorized or wrongful collection of “personally identifiable information”, including collection of “personally identifiable information” using cookies or malware, if committed by or with the knowledge of the insured; or
- b. The failure to provide required notice that such “personally identifiable information” is being collected.

3. Governmental Seizure of Computer System

Damages, loss or expense arising directly or indirectly from the seizure, confiscation, expropriation, nationalization, or destruction of a “computer system” by order of any governmental authority.

4. Known Prior Acts

Any “electronic information security event” or “privacy event” that results from an act, error or omission that takes place prior to the inception date of this coverage part if the insured knew or reasonably should have foreseen that such act, error or omission would give rise to a “claim” or “privacy crisis management expenses”.

5. Prior Litigation

Damages, loss or expense based upon, attributed to, arising out of, in consequence of, or in any way related to litigation or administrative or regulatory proceedings otherwise covered by this coverage part if such litigation or administrative or regulatory proceedings were initiated prior to or were pending on the inception date of this coverage part.

B. SUPPLEMENTARY PAYMENTS

For the purposes of the coverage provided by this endorsement:

All references to Supplementary Payments under Section **I. Coverages** are replaced by Supplementary Payments - Coverage **A** and **C**.

C. LIMITS OF INSURANCE

1. For the purposes of the coverage provided by Coverage **C** Cyber Liability of this endorsement the following revisions are made to Section **IV. Limits Of Insurance**:

- a. Paragraph **2.** is replaced by the following:
 - 2. The Aggregate Limit is the most we will pay for the sum of:
 - a. Monetary damages under Coverage **A**;
 - b. “Defense expense” under Coverage **B**; and
 - c. Monetary damages under Coverage **C**;for each Named Insured shown in the Declarations.

b. The following paragraph is added:

Subject to **2.** above, the Cyber Liability Each Event Limit shown in the Schedule of this endorsement is the most we will pay under Coverage **C** for the sum of all monetary damages arising out of any one or all related “electronic information security event(s)”.

2. For the purposes of the coverage provided by Coverage **D** Privacy Crisis Management Expense of this endorsement, the following is added to Section **IV. Limits Of Insurance**:

Privacy Crisis Management Expense Limits of Insurance

1. The Privacy Crisis Management Expense Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for the sum of “privacy crisis management expenses” under Coverage **D**, regardless of the number of persons, “privacy events” or entities covered by this policy.
2. Subject to the Privacy Crisis Management Expense Aggregate Limit, the Privacy Crisis Management Expense Each Event Limit is the most we will pay under Coverage **D** for the sum of all “privacy crisis management expenses” arising out of any one or all related “privacy event(s)”.
3. The Privacy Crisis Management Expense Aggregate Limit applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for the purposes of determining the Limit of Insurance.

D. CONDITIONS

1. For the purposes of the coverage provided by Coverage **C** of this endorsement:
 - a. In Condition **2**, the following is added:

You must cooperate with us and our designated representatives in the provision of the services described in “privacy crisis management expense”.
 - b. The following condition is added:
 - 11. Deductible - Coverage C**

No deductible applies to Coverage **C**.
2. For the purposes of the coverage provided by Coverage **D** of this endorsement, the following conditions are added:
 - 12. Duties in the Event of a Privacy Event**
 - a. You must notify us as soon as practicable of a “privacy event”, but in no event later than thirty days after you incur “privacy crisis management expenses” for which coverage will be requested under this endorsement.
 - b. With respect to a “privacy event”, you must notify us in writing as soon as practicable but no later than sixty days after the first discovery of the “privacy event” by you. Notice must include:
 - (1) How, when and where the “privacy event” took place;
 - (2) A description of the “privacy event”;
 - (3) The number of individuals and type of personal identification involved in a “personal identity event”; and
 - (4) Upon request by us, the names and addresses of individuals affected by a “personal identity event”.
 - c. You must provide us all information and assistance that we request and cooperate with us and our designated representatives in the:
 - (1) Investigation of any “privacy event” or any acts, errors or omissions that may result in a “privacy event”; and
 - (2) Provision of the services described in “privacy crisis management expense”.

13. Deductible - Coverage D

Our obligation to pay “privacy crisis management expenses” on your behalf applies only to the amount of such expense in excess of any deductible amount shown in the above schedule. This deductible applies to each occurrence of a “privacy event”.

14. Your Right to Claim Information

Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding coverage part we have issued to you during the previous three years:

- a.** A list or other record of each “electronic information security event” or “privacy event”, not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** or Paragraph **12.** of this section. We will include the date and a brief description of such “electronic information security event” or “privacy event” if that information was in the notice we received.
- b.** A summary, by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant’s representative without our consent.

We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

- 3.** For the purposes of the coverage provided by Coverage **C** and Coverage **D** of this endorsement the following is added to Condition **5.** Other Insurance:

However, if the insured has another policy, coverage part or endorsement issued by us or one of our affiliated companies that applies to a loss or expense we cover under this Cyber Liability And Privacy Crisis Management Expense endorsement, the most we will pay in total is the single largest applicable limit. This limitation on the amount we will pay applies regardless of whether this policy or the other policy is primary, unless the other policy was purchased specifically to apply in excess of this policy.

E. EXTENDED REPORTING PERIODS

- 1.** We will provide one or more Extended Reporting Periods, as described in items 3. and 5. below, if:
 - a.** The policy or coverage part to which this endorsement is attached is cancelled or not renewed;
 - b.** Any of the following occurs:
 - (1) The retroactive date is changed such that it is later than the date shown in the declarations of this policy;
 - (2) A retroactive date newly applies to this policy where none was previously shown in the declarations of this policy;
 - (3) This policy no longer applies to electronic information security events” and/or “privacy events” on a first discovery basis; or
 - (4) Previously existing coverage is newly excluded or removed.

However, Extended Reporting Periods, as described below, will not apply if cancellation or nonrenewal of this policy is due to nonpayment of premium, failure to comply with terms or conditions of the policy or fraud. In addition, any Extended Reporting Period for previously existing coverage that is newly excluded or removed applies only to the newly excluded or removed coverage.

2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to:
 - a. "Claims" arising out of an "electronic information security event"; or
 - b. "Privacy crisis management expenses" incurred as a result of a "privacy event";that is caused by an act, error or omission that occurred on or after the Cyber Liability Retroactive Date or Privacy Crisis Management Expense Retroactive Date, as applicable, and before the end of the policy period.

Once in effect, Extended Reporting Periods may not be cancelled, except for nonpayment of premium or fraud.
3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts on the date in which an event described in E.1.a. and E.1.b. of this endorsement takes effect and lasts for sixty days.

The Basic Extended Reporting Period does not apply to "electronic information security events" and/or "privacy events" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "electronic information security events" and/or "privacy events".

4. The Basic Extended Reporting Period does not reinstate or increase the Limit of Insurance.
5. A Supplemental Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement within 60 days after the date in which an event described in E.1.a. and E.1.b. of this endorsement takes effect. Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we will take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;
- c. Limit of Insurance available under this policy; and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this coverage.

This endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "electronic information security events" and/or "privacy events" first discovered during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

6. If this Supplemental Extended Reporting Period is in effect, we will provide the separate Aggregate Limit of Insurance described below, but only for "electronic information security events" first discovered during the Supplemental Extended Reporting Period.

The separate Aggregate Limit of Insurance will be equal to the dollar amount shown in the Declarations in effect on the date in which the event described in E.1.a. and E.1.b. of this endorsement takes effect. The applicable Cyber Liability Each Event Limit will continue to apply.

If there is a Supplemental Extended Reporting Period in force for any other coverage under this policy that was subject to the original Aggregate Limit, this separate Aggregate Limit is shared with that other coverage. Any payments made under a Supplemental Extended Reporting Period for those other coverages will reduce this separate Aggregate Limit.

7. If the Supplemental Extended Reporting Period is in effect, we will provide the separate Privacy Crisis Management Expense Aggregate Limit of Insurance described below, but only for "privacy events" first discovered during the Supplemental Extended Reporting Period.

The separate Privacy Crisis Management Expense Aggregate Limit of Insurance will be equal to the dollar amount shown in the Schedule in effect on the date in which the event described in E.1.a. and E.1.b. of this endorsement takes effect. The applicable Privacy Crisis Management Expense Each Event Limit will continue to apply.

F. DEFINITIONS

For the purposes of the coverage provided by this endorsement, the following changes are made to Section VII. Definitions:

1. The following definitions are amended:
 - a. Definition 16. "wrongful act" is amended to include the following:

"Wrongful act" also means an "electronic information security event".
2. The following definitions are replaced:
 - a. Definition 4. "coverage territory" is replaced by the following:
 4. "Coverage territory" means worldwide, but the "electronic information security event" or "privacy event" must take place in the United States of America (including its territories and possessions), Puerto Rico or Canada.
 - b. Definition 12. "property damage" is replaced by the following:
 12. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property; and
 - b. Loss of use of tangible property that is not physically injured but results from a. above.

For the purposes of this insurance, "electronic data" is not tangible property.
3. The following definitions are added:
 - a. "Computer system" means the following:
 - (1) Computers, including Personal Digital Assistants (PDAs) and other transportable or hand held devices, electronic storage devices and related peripheral components;
 - (2) Systems and applications software; and
 - (3) Communications networks (including the internet, intranets, extranets or virtual private networks) to the extent used by the items in (1) and (2) above; by which "electronic data" is collected, transmitted, processed, stored or retrieved; and
 - (4) "Computer system" includes "electronic data" that is
 - (a) Stored on any of the items described in item (1) above; or
 - (b) Temporarily outside of your "computer system" for use by an insured.

- b.** “Confidential corporate information” means any commercial trade secret, data, design, interpretation, forecast, formula, method, practice, process record, report or other item of information of a non-insured third party, and which is:
- (1)** In your care, custody or control;
 - (2)** Not available to the general public; and
 - (3)** **(a)** Provided to you under a mutually agreed to written confidentiality/non-disclosure agreement; or
(b) Marked confidential or otherwise specifically designated in writing as confidential by such third party.
- c.** “Corporate privacy event” means:
- (1)** Unauthorized disclosure by you of “confidential corporate information” or your failure to protect “confidential corporate information” from misappropriation;
 - (2)** Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of “confidential corporate information”, but only if this policy applies to such disclosure or misappropriation and it resulted directly from **(1)** above; or
 - (3)** Violation of any federal or state privacy statute addressing disclosure or misappropriation of “confidential corporate information”, but only if:
 - (a)** This policy applies to such disclosure or misappropriation and it resulted directly from **(1)** or **(2)** above; and
 - (b)** The violation is not willful.
- d.** “Electronic data” means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- e.** “Electronic information security event” means:
- (1)** Transmission of malware from your “computer system” to a third party;
 - (2)** The inability of an authorized user to access your web site or your “computer system” because of a denial of service attack;
 - (3)** A “personal identity event”, but this is limited to information that is obtained or released directly from your “computer system”; or
 - (4)** A “corporate privacy event”, but this is limited to information that is obtained or released directly from your “computer system”.
- As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.
- f.** “Personally identifiable information” means any of the following in your care, custody or control:
- (1)** Information from which an individual may be uniquely and reliably identified or contacted, including an individual’s name, telephone number, social security number, drivers license number, state identification number, account relationships, account numbers, account balances, account histories, access codes, and passwords;
 - (2)** Information concerning an individual that would be considered nonpublic personal information within the meaning of Title V of the Gramm-Leach Bliley Act of 1999 as implemented and amended; and

- (3) Information concerning an individual that would be considered protected health information within the Health Insurance Portability and Accountability Act of 1996 as implemented and amended.
- g. “Personal identity event” means:
- (1) Unauthorized disclosure by you of “personally identifiable information” or your failure to protect “personally identifiable information” from misappropriation.
 - (2) Failure by you to disclose or warn of an actual or potential disclosure or misappropriation of “personally identifiable information”, but only if this policy applies to such disclosure or misappropriation and it resulted directly from (1) above; or
 - (3) Violation of any federal or state privacy statute addressing disclosure or misappropriation of “personally identifiable information”, but only if:
 - (a) This policy applies to such disclosure or misappropriation and it resulted directly from (1) or (2) above; and
 - (b) The violation is not willful.
- h. “Privacy crisis management expense” means:
- (1) Reasonable and necessary fees and expenses for:
 - (a) **Computer Forensic Analysis**
An approved outside vendor to conduct a computer forensic analysis with reasonable allocation of time and resources to investigate your “computer system” to determine the cause and extent of the “privacy event”;
 - (b) **Crisis Management Review and Advice**
The approved crisis management or legal firm to review the “privacy event” and advise you on the appropriate response;
 - (c) **Travel Expenses**
Travel by directors, executive officers, partners, or employees of the insured, that is done to mitigate the damage from the “privacy event”;
 - (d) **Notification to Affected Parties**
Printing, advertising, mailing of materials or other costs to provide notice to affected parties of the “privacy event” for the purposes of maintaining goodwill or compliance with any notification requirements imposed by law; and
 - (e) **Services for Individuals Affected by Personal Identity Event**
The following services provided to any individual whose personal identification is the subject of a “personal identity event”, but only if the primary purpose of such services is mitigating the effect of the “personal identity event”:
 - (i) **Call Center Services**
Reasonable fees and expenses to establish, maintain and provide call center services;
 - (ii) **Credit Monitoring Services**
Credit file monitoring services; or
 - (iii) **Other Services**
Reasonable fees and expenses for any other service specifically approved by us in writing.
 - (2) However, “privacy crisis management expenses” shall not include:
 - (a) Compensation, fees, benefits or overhead of any insured or employee of any insured;
 - (b) Costs or expenses that would have been incurred in the absence of the “privacy event”;

- (c) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any “computer system” as a result of a “privacy event”; or
- (d) Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any procedures, services or property as a result of a “privacy event”.

- i. “Privacy event” means any one of the following events:
 - (1) A “corporate privacy event”; or
 - (2) A “personal identity event”.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VIRGINIA CHANGES

This endorsement modifies insurance provided under the following:

MANAGEMENT LIABILITY COVERAGE PART (CLAIMS MADE)

- A.** Exclusion a. **Other Applicable Coverage** of **SECTION II.** is deleted.
- B.** Paragraph 2. of **SECTION IV. LIMITS OF INSURANCE** is replaced by the following:
2. The Aggregate Limit is the most we will pay for monetary damages under Coverage A for each Named Insured shown in the Declarations.
- C.** Paragraph 4. of **SECTION IV. LIMITS OF INSURANCE** is replaced by the following:
4. The Each Action for "Injunctive Relief" limit is the most we will pay under Coverage B for "defense expense" for all actions or proceedings for "injunctive relief" arising out of the same or related offenses or "wrongful acts".
- D.** Paragraph c. under 6. **Representations** of **SECTION V. CONDITIONS** is replaced by the following:
- c. This policy is void if it is proven that any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented in the application for this insurance.
- E.** Paragraph 1. of **SECTION VI. EXTENDED REPORTING PERIODS (COVERAGE A ONLY)** is amended to read as follows:
- We will provide one or more Extended Reporting Periods, as described in items 3 and 4 below, if:
- a. This coverage part is cancelled or not renewed by either party;
 - b. We renew or replace this coverage part with insurance that does not apply to offenses or "wrongful acts" on a claims made basis; or
 - c. We reduce claims made coverage in any way.
 - d. A Retroactive Date newly applies to this policy where none was previously shown in the Declarations of this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AMENDATORY ENDORSEMENT CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE VIRGINIA

This endorsement modifies insurance provided under the following:

EMERGENCY SERVICES ORGANIZATION MANAGEMENT LIABILITY COVERAGE FORM
EMERGENCY SERVICES ORGANIZATION MANAGEMENT LIABILITY COVERAGE FORM
(CLAIMS MADE)
CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE VIRGINIA

The following changes are made to sub-paragraph **d. Exclusions Applicable to Cyber Liability And Privacy Crisis Management Expense** of **A. Coverages**, Paragraph **3. Exclusions**:

Item c. of **1. Failure to Follow Risk Management Procedures and Inadequacy of Software** is replaced by the following:

- c. Your reckless disregard for the security of "personally identifiable information" and "confidential corporate information"; or



CLAIM REPORTING

Successful claim handling begins with prompt notification. Incidents that will or might give rise to a claim should be immediately reported to your agent. The agent will relay pertinent information to Glatfelter Claims Management, Inc. (GCM). Minimum information needed is:

- Name and telephone number of insured contact person.
- Date, time and location of the accident or incident.
- Description of how the incident occurred.
- Description of the vehicle or property involved.
- Description of the damage and/or injuries.
- Description of any other automobiles, property, persons and witnesses involved, including addresses and telephone numbers, if available.
- If known, the name and incident report number of the responding police department or other authority.

Do not delay reporting an incident to your agent waiting on information such as a police report, repair estimate, or other claim details. When additional information is obtained, it should be promptly reported to your agent or the claim handler assigned by GCM.

Should a claim arise, some important points to remember are:

- Provide assistance to injured persons.
- Protect property from further damage.
- Do not divulge information to anyone other than the assigned claim handler or GCM's authorized representative.
- If a lawsuit is filed, contact your agent immediately who will transmit copies to GCM.

If an after-hours emergency should arise, please contact our office for assistance.

Glatfelter Claims Management, Inc.
P.O. Box 5126
York, PA 17405
Telephone: (800) 233-1957
Claims Fax: (717) 747-7051
E-Mail: claims@glatfelters.com

License Number: 2D89880 (California only)

Glatfelter Claims Management, Inc., a division of Glatfelter Insurance Group, is a wholly owned, third-party claims administrator charged with the handling of claims for VFIS, on behalf of American Alternative Insurance Corporation.



(800) 233-1957

www.vfis.com

Named Insured: APPALACHIAN SEARCH AND RESCUE

Policy No. or Type of Policy: VFIS-TR-2050521-09/000 **Effective Date:** 02-01-2016

Insurance Company: American Alternative Insurance Corporation

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you now have a right to purchase insurance coverage for losses resulting from acts of terrorism, as *defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury--in consultation with the Secretary of Homeland Security, and the Attorney General of the United States--to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Coverage for certified acts of terrorism has been included in your policy. No additional premium has been charged under this policy for such terrorism coverage.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE, IF ANY, IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION, IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

HOW DOES THE ACT AFFECT YOUR INSURANCE COVERAGE?

You have a policy of insurance issued by us which has no terrorism exclusion attached to it.

- This policy will remain in effect as written for the remainder of the policy period shown in the Declarations of the policy.
- The decision not to include a terrorism exclusion to your policy when it was issued or last renewed was based on a number of reasons, and the continuation or importance of these reasons may or may not have been altered by the passage of the Act.
- In the time between now and the next renewal we will examine and refine our treatment of terrorism under your policy. This means that you may or may not have the same terms offered to you upon renewal and that the premium charged may or may not reflect alteration based upon the terrorism exposure.

WHAT IS THE TERRORISM RISK INSURANCE ACT ?

The following is a partial summary of the Terrorism Risk Insurance Act, as amended, (hereinafter referred to as the Act). Only the provisions of the Act determine the scope of the insurance protection available for the losses covered under the Act. The Act has been extended through December 31, 2020.

The Act provides coverage for property and casualty insurance for "insured losses" as a result of an "act of terrorism." As stated in the Act:

- A. "Insured loss" means any loss resulting from an "act of terrorism" (including an act of war, in the case of worker's compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if such loss:
1. occurs within the United States; or
 2. occurs to an air carrier (as defined in section 40102 of title 49, United States Code), to a United States flag vessel (or a vessel based principally in the United States, on which US income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs, or at the premises of any United States mission.
- B. "Act of terrorism" means any act or acts that are certified by the Secretary of Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States:
1. To be an act of terrorism;
 2. To be a violent act or an act that is dangerous to:
 - a. human life;
 - b. property; or
 - c. infrastructure;
 3. to have resulted in damage within the United States, or outside of the United States in the case of:
 - a. an air carrier or vessel described in paragraph (5)(B) of Section 102 of the Act; or
 - b. the premises of a United States mission; and
 4. to have been committed by an individual or individuals, as part of an effort to coerce the civilian populations of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- C. Section 102 (1)(B) of the Act states “no act shall be certified by the Secretary as an act of terrorism if:
1. the act is committed as part of the course of a war declared by the Congress, except that this clause shall not apply with respect to any coverage for workers' compensation; or
 2. property and casualty insurance losses resulting from the acts, in the aggregate, do not exceed \$5,000,000.”
- D. The Act also contains a “program trigger” in Section 103(e)(1)(B), pursuant to which the federal government does not pay compensation for losses resulting from a certified act occurring after December 31, 2007, unless aggregate industry insured losses from such a certified act exceed a certain amount, or “trigger.” For insured losses occurring in 2008 and for all additional calendar years, the program trigger is \$100,000,000 through 2015, \$120,000,000 beginning on January 1, 2016, \$140,000,000 beginning on January 1, 2017, \$160,000,000 beginning on January 1, 2018, \$180,000,000 beginning on January 1, 2019, \$200,000,000 beginning on January 1, 2020 of aggregate industry insured losses.
- E. The Act does not apply to: crop or livestock insurance; private mortgage insurance or title insurance; financial guaranty insurance issued by monoline financial guaranty insurance corporations; insurance for medical malpractice; health or life insurance; flood insurance provided under the National Flood Insurance Act of 1968; commercial automobile insurance; burglary and theft insurance; surety insurance; professional liability insurance (except Directors and Officers Liability); or farm owners multiple peril insurance.
- F. Under the Act for calendar years through December 31, 2020, the federal government will reimburse the insurance company for 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of its insured losses in excess of a deductible, until aggregate “insured losses” in any calendar year exceed \$100 billion. Each insurer's deductible will be 20% of its direct earned premium for property and casualty insurance (as reported on Page 14 of the company's Annual Statement), over the immediately preceding calendar year.

For the purposes of determining such deductibles, direct earned premium means only the premiums earned on the commercial lines property and casualty insurance covered by the Act for U.S. risks or vessels, aircraft and foreign missions outside the U.S. covered by the Act.

Neither the insurance company (having met its statutorily mandated share as described above) nor the federal government will be liable for payment of any portion of “insured losses” under the Act that exceeds \$100 billion in the aggregate during any calendar year.

IMPORTANT INFORMATION REGARDING YOUR POLICY

In the event you need to contact someone about this insurance for any reason please contact your agent. If no agent was involved in the sale of this insurance, or if you have additional questions you may contact the insurance company issuing this insurance at the following address and telephone number:

American Alternative Insurance Corporation
555 College Road East
Princeton, NJ 08543
1-800-305-4954

If you have been unable to contact or obtain satisfaction from the company or the agent, you may contact the Virginia State Corporation Commission's Bureau of Insurance at the following address and telephone number:

Virginia Bureau of Insurance
P.O. Box 1157
Richmond, VA 23218
(804) 371-9741
(800) 552-7945

Written correspondence is preferable so that a record of your inquiry is maintained. When contacting your agent, company, or the Bureau of Insurance, have your policy number available.